

**TPG Angelo Gordon**

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**Part 2A of Form ADV: Firm Brochure**

December 1, 2023

**This brochure provides information about the qualifications and business practices of Angelo, Gordon & Co., L.P., doing business as TPG Angelo Gordon. If you have any questions about the contents of this brochure, please contact us at (212) 692-2000. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority.**

**Additional information about TPG Angelo Gordon is also available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

**An investment adviser’s registration with the SEC does not imply a certain level of skill or training.**

## Item 2—Material Changes

This brochure, dated December 1, 2023, updates our brochure dated March 31, 2023 to reflect TPG's (as defined herein) acquisition of TPG Angelo Gordon, and certain of its related entities. This brochure contains certain material updates related to such acquisition including:

- **Item 4** has been updated to reflect TPG's acquisition of TPG Angelo Gordon and TPG Angelo Gordon's new ownership;
- **Item 5** includes updated disclosure regarding fees and expenses borne, or that are expected in the future to be borne, by clients;
- **Item 10** has been updated to add certain related advisers as a result of TPG's acquisition of TPG Angelo Gordon;
- **Item 11** includes updated disclosure regarding potential and/or actual conflicts of interest faced by TPG Angelo Gordon due to TPG Angelo Gordon's affiliation with TPG and its clients, including, but not limited to, those involving information barriers, investments in common issuers, capital markets activity, material non-public information, and affiliated service providers;
- **Item 12** includes updated disclosure regarding cross transactions, continuation vehicles, and trade aggregation; and
- certain other updates and changes throughout related to the acquisition and to improve and clarify the description of TPG Angelo Gordon's business practices and policies and to respond to evolving industry best practices.

### Item 3—Table of Contents

Item 1— Cover Page .....	i
Item 2— Material Changes .....	ii
Item 3— Table of Contents .....	iii
Item 4— Advisory Business.....	1
Item 5— Fees and Compensation .....	2
Item 6— Performance-Based Fees and Side-by-Side Management .....	8
Item 7— Types of Clients .....	9
Item 8— Methods of Analysis, Investment Strategies and Risk of Loss.....	9
Item 9— Disciplinary Information.....	27
Item 10— Other Financial Industry Activities and Affiliations.....	27
Item 11— Code of Ethics, Participation or Interest in Client Transactions and Personal Trading .....	29
Item 12— Brokerage Practices.....	65
Item 13— Review of Accounts .....	70
Item 14— Client Referrals and Other Compensation .....	71
Item 15— Custody .....	71
Item 16— Investment Discretion .....	71
Item 17— Voting Client Securities .....	72
Item 18— Financial Information.....	72

## Item 4—Advisory Business

For purposes of this brochure, “we,” “us” and “our” refer to TPG Angelo Gordon, together (where the context permits) with our related persons that are relying advisers and provide investment advisory services to the Clients (as defined below) and our related persons that serve as general partners of the Clients.

*Advisory Clients.* We offer investors the opportunity to participate in our investment strategies primarily through investment in limited partnerships and other collective or pooled investment vehicles, separately managed accounts (“SMAs”) on a fully discretionary basis, funds of one (collectively, “Client Funds”), collateralized loan obligation vehicles (“CLOs”), and a publicly traded REIT (together, with Client Funds, the “Clients”). Some Client Funds are sponsored and administered by us, while others are administered by third parties. Our SMAs are generally institutional clients and our Client Funds are generally exempt from the definition of investment company under Section 3(c)(7) of the Investment Company Act of 1940. Requirements for opening or maintaining accounts with us differ based on the applicable strategy and other factors in our discretion. Accordingly, we reserve the right to adjust account size minimum with respect to any Client as deemed appropriate in light of the overall facts and circumstances.

*Organization.* TPG Angelo Gordon was formed as a Delaware limited partnership in 1988, and, as of November 1, 2023, was acquired by a private investment firm originally founded in 1992, which we refer to, together with its related persons, including us, as “TPG.” TPG’s ultimate principal owners are, indirectly, David Bonderman and James Coulter. In addition, TPG Angelo Gordon is an indirect subsidiary of TPG Inc. (the “Public Company”), whose Class A common stock is listed on Nasdaq under the symbol “TPG.”

The Public Company qualifies as a “controlled company” within the meaning of Nasdaq’s corporate governance standards. Each share of the Public Company’s Class A common stock generally entitles its holder to one vote and each share of Class B common stock entitles its holder to ten votes. TPG Group Holdings (SBS), L.P. holds a majority of the Public Company’s outstanding voting power by virtue of its ownership of Class B common stock, which voting power is exercised by the Control Group as the members of TPG GP A, LLC, the general partner of TPG Group Holdings (SBS), L.P. The “Control Group” consists of David Bonderman, James Coulter and Jon Winkelried. Additional information about the Public Company is available in its current public filings with the SEC. Unless specifically stated otherwise, references in this Brochure to “we,” “us” and “our” do not include the Public Company. The term “investors” as used herein does not reference stockholders of the Public Company.

*Nature of Advisory Services.* As an investment adviser, we identify investment opportunities and participate in the acquisition, management, monitoring and disposition of investments in the credit and real estate space. We specialize in global alternative (non-traditional) investments with an absolute return orientation.

We manage capital across our Credit and Real Estate strategies. Specifically, our Credit Strategy includes: (i) Distressed & Corporate Special Situations; (ii) Performing Credit; (iii) Structured Credit; (iv) Middle Market Direct Lending; and (v) Multi-Strategy Platform. Our Real Estate

Strategy includes: (i) Global Private Equity Real Estate; (ii) Commercial Real Estate Debt; and (iii) Net Lease Real Estate.

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

We generally permit SMA clients to place restrictions on their accounts with respect to: (1) the specific type of investments or asset classes that we will or will not purchase; (2) the nature of the issuers of investments that we will or will not purchase (e.g., specific industries or sectors); (3) the risk profile of instruments we will or will not purchase; or (4) the risk profile of the SMA as a whole. Otherwise, as in the case where we serve as the investment adviser to a Client Fund, investment objectives, guidelines, and any investment restrictions are described in the relevant offering documents and generally are not tailored to the needs of specific investors in the vehicle, unless the vehicle is structured as a single investor “fund-of-one.” As described more fully in Item 11 below, we and our Related Advisers (as defined below) routinely enter into side letter agreements with certain investors in the Clients providing such investors with customized terms.

*Amount of Client Assets.* As of June 30, 2023, we managed on a discretionary basis a total of approximately \$ 81,624,229,016 of client assets.

## **Item 5—Fees and Compensation**

*Fees Generally.* We establish and negotiate with the applicable Client the precise amount of, and the manner and calculation of, fees and compensation. Such Client Advisory Services Agreements, organizational documents, offering documents and/or other documentation, which we refer to collectively as, together with any applicable side letters, the “Governing Documents,” set forth the precise amount of, and the manner and calculation of, the fees and compensation.

Compensation we earn from Clients generally is comprised of negotiated fees calculated on (i) a percentage of net asset value, (ii) capital commitments to the Client or (iii) capital contributions to the Client net of distributions and permanent impairments in value of investments held by the Client (“Management Fee”) and performance-based amounts (“Performance Compensation”). Management Fees are generally charged at annual rates and payable monthly or quarterly after the close of the calendar month or quarter during which we performed the services to which the fees relate. However, payment of Management Fees quarterly in advance is required of certain Clients. If Management Fees are paid in advance, in the event the account is terminated, the Management Fees generally will be prorated to the date of termination and any unearned fees will be refunded. For Management Fees payable in advance, the amount of such fees is generally adjusted to take into account intra-quarter changes in the base on which such fees are calculated. Management Fees and Performance Compensation for Client Funds are determined by the general partner or board

of directors or the investment manager, as applicable, and as set forth in the Client Funds' Governing Documents or relevant agreements. Management Fees and Performance Compensation, as applicable, are deducted from the accounts of Clients unless, with respect to managed accounts, other arrangements have been agreed upon between us and the investors in those managed accounts.

Performance Compensation can be (i) a percentage on a mark to market basis over an annual or other period, in some cases over a priority return or hurdle amount or (ii) on a distribution basis, subject to a priority return or hurdle, and generally subject to a catch-up.

Where part of the investment mandate, we invest cash balances of Clients in temporary short-term investments, including in some instances money market funds or similar investments which charge a separate management fee payable to the money market fund's adviser. The adviser's fees associated with such money market fund investments are in addition to the fees charged by us. Such money market advisers may be affiliated with our service providers or Clients.

Management Fees and Performance Compensation can vary from the description set forth herein. In any such case, the applicable Management Fees and Performance Compensation will be as disclosed in the Clients' Governing Documents. If a Client Fund is sponsored by others, fees will be negotiated with the sponsor. Likewise, the sponsor selects the service providers of such Client Funds and negotiates fees paid to such service providers.

Our and our affiliates' employees and former employees maintain (directly or indirectly) investments in Client Funds. Generally, Management Fees and Performance Compensation are waived in whole or in part for such employees and former employees. In addition, when our affiliate acts as the general partner of a Client Fund, Management Fees and Performance Compensation generally are not charged on the general partner's capital commitment.

Please see Item 6 for more information on Performance Compensation.

**Service Fees.** In certain instances, the general partners to some of our Clients have appointed service companies which are our subsidiaries, affiliates or related persons (the "Affiliated Service Providers"), to act as service providers to specific portfolios of assets owned by those Clients. See *Conflicts Related to Certain Service Provider Relationships* in Item 11 for a further description of such Affiliated Service Providers and related conflicts. Accordingly, we expect an Affiliated Service Provider to provide certain loan acquisition, due diligence, management of servicing transfer, management of collateral inventory and custodial relationships, asset management, loan servicing, oversight of third party service providers, preparation of cash management reporting, loan syndication, loan origination, collateral agent, administrative agent and/or other similar services with respect to a Client, and our Affiliated Service Provider manages portfolios of residential mortgage loans and real estate owned properties (collectively, "Affiliate Services"). The Affiliated Service Providers charge fees ("Service Fees") for Affiliate Services to these Clients. There can be no assurance that the rates charged for such services would be the same or lower than those that would have been charged by a third-party service provider.

In such cases, we indirectly receive such Service Fees, via Affiliated Service Providers, in addition to Management Fees and Performance Compensation. Subject to a Client's Governing Documents,

such Service Fees will be retained by the Affiliated Service Provider and do not offset Management Fees or Performance Compensation.

**Fund Expenses.** In addition to Management Fees and Performance Compensation, Clients generally are responsible for the costs and expenses set forth in the Clients' Governing Documents. Such costs and expenses often include, among others, (i) expenses associated with the organization and operation of Clients, including but not limited to accounting expenses (including accounting systems), expenses relating to certain withholding, other taxes or governmental charges, audit, legal and regulatory expenses (including filings with U.S. and non-U.S. regulators such as Form PF) in accordance with the Investment Advisers Act of 1940, as amended (the "Advisers Act") and compliance obligations arising from the Alternative Investment Fund Managers Directive (AIFMD) with respect to Clients, fees and expenses of any administrators in connection with the administration of Clients, expenses relating to the maintenance of registered offices of Clients to the extent provided by unaffiliated service providers, temporary office space of non-employee consultants or auditors, blue sky and corporate filing fees and expenses, corporate licensing expenses, indemnification expenses, costs of holding any meetings or conferences of investors or their delegates or advisors (including meetings of any advisory committee and related activities), out-of-pocket expenses of any advisory committee, the fees and expenses of any independent counsel engaged by the advisory committee, costs of any litigation or threatened litigation or costs of any investigation or legal inquiries involving Clients' activities (including regulatory sweeps), the cost of any liability insurance or fidelity coverage for Clients, their respective general partners, we and our affiliates, including any directors' and officers' liability insurance and key-person life insurance policies, maintained with respect to liabilities arising in connection with the activities of any indemnified person, costs associated with reporting and providing information to existing and prospective investors, including printing and mailing costs as well as costs and expenses of administering and complying with side letters entered into with investors (including costs incurred in connection with the preparation and execution of investor "most favored nations" elections and any Environmental, Social and Governance obligations or other standards, including compliance and reporting), investor site visits and related travel and meals, wind up and liquidation expenses, and any extraordinary expenses arising in connection with the operations of Clients; (ii) the conduct of the investment and trading program including deal sourcing expenses, which include costs related to advertising, research, market data technology systems and other information and information service subscriptions utilized with respect to Clients and their activities, including fees to third-party providers of research, portfolio risk management services (including the costs of acquiring, developing, implementing and maintaining risk management software, software customization and implementation costs or database packages), fees of pricing and valuation services, as well as costs incurred to attend or sponsor networking and other similar events hosted by both for-profit and not-for-profit organizations, which may include organizations affiliated with current or prospective investors; and (iii) structuring, evaluating, consummating, maintaining, developing, re-structuring, refinancing and disposing of investments and potential investments (whether or not the investment is consummated), including but not limited to legal, regulatory, accounting and other professional or third-party costs or disbursements including travel, rent or lodging, meals, entertainment and other similar costs and expenses, litigation expenses, brokerage commissions, clearing and settlement charges and other transaction costs, custody fees, interest expenses, financing charges, costs and expenses in connection with any subscription facility, initial and variation margin, broken deal expenses, compensation (which include fees or performance-based compensation) of advisors, consultants and finders, joint venture partners, or other

professionals relating to investments or potential investments (whether or not completed). Travel expenses include first class airfare and limited use of private or charter aircraft, as well as premium accommodations, in accordance with our policies related thereto, all as further described in Clients' Governing Documents.

In addition, certain Clients will reimburse us and our affiliates (as applicable) for the compensation and related overhead costs of our personnel (or affiliate) for legal, regulatory, tax, and similar personnel as well as back office accounting and finance support, in all cases who provide services for the benefit of Clients and Clients' investments (such services, "In-House Services"); provided, that (i) such expenses would qualify as expenses of such Client, as set forth above, if such services were provided by third-party service providers and (ii) the general partner of the Client reasonably believes that it would be advantageous to such Client to have in-house personnel provide such services as compared to engaging a third party, whether due to cost, quality, efficiency or other considerations relating to the in-house provision of such services. The general partner of a Client shall report the aggregate amount of any such reimbursement to such Client's advisory committee on an annual basis or as requested depending on the requirements set forth in such Client's Governing Documents. Amounts paid to us or our affiliates by a Client with respect to these In-House Services are in addition to the Management Fees. The amounts described above may not have been negotiated on an arm's length basis and may be more or less than the amount a third party might charge for similar work.

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

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

Additional specific types of costs and expenses can be deemed appropriate over time in light of evolving market practices and developing standards, and we accordingly reserve the right to adjust the costs and expenses that Clients are responsible for to align with industry standards.

We incur some expenses on an aggregate basis for the benefit of multiple Clients, Related Funds (as defined in Item 11) and/or us. For example, we purchase insurance that covers us and the Clients. In addition, although some expenses are incurred on behalf of a Client, they are likely to benefit other Clients, Related Funds or us more broadly. For example, information and data we obtain in connection with a Client's research, due diligence and investment activities will be valuable to other Clients, Related Funds and other TPG businesses. In addition, tools and resources developed at a Client's expense will be the intellectual property of ours and not the Client. If we license or sell such intellectual property to third parties in the future, the relevant Client will not benefit from such license or sale.



For information on brokerage practices, see Item 12 below.

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

With respect to Co-Investment Vehicles, any fees we receive, and expenses borne by the Co-Investment Vehicle, are generally negotiated on a vehicle-by-vehicle basis, but sometimes include asset-based fees and expense reimbursements or non-advisory administrative fees similar to those described above for the Clients.

***Fees for Services Provided to Portfolio Investments.*** To the extent set forth in certain Clients’ Governing Documents, certain net fees we receive in respect of our management of the Clients, which we refer to herein as portfolio fees allocable to fee-paying investors, will offset the Management Fee due from such investors. For certain Clients, there is no management fee offset applicable to investors who do not pay Management Fees. Accordingly, we retain amounts of portfolio fees allocable to fee-free investors without further offsetting the Management Fee of fee-paying investors.

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

Subject to a Client’s Governing Documents, certain fees and reimbursements are generally not considered portfolio fees and are not subject to the reduction arrangements described above. These amounts include but are not limited to:

- “Service Fees” as described above;

- any profits interests or other compensation or amounts payable by a portfolio investment or a Client to an affiliate of ours pursuant to an arrangement that was entered into prior to such person becoming an affiliate of ours, regardless of when the interests, compensation or amounts crystallize or vest;
- any amounts paid by a former portfolio investment, such as directors' fees a former portfolio investment pays one of our professionals who remains on the investment's board of directors following the Client's disposition of the investment;
- any underwriting, private placement, arranging or similar broker-dealer fees, discounts or commissions paid by portfolio investments to TPG Capital BD, LLC ("TPG BD"), our broker-dealer affiliate (or other affiliated broker-dealers) in connection with securities offerings or loan syndications (as described below – see "*Compensation Received by TPG Capital BD, LLC and Related Entities for Capital Markets Activity*" in Item 5);
- the portion of any fee allocable to a co-investor, Client or Related Fund (even if it is received by the Client or Related Fund, us, the general partner of a Client or any of their affiliates);
- any fee paid to a co-underwriter or co-sponsor of an investment;
- any amounts paid by our portfolio investments as reimbursement for any out-of-pocket costs and expenses we incur in connection with a transaction, whether or not these expenses would be payable by a Client if not for such reimbursement;
- a portion of a transaction or other fee received from an actual or prospective portfolio investment that we in our sole discretion agree to pay to a third party, such as a consultant, advisor, finder, broker and/or investment bank (as the third-party fee is not a fee that we are entitled to retain);
- reimbursements for In-House Services;
- any amounts paid by a Client or by portfolio investments to persons designated in the Governing Documents as unaffiliated with us; and
- any amounts a Client's advisory committee consents not to treat as portfolio fees.

***Waiver of Terms.*** The Client Funds, to the extent permitted by applicable law, have the absolute discretion to consent to any investor request to waive or modify the application of any of the terms described within a Client Fund's Governing Documents (including, but not limited to, those relating to fees, key persons, liquidity and transparency) or to create new terms in addition to those described in the Governing Documents, without obtaining the consent of any other investor (other than an investor whose rights as a shareholder or limited partner, as applicable, would be materially and adversely changed by such waiver, modification or creation of such term and without entitling any other investor to such waiver, modification or new term. The determination of a Client Fund's directors or general partner, as applicable, as to whether the contractual rights of any shareholder or limited partner would be materially and adversely changed by such waiver, modification or creation of such term shall be binding and conclusive on the Client Funds and all shareholders or

limited partners thereof. With respect to certain Clients, our affiliates or employees at times serve as directors or general partners of Clients and in the future may continue to do so.

**Brokerage Fees.** Our fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which shall be incurred by the relevant Client. Clients incur certain charges and expenses as described above and detailed further in the respective Governing Documents, including, but not limited to, charges imposed by custodians, brokers, lenders and other third parties such as fees charged by auditors, attorneys, administrators or custodians, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Such charges, fees and commissions are in addition to our fees, and we do not receive any portion of these commissions, fees, and costs. The factors that we consider when selecting brokers or dealers for Client transactions are further described in “*Item 12—Brokerage Practices*” herein.

**Compensation Received by TPG Capital BD, LLC and Related Entities for Capital Markets Activity.** Our related person TPG BD is a broker-dealer registered with the U.S. Securities and Exchange Commission (the “SEC”) and a member of the Financial Industry Regulatory Authority (“FINRA”). TPG BD and related entities receive compensation in connection with capital markets services, and are expected to receive compensation from or with respect to our Clients and their investments. See “*Participation of TPG BD and Related Entities in Capital Markets Activity*” in Item 11 for additional information on such compensation and related conflicts of interest.

To the extent permitted by a Client’s Governing Documents, it may pay TPG BD for any underwriting, private placement, arranging or similar broker-dealer fees, discounts or commissions in connection with securities offerings or loan syndications. While we believe such fees, commissions and other compensation are reasonable and generally charged at market rates for the relevant activities, such compensation may not in each case be negotiated at arm’s length and from time to time may be in excess of fees, commissions or other compensation that may be charged by an unaffiliated third party. Subject to a Client’s Governing Documents, Clients generally will not have the right to share in, or Management Fee or Performance Compensation offset for, any compensation received by TPG BD. TPG BD will only serve as a broker-dealer in a transaction for a Client or its portfolio investment if we determine it is consistent with our fiduciary duties.

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

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

## **Item 6—Performance-Based Fees and Side-by-Side Management**

We manage assets for Clients with differing fees, transparency and liquidity. We structure any performance or incentive compensation arrangement subject to applicable law. In measuring Clients’ assets for the calculation of performance-based compensation, in certain strategies, we

include realized and unrealized capital gains and losses to the extent permitted pursuant to the Clients' Governing Documents. In certain Client Funds, we receive Performance Compensation in connection with distributions generally after all capital plus a preferred return have been distributed to investors.

Performance Compensation creates an incentive for us to make investments that are riskier or more speculative than would be the case in the absence of such compensation and creates an incentive to favor higher fee-paying accounts over other accounts in the allocation of investment opportunities. We also have an incentive to dispose of a Client's investments at a time and in a sequence that would generate the most Performance Compensation, even if it would not be in the Client's interest to dispose of the investments in that manner. In order to address the potential conflict of interest associated with side-by-side management of Clients with differing Performance Compensation rates, we have adopted a policy and implemented procedures designed to prevent this conflict from influencing the allocation of investment opportunities among Clients. Our allocation policy and procedures are further described in "*Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss*" and "*Item 12—Brokerage Practices*" herein.

### **Item 7—Types of Clients**

See "*Item 4 – Advisory Business.*"

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

We manage capital across our Credit and Real Estate strategies, all of which employ a disciplined investment philosophy that combines fundamental in-depth research with a diversification strategy designed to reduce downside risk. The research team is the cornerstone of all investment activities. Each strategy is managed by a seasoned leadership team of senior professionals with extensive experience in the relevant strategy and underlying product(s).

We recognize the importance of considering environmental, social and governance ("ESG") factors in our investment process and have adopted an ESG policy that applies across our investment strategies. Our investment teams consider material ESG information and risk factors in their investment process alongside other investment considerations, to the extent relevant. We refer to this as ESG Integration. Our investment professionals consider certain ESG characteristics with the goal of maximizing risk-adjusted returns in accordance with our fiduciary duty, and the assessment of material ESG factors remains at their sole discretion. Y Analytics, a public benefit company currently affiliated with TPG, may also provide ESG-related services to our Clients and the Related Funds, including but not limited to diligence, screening, monitoring, and/or portfolio-level initiatives. We may utilize the services of Y Analytics in our discretion. While we view ESG considerations as having the potential to contribute to a portfolio's performance, there is no guarantee that such results will be achieved. The presence of one or more ESG-related risks will not necessarily preclude us from making an investment. However, certain Clients may contractually mandate an enhanced approach to integrating ESG risks the investment decision making process. Compliance with such mandates may require certain additional obligations and associated costs, which will be borne by Clients and could impact returns to investors.

## ***Material Risks***

Investing in securities involves risk of loss that Clients should be prepared to bear. All Clients have the potential risk of a complete loss of capital. There can be no assurance that an investment program will be successful or that investments purchased by the Client will increase in value or be profitable. Clients should give careful consideration to the following risk factors in evaluating the merits and suitability of our investment strategies. The following are only certain risks to which Clients and investors are subject and they should consult their own legal, tax and financial advisers. Clients and investors should read carefully all applicable informational materials and Governing Documents for a more fulsome description of the applicable risks associated with an investment. Past performance is not indicative of future results.

### ***General Risks as Applicable to Pooled Investment Vehicles***

***Lack of Client Fund Operating History; Past Performance.*** Some Client Funds are newly formed entities with no prior operating history. Although we have had prior experience in portfolio management, the past performance of any investments or investment funds managed by us is no guarantee of future results. Accordingly, the pursuit of such investment strategies by Clients involves uncertainty. No assurance can be given that suitable investment opportunities in which to deploy all of the Clients' capital will be available or if available, will be on favorable terms. If we do not locate suitable and compelling investment opportunities in which to deploy all of a Client Fund's capital, a Client Fund may not fully invest its committed capital, which may result in an adverse effect on performance results.

***Diverse Investor Group.*** The investors in a Client have conflicting investment, tax and other interests with respect to their investments in the Client. Consequently, conflicts of interest may arise among such investors with respect to, among other things, the structure and nature of the Client's investments and the timing of dispositions of the Client's investments. In making decisions as investment manager of the Client, including selecting and structuring investments and disposing of investments, we will consider the investment and tax objectives of the Client as a whole.

***Impact of ERISA Investors.*** Certain Client Funds have accepted equity investment from investors that are subject to the U.S. Employee Retirement Income Security Act of 1974, as amended ("ERISA"). Under ERISA, if equity participation by "Benefit Plan Investors" in a Client Fund is "significant" (within the meaning of ERISA), a proportionate amount of the assets of such Client Fund would be considered the assets of any employee benefit plans subject to Title I of ERISA or plans within the meaning of Section 4975 of the Internal Revenue Code of 1986 that purchase or hold interests in such entity. Consequently, certain Client Funds may be deemed to hold "plan assets" within the meaning of ERISA where the above conditions are met.

***Illiquidity of Interests.*** Interests in the Client Funds are highly illiquid and are not transferable without the consent of the general partner, typically an entity under common control with us. There can be no assurance that there will be any secondary market for the interests in Client Funds, and consequently, holders of such interests may not be able to sell such interests except by means of the withdrawal privilege, if available, with respect to such Client Fund and subject to the limitations set forth in the Governing Documents. Such limitations may include advance notice,

lock up periods or suspensions of the withdrawal privilege, if the general partner determines that circumstances warrant a suspension. Except in these limited circumstances, investors will not have the right to withdraw from a Client Fund at any time prior to its termination.

***No Assurance of Profit, Cash Distributions, Appreciation or Rate of Return.*** An investment in Clients involves a high and speculative degree of business and financial risk that could result in a loss of all or a part of the invested capital. There can be no assurance that a Client's investment strategy will produce favorable returns, due to the risks and uncertainties noted herein, among others. Investors must be prepared to bear capital losses that might result from an investment in a Client, including a complete loss of the investor's invested capital.

***Concentrated Positions.*** To the extent we concentrate Clients' investments in a particular issuer, strategy, or product, sector, asset class, etc., portfolios may become more susceptible to fluctuations in value or loss resulting from adverse economic or business conditions than a more diversified mix of investments or holdings.

***Reliance on our Investment Professionals.*** The success of Clients will depend in large part upon the skill and expertise of our investment professionals. Although we believe that the success of a Client is not dependent upon any of our investment professionals, there can be no assurance that any of the investment professionals will continue to be associated with such Client or us. In addition, our professionals are actively involved in managing the investment activities of multiple Clients. Thus, our members of the professional staff will have demands on their time for the investment, monitoring and other functions of other Clients.

***Non-U.S. Investments.*** Certain Clients invest in securities and other instruments of non-U.S. corporations and non-U.S. countries. Investing in the securities of companies (and, from time to time, governments) in non-U.S. countries involves certain considerations not usually associated with investing in securities of U.S. companies or the U.S. government, including, among other things, political and economic considerations, such as greater risks of expropriation, nationalization and general social, political and economic instability; the small size of the securities markets in such countries and the low volume of trading, resulting in potential lack of liquidity and in price volatility; fluctuations in the rate of exchange between currencies and costs associated with currency conversion; and certain government policies that may restrict a Client's investment opportunities. In addition, accounting and financial reporting standards that prevail in non-U.S. countries generally are not equivalent to U.S. standards and, consequently, less information is available to investors in companies located in non-U.S. countries than is available to investors in companies located in the United States. There is also less regulation, generally, of the securities markets in non-U.S. countries, other than the United Kingdom, than there is in the United States.

Further, non-U.S. real estate-related investments involve certain factors not typically associated with investing in real estate-related investments in the United States, including risks relating to (i) currency exchange matters, including fluctuations in the rate of exchange between the U.S. dollar and the various non-U.S. currencies in which a Client's non-U.S. investments are denominated, and costs associated with conversion of investment principal and income from one currency into another; (ii) differences between U.S. and non-U.S. real estate markets, including potential price volatility and relative illiquidity; (iii) the absence of uniform accounting, auditing and financial

reporting standards, practices and disclosure requirements and differences in government supervision and regulation; (iv) certain economic and political risks, including potential exchange-control regulations, potential restrictions on foreign investment and repatriation of capital, the risks associated with political, economic or social instability, and the possibility of expropriation or confiscatory taxation; (v) legal risks including less developed judicial protection of property ownership rights; (vi) vulnerability to macroeconomic factors, such as high inflation or deteriorating credit conditions; and (vii) the imposition of non-U.S. taxes on income and gains recognized with respect to such investments, which may be subject to non-U.S. withholding taxes which may or may not be reduced or eliminated by an income tax treaty. There can be no assurance that adverse developments with respect to such risks will not adversely affect the assets of Clients that are held in certain countries.

***Special Economic, Transparency, Liquidity and Other Rights.*** Client Funds may grant preferential fee, transparency and liquidity rights to certain investors, to the extent permitted by applicable law. A combination of special fee, transparency and liquidity rights for some investors may have an adverse impact on the remaining investors' interests. Also, a Client Fund may grant preferential economic, transparency and liquidity rights to certain investors, as well as capacity rights, minimum investment amounts, withdrawal rights, specific exceptions in respect of disclosure of confidential information, modifications to subscription documents, co-investment rights, excuse rights, additional rights in respect of securities distributed in-kind, requirements in respect of distributions required to be returned in respect of the obligations of each Client Fund, limitations on overcalls, terms required due to an investor's specific legal, regulatory, tax, policy or other considerations, and other rights. Each Client Fund is not required to notify any or all of the other investors in such Client Fund of any side letters or any of the rights and/or terms or provisions thereof, nor are Client Funds required to offer such additional and/or different rights and/or terms to any or all of the other investors in a Client Fund. Likewise, separate accounts with a similar strategy to Client Funds typically have better liquidity and transparency than investors in Client Funds.

***Exculpation and Indemnification.*** Client documentation limits the circumstances under which we can be held liable to Clients. As a result, Clients have a more limited right of action in certain cases than they would in the absence of such a contractual limitation. Clients generally indemnify us for liabilities incurred in connection with their advisory services, which may be material.

***Audit-Related Risk.*** The tax treatment of Clients and investment portfolios is complex. There is no assurance that the tax positions taken by us will be accurate.

### ***Risks Associated with Investing and Investments***

***Alternative Investment Risk.*** The Client Funds invest in alternative investments. There is a risk that an investor could lose all or a substantial amount of his or her investment as a result of the volatility of alternative investments or other factors. Alternative investments (1) involve a high degree of risk, (2) often engage in leveraging and other speculative investment practices that increase the risk of investment loss, (3) can be highly illiquid with extended lock-up periods where assets may not be sold, (4) often lack a secondary market to purchase shares that investors care to redeem, (5) are not required to provide periodic pricing or valuation information to investors, (6) sometimes involve complex tax structures and delays in distributing important tax information, (7)

are not subject to the same regulatory requirements as publicly traded securities, (8) often charge high fees which offset any trading profits, and (9) in many cases execute investments which are not transparent and are known only to the investment manager. The performance of alternative investments can be volatile. An investor could lose all or a substantial amount of his or her investment. Often, alternative investment managers have total trading authority over their funds or accounts. The use of a single manager applying generally similar trading programs could mean lack of diversification and, consequently, higher risk. There is often no secondary market for an investor's interest in alternative investments, generally including Client Funds, and none is expected to develop. Even when there is a secondary market, it is often a small group of investors willing to purchase the alternative investment, typically resulting in a discount on the sale of the asset, versus the actual value of the underlying assets. There often are restrictions on transferring interests in any alternative investment.

***Business Risk.*** The companies in which some Clients invest may involve a high degree of business and financial risk. In many of the strategies employed by us, investments are expected to include securities of companies with leveraged capital structures. Such investments will be subject to increased exposure to adverse economic factors such as an increase in interest rates, devaluation of currencies, a downturn in the economy or deterioration in the economic conditions of such company or its industry. These companies may require significant additional capital to support their operations or may otherwise have a weak financial condition. Similarly, such companies may be unable to generate sufficient cash flow to meet principal and interest payments on their indebtedness. Accordingly, the value of investments in such entities could be significantly reduced or even eliminated due to ongoing credit deterioration. Accordingly, Clients are subject to the risk of loss of all or substantially all of their investment.

***Developments in Financial Markets.*** The global financial markets have recently gone through pervasive and fundamental disruptions. In light of such market turmoil and the overall weakening of the financial services industry, the financial condition of Clients, prime brokers, and other financial institutions can adversely be affected and they may become subject to legal, regulatory, reputational and other unforeseen risks that could have a material adverse effect on Clients' business and operations. Furthermore, increased regulatory oversight will impose administrative burdens on us and Clients, including, without limitation, responding to investigations and implementing new policies and procedures. Such burdens require our (and affiliates') time, attention and resources that could otherwise be devoted to portfolio management activities.

***ESG Integration Risk.*** Considering material ESG risks may have the end result of increasing or reducing a Client's exposure to certain companies or industries and the portfolio may forego certain investment opportunities as a result. Our ESG Integration approach involves incorporating material ESG risks in the investment analysis and decision-making process, with the goal of maximizing risk-adjusted returns in accordance with our fiduciary duty. We may use information and data from third parties, which may be incomplete or inaccurate. The assessment of material ESG factors remains at the sole discretion of our investment professionals. Accordingly, we do not make any representation or warranty, express or implied, with respect to the fairness, correctness, accuracy, reasonableness or completeness of any ESG assessment conducted by our investment professionals, Y Analytics, or any third-party ESG data provider or advisor, as applicable. Further, there may be limitations with respect to the readiness of ESG data in certain sectors, as well as limited availability of investments with relevant ESG characteristics in certain



sectors. We strive, where relevant, to assess ESG considerations over the lifecycle of an investment, to the extent feasible, and therefore, may change their assessment of what are material ESG risks to an investment over time. While we view ESG considerations as having the potential to contribute to a portfolio's long-term performance, there is no guarantee that such results will be achieved or that other material factors will not override ESG risks.

The materiality of ESG risks and impacts on an individual asset or issuer and on a portfolio as a whole depends on many factors, including the relevant industry, location, asset class and investment style. ESG factors, issues and considerations do not apply in every instance or with respect to each investment held, or proposed to be made, by the Clients, and will vary greatly based on numerous criteria, including, but not limited to, location, industry, investment strategy, and issuer-specific and investment-specific characteristics. In evaluating a prospective investment, we often depend upon information and data provided by the entity or obtained via third-party reporting or advisors, which may be incomplete or inaccurate and could cause us to incorrectly identify, prioritize, assess or analyze the entity's ESG practices and/or related risks and opportunities.

In addition, our ESG framework, including TPG Angelo Gordon's ESG Policy and associated procedures and practices, is expected to change over time. We are permitted to determine in our discretion that it is not feasible or practical to implement or complete certain of its ESG initiatives based on cost, timing or other considerations. It is also possible that market dynamics or other factors will make it impractical, inadvisable or impossible for us to adhere to all elements of the Funds' investment strategies, including with respect to ESG risk and opportunity management and impact, whether with respect to one or more individual investments or to the Clients' portfolios generally. Finally, there is also growing regulatory interest, particularly in the U.S., UK and EU (which may be looked to as models in growth markets), in improving transparency around how asset managers define and measure ESG performance, in order to allow investors to validate and better understand sustainability claims. There may also be an increase in related enforcement through efforts such as those of the SEC's Climate and ESG Enforcement Task Force, established in March 2021. We and our ESG program could become subject to additional regulation in the future, and we cannot guarantee that our current approach (including the ESG Policy) or the Clients' investments will meet future regulatory requirements, reporting frameworks or best practices, increasing the risk of related enforcement.

***Use of Leverage.*** When consistent with Client guidelines, we use leverage for any purpose in managing Client portfolios, including increasing investment capacity, covering operating expenses or making withdrawals or distribution payments. Leverage includes, but is not limited to, buying securities on margin. In addition to direct borrowings from banks or prime brokers, we employ strategies that include the use of leverage, such as the use of reverse repurchase agreements, swaps, options, futures contracts and other derivative securities, or other forms of leverage or credit. When permitted, we also engage in short sales. Short sellers routinely "borrow" securities to effect short sales, using margin accounts.

Borrowing money to purchase a financial instrument provides Clients with the opportunity for greater capital appreciation but at the same time will increase the portfolio's potential risk of loss with respect to that instrument. Although the use of leverage can increase potential returns to a Client, the use of leverage increases potential losses to a Client if it fails to earn as much on such incremental investments as it pays for such borrowed funds. Therefore, unanticipated increases in

applicable margin requirements could adversely affect the liquidity of investments and therefore also adversely affect Client performance.

***Derivative Instruments.*** When consistent with Client guidelines, we use various derivative instruments, which are in certain circumstances volatile and speculative, and subject to wide and sudden fluctuations in market value, with a resulting fluctuation in profits and losses to Clients. Use of derivative instruments presents various risks, including the following:

Liquidity. Derivative instruments, especially when traded in large amounts, are not liquid in all circumstances, so that in volatile markets, Clients may not be able to close out a position without incurring a loss. In addition, daily limits on price fluctuations and speculative position limits on exchanges on which Clients conduct transactions in certain derivative instruments may prevent prompt liquidation of positions, subjecting Clients to the potential of greater losses.

Leverage. Trading in derivative instruments can result in leverage that may magnify the gains and losses experienced by Clients and could cause the value of Clients' portfolios to be subject to wider fluctuations than would be the case if derivative instruments were not used.

Over-the-Counter Trading. Derivative instruments that are purchased or sold include instruments not traded on an exchange. Over-the-counter options derivatives are bilateral contracts with price and other terms negotiated by the buyer and seller. The risk of nonperformance by the obligor on such an instrument may be greater and the ease with which Client portfolios can dispose of or enter into closing transactions with respect to such an instrument may be less than in the case of an exchange-traded instrument. In addition, significant disparities may exist between "bid" and "asked" prices for derivative instruments that are not traded on an exchange, and transaction costs may be greater. Derivative instruments not traded on exchanges are also not subject to the same type of government regulation as exchange traded instruments, and many of the protections afforded to participants in a regulated environment may not be available in connection with such transactions.

Counterparty and Credit Risk. To the extent that contracts for investment will be entered into between Clients and a market counterparty as principal (and not as agent), Clients are exposed to the risk that the market counterparty, in an insolvency or similar event, will be unable to meet its contractual obligations to Clients. Because certain purchases, sales, hedging, financing arrangements (including the lending of portfolio securities) and derivative instruments in which Clients engage are not traded on an exchange but are instead traded between counterparties based on contractual relationships, Clients are subject to the risk that a counterparty will not perform its obligations under the related contracts.

***Investments in Open Market Purchases; Publicly Traded Securities.*** Certain Client Funds will have the ability to invest in securities that are publicly traded, including distressed publicly traded assets, and are, therefore, subject to the risks inherent in investing in public securities. Additionally, certain Client Funds may hold securities as a result of an initial public offering of an

existing investment. Such investments subject a Client Fund to risks that differ in type or degree from those involved with investments in privately held companies. Such risks include, without limitation, greater volatility in the valuation of such companies, increased obligations to disclose information regarding such companies, limitations on the ability of a Client Fund to dispose of such securities at certain times, increased likelihood of shareholder litigation against such companies' board members and increased costs associated with each of the aforementioned risks. When investing in public securities, a Client Fund may be unable to obtain financial covenants or other contractual governance rights. Moreover, each Client Fund may not have the same access to information in connection with investments in public securities, both before and after making the investment, as compared to privately negotiated investments. Furthermore, each Client Fund may be limited in its ability to make investments, and to sell existing investments, in public securities if other businesses of ours have material, non-public information regarding the issuer or as a result of other policies or requirements. In addition, securities acquired of a public company have been, depending on the circumstances and securities laws of the relevant jurisdictions, subject to lock-up periods.

***Settlements.*** Delays in settlement can result in temporary periods when Client assets are uninvested and no return is earned thereon. Our inability to make intended investments due to settlement delays could cause Client portfolios to forego attractive investment opportunities or cause delays in making withdrawal distributions.

***Sustainability Risks.*** New sustainability requirements imposed by jurisdictions in which certain Funds are marketed and/or in which we do business have resulted in additional compliance costs, disclosure obligations or other implications or restrictions on certain Clients or TPG Angelo Gordon. Under the EU Sustainable Finance Disclosure Regulation (2019/2088) (SFDR), for example, we are required to classify TPG Angelo Gordon or the Clients against certain criteria, some of which are open to subjective interpretation. Our view on the appropriate classification can develop over time, including in response to statutory or regulatory guidance or changes in industry approach to classification. These sustainability requirements, and any changes that we may make to the Clients' classifications thereunder from time to time, may require further disclosures by us and may require that we implement new processes to capture data about the Clients or their investments. Costs incurred as a result of such data gathering and reporting processes will be borne by the Clients.

***Valuation Risk.*** It is expected that third party pricing information will, at times, not be available regarding certain investments in Client portfolios. Valuations, which will affect the amount of the Performance Compensation payable to us in some cases involve uncertainties and judgmental determinations, and if such valuations prove to be incorrect, Clients' portfolio value could be adversely affected. For example, in the case of an overvaluation of the portfolio, our compensation would be greater than if a lower valuation had been used. In the case of certain asset classes, valuations are provided by us.

***European Instability.*** Recent events, including the ongoing invasion of Ukraine by Russia, have interjected uncertainty into global financial markets. It is possible that any fallout from the Ukrainian conflict will have global economic and political effects. A number of countries, including the United States and several in Europe, have imposed sanctions on Russia and businesses affiliated with Russia. The long-term impact of these sanctions is not entirely clear, but

they have the potential to limit the potential investment opportunities of a Client and impair cash flow that is material to such investment opportunities if persons doing business with such Client become sanctioned parties. The regulatory framework of sanctions is often complex and at times counterintuitive. It is possible a Client might have exposure to transactions that directly or indirectly involve sanctioned parties and that may pose liability and compliance risks.

**Public Health Risks.** A public health crisis, including but not limited to COVID-19, may materially adversely impact the global economy and may cause or contribute to significant volatility or other adverse events in the financial market. Therefore, Clients' investments could be materially adversely affected by the widespread outbreak of infectious disease or other public health crises with the impact dependent upon containment or other remedial measures undertaken or imposed by government and private actors. The short-term and long-term impact of COVID-19 or other public health crises, as applicable, on our operations and the performance of Clients, across sectors, industries and geographies is difficult to predict.

**Political and Economic Conditions.** A Client's investments may be adversely affected by changes in economic conditions or political events that are beyond its control. For example, a break in the capital markets, continued threats of terrorism, the outbreak of hostilities involving the United States or other countries, or the death of a major political figure have significant adverse effects on a Client's investment results. These factors affect the level and volatility of securities prices and the liquidity and the value of investments and have a material adverse effect on a Client. A natural disaster, such as a hurricane, could also severely disrupt the global, national and/or regional economies and/or markets. Other factors, such as changes in U.S. federal or state tax laws, U.S. federal or state securities laws, bank regulatory policies or accounting standards, may make corporate acquisitions less desirable. A negative impact on economic fundamentals and consumer confidence may negatively impact market value, increase market volatility and cause credit spreads to widen, each of which could have an adverse effect on the investment performance of a Client.

The economies of non-U.S. countries can differ favorably or unfavorably from the U.S. economy in such respects as growth of gross domestic product, rate of inflation, currency depreciation, asset reinvestment, resource self-sufficiency and balance of payment position. Further, certain non-U.S. economies are 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. The economies of certain non-U.S. countries may be based, predominantly, on only a few industries and may be vulnerable to changes in trade conditions and may have higher levels of debt or inflation.

**Inflation.** In response to recent economic events, including the global financial crisis and the current COVID-19 global pandemic, countries around the world have significantly loosened monetary policy and injected trillions of dollars into the global economy in an effort to prevent more severe economic turbulence. This level of support has given rise to significant increases in government spending globally and in many instances significant increases to the amount of debt issued by governments in the international bond markets. The United States and other countries have experienced, and in the future may experience, disruptions throughout the supply chain. Current and future disruption in supply of goods, combined with loose monetary policy and

unprecedented levels of government spending, may materially increase inflation of the U.S. dollar and other currencies in the coming years. Inflation and rapid fluctuations in inflation rates have had in the past, and in the future may have, negative effects on economies and financial markets, which may consequently have a materially adverse impact on the investment performance of a Client.

***Risks Relating to LIBOR and Other Benchmark Rates.*** London inter-bank offered rates (“LIBOR”) and other interest rate indices (collectively, “Benchmark Rates”) are the subject of ongoing regulatory guidance and proposals for reform. LIBOR, in particular, has been in the process of being discontinued since 2017, and is still in the final stages of transitioning to other Benchmark Rates. This is expected to continue in 2023 and possibly beyond. There are risks associated with this transition, including but not limited to, the existing language in legacy contracts that may or may not adequately address this transition, which may be detrimental to returns or the value of LIBOR-linked securities. Further, there is a lack of certainty as to which alternative reference rates will attain market acceptance as replacements for LIBOR, what methods of calculating a replacement benchmark will be established or adopted generally, or whether different industry bodies or particular markets will adopt the same methodologies, and the ability for financial institutions to operationalize the necessary changes for a successful transition. Clients and investors in Client Funds should be aware of the increased volatility and risk of loss or delays resulting from the transition and that changes to the setting of a Benchmark Rate could have a material adverse effect on the value of, and the amount payable under any debt instrument which pays interest linked to a Benchmark Rate.

***Risks Associated with Dependence on TPG Angelo Gordon and Our Personnel.*** The success of Clients is largely dependent upon us and there can be no assurance that we or the individuals employed by us will remain willing or able to provide advice to Clients. Further, our performance depends upon certain key personnel. Should any such personnel be in any way incapacitated or cease to provide investment advice as professional staff, Clients’ performance can be adversely affected. Our professional staff will devote such time and effort in conducting activities on behalf of Clients as we reasonably determine appropriate to perform its duties. Our professional staff is currently committed to and expects to be committed in the future to providing investment advisory services to Clients and engage in other business ventures in which Clients could have no interest. As a result of these separate business activities, we have actual or potential conflicts of interest in allocating management time, services and functions among Clients and other business ventures or new business.

***Operational Risk.*** Inadequate or failed internal processes, people and systems, or external events can pose a direct or indirect risk when investing. This includes any errors, omissions, systems breakdown, natural disasters, and fraudulent activity, which could cause impact in terms of unavailability of services and potentially resulting in financial losses.

***Dependence on Information Systems and Cybersecurity Risks.*** Our business is highly dependent on its communications and information systems. Any failure, interruption or unauthorized access of these systems could cause delays or other problems in our securities trading activities, which could have a material adverse effect on the results of operations and cash flows of Clients and negatively affect Clients’ ability to make distributions to their investors. With the increased use of technologies such as the internet and the dependence on computer systems to perform necessary

business functions, Clients, their investments and their service providers may be prone to operational and information security risks resulting from cyber-attacks. In general, cyber-attacks result from deliberate attacks, but unintentional events may have effects similar to those caused by cyber-attacks. Cyber-attacks include, among other behaviors, stealing or corrupting data maintained online or digitally, denial-of-service attacks on websites, the unauthorized release of confidential information as well as information that causes operational disruption. Successful cyber-attacks against, or security breakdowns of Clients, us (or affiliates), Clients' administrator or other third-party service providers may adversely impact Clients or their investors. For instance, cyber-attacks may interfere with the processing of investor transactions, impact a Client's ability to value its assets, cause the release of private investor information or confidential information of a Client, impede Client operations, cause reputational damage, and subject a Client or its assets to regulatory fines, penalties or financial losses, reimbursement or other compensation costs, and/or additional compliance costs. Each Client may also incur substantial costs for cyber security risk management in order to prevent any cyber incidents in the future. Each Client and investors could be negatively impacted as a result. While a Client or a Client's service providers have established business continuity plans and systems designed to prevent such cyber-attacks, there are inherent limitations in such plans and systems including the possibility that certain risks have not been identified. Similar types of cyber security risks are also present for issuers of securities or other instruments in which a Client invests, which could result in material adverse consequences for such issuers, and may cause a Client's investment therein to lose value.

#### **Additional Risks Applicable to Investment Categories**

In addition to the risks applicable to all investment categories, the specific risks of each category should be considered. The following is a description of the four investment categories across which we manage capital and the material risks involved in investing in each category.

**Risks Associated with Investments in Corporate Credit.** There are certain risks associated with corporate credit strategies offered by us. Such risks include the risk of nonpayment of scheduled interest or principal payments on a debt investment. Because corporate credit can be debt investments in non-investment grade borrowers, the risk of default may be greater than with other types of debt investments. Interest rate risk is another common risk associated with corporate credit. Interest rate changes will affect the amount of interest paid by a borrower in a floating rate loan, meaning they are correlated with broader interest rate fluctuations. However, this typically has little to no impact on the underlying value of floating rate debt. Certain additional risks associated with corporate credit strategies are listed below:

**Investments in Debt Securities and Private Debt Instruments.** Investments in debt are subject to the ability of the issuer or the borrower to meet principal and interest payments on the obligation and may be subject to price volatility due to such factors as interest rate sensitivity, market perception of the creditworthiness of the issuer or the borrower and the general market conditions. Such risks are greater for investments in non-investment grade, non-rated or lower credit quality debt than for investments in higher rated debt. In addition, private debt instruments have significant liquidity risks and market value risks since they are not generally traded in organized exchange markets but are traded by banks and other institutional investors.

There may be limitations on the ability of a Client to directly enforce its rights with respect to these types of investments, and a Client may, in addition to assuming the credit risk of the borrower, assume the credit risk associated with the lender or an interposed financial intermediary. Investments in debt may also expose the Clients to unfavorable outcomes in the event of a bankruptcy proceeding. Successful claims by third parties arising from these and other risks will be borne by the Clients. These risks would likely be more pronounced during periods of inflation when central banks are increasing their lending rates.

***Interest Rate Risk.*** When interest rates increase, fixed income securities or instruments will generally decline in value. Long-term fixed income securities or instruments will normally have more price volatility because of this risk than short-term fixed income securities or instruments. The prices of investments, particularly fixed income securities, tend to be sensitive to interest rate fluctuations and unexpected fluctuations in interest rates could cause the corresponding prices of the long and short portions of a position to move in directions which were not initially anticipated. In addition, interest rate increases generally will increase the interest carrying costs of borrowed securities and leveraged investments. Such increased costs will be borne by the Clients.

***Bankruptcy and Other Proceedings.*** Investments in companies or other entities involved in bankruptcy proceedings involve a number of significant risks. Many of the events within a bankruptcy litigation are adversarial and often beyond the control of the creditors. While creditors generally are afforded an opportunity to object to significant actions, there can be no assurance that a bankruptcy court would not approve actions which may be contrary to the interests of a Client. Furthermore, there are instances where creditors and equity holders lose their ranking and priority as such if they are considered to have taken over management and functional operating control of a debtor or are regarded as shareholders of the debtor.

Generally, the duration of a bankruptcy case can only be roughly estimated. The reorganization of a company usually involves the development and negotiation of a plan of reorganization, plan approval by creditors and confirmation by the bankruptcy court. This process can involve substantial legal, professional and administrative costs to the company and a Client; it is subject to unpredictable and lengthy delays; and during the process the company's competitive position may erode, key management may depart and the company may not be able to invest adequately. In some cases, the company may not be able to reorganize and may be required to liquidate assets. The debt of companies in financial reorganization will, in most cases, not pay current interest, may not accrue interest during reorganization and can be adversely affected by an erosion of the issuer's fundamental values. Investments by a Client in debt of such companies can result in a total loss of principal.

The value of the investments held by a Client could be impacted by various laws enacted for the protection of creditors in the jurisdictions of incorporation of the borrowers thereunder and, to the extent different, the jurisdictions from which the borrowers conduct their business and in which they hold their assets, which can adversely affect such borrowers' abilities to make payment on a full or timely basis, or such Client's recovery in a restructuring or insolvency. In particular, a number of jurisdictions operate unpredictable insolvency regimes that may differ substantially from those in the United States, resulting in greater uncertainty as to the rights of creditors, the enforceability of such rights, reorganization timing and the classification, seniority and treatment of claims. The insolvency regimes applicable in such jurisdictions result in a corresponding

variability of recovery rates for senior loans, high-yield bonds and other debt obligations originated, purchased or issued in such jurisdictions, which may materially delay recovery by a Client of amounts owed by insolvent borrowers or issuers subject to such regimes.

Client portfolios have invested in or extend loans to companies that have filed for protection under relevant bankruptcy laws, or that seek to reorganize under the laws of the applicable jurisdictions, and would be adversely affected if such companies' reorganization efforts fail. In certain developing countries, although bankruptcy laws have been enacted, the process for reorganization remains highly uncertain. U.S. bankruptcy law permits the classification of "substantially similar" claims in determining the classification of claims in a reorganization for the purpose of voting on a plan of reorganization. Because the standard for classification is vague, there exists a significant risk that the Client's influence with respect to a class of claims can be lost by the inflation of the number and the amount of claims in, or other gerrymandering of, the class. In addition, certain administrative costs and claims that have priority by law over the claims of certain creditors (for example, claims for taxes) may be quite high.

We, on behalf of a Client, have elected and expect to elect to appoint a representative to serve on creditors' committees, official or unofficial, equity holders' committees or other groups (in addition to boards of directors) to ensure preservation or enhancement of such Client's position as a creditor or equity holder. A member of any such committee or group would owe certain obligations generally to all parties similarly situated that the committee represents. If we (or an appointed representative of such entity as applicable) conclude that our obligations owed to the other parties as a committee or group member conflict with our duties owed to a Client, we could resign from that committee or group, adversely impacting the benefits, if any, of participation on the committee or group. In addition, and also as discussed above, representation of a Client on a committee or group can restrict or prohibit a Client under applicable law from disposing of or increasing its investments in such underlying issuer while it continues to be represented on such committee or group and potentially thereafter.

Clients may purchase creditor claims subsequent to the commencement of a bankruptcy case. Under judicial decisions, it is possible that such purchase would be disallowed by the bankruptcy court if the court determines that the purchaser has taken unfair advantage of an unsophisticated seller, which could result in the rescission of the transaction (presumably at the original purchase price) or forfeiture by the purchaser. In addition, under certain circumstances, a bankruptcy court could reclaim a payment to a Client or such Client's distribution to its investors if the court determines that the payment or distribution is a fraudulent conveyance, preferential payment or similar transaction under applicable bankruptcy or insolvency laws.

***Investing in High Yield Debt.*** Client portfolios may invest in fixed-income securities and other debt obligations which are rated below investment grade or are unrated. These high-yield bonds are regarded as being speculative as to the issuer's ability to make payments of principal and/or interest. Investment in such securities involves substantial risk. Issuers of high-yield debt are at times highly leveraged or can have difficulty obtaining financing. Therefore, the risks associated with acquiring the securities of such issuers generally are greater than is the case of issuers of higher quality. For example, during an economic downturn or a sustained period of rising interest rates, issuers of high-yield bonds are generally more likely to experience financial stress, especially if such issuers are highly leveraged. During such periods, such issuers may not have sufficient



revenues to meet their principal and/or interest payment obligations. Therefore, the risk of loss due to default by the issuer is significantly greater for the holders of high-yield bonds because such securities could be unsecured and could be subordinated to other creditors of the issuer. There can be no assurance that such events will not occur after the Client purchases a particular security, in which case the Client could experience losses.

***Distressed Debt Risks.*** Clients' investments include investments in non-performing and underperforming loans which can involve workout negotiations, restructuring and the possibility of foreclosure. These processes can be lengthy and expensive. In addition, Clients' investments include securities and debt obligations of financially distressed issuers, including companies involved in bankruptcy or other reorganization and liquidation proceedings. As a result, these investments are subject to additional bankruptcy related risks, and returns on such investments may not be realized for a considerable period of time.

***Risks Associated with Direct Lending.*** There are special risks associated with direct lending strategies offered by us, such as its middle market direct lending strategy. Certain risks related to such direct lending strategies, which primarily invest in privately negotiated, secured loans are listed below:

***Senior Secured Loans Risks.*** When a Client acquires and/or originates a senior secured loan made to a portfolio investment of such Client, it generally shall take a security interest in the available assets of such portfolio investment, which should mitigate the risk that such Client will not be repaid. However, there is a risk that the collateral securing a Client's loans will decrease in value over time, will be difficult to sell in a timely manner, will be difficult to appraise, or will fluctuate in value based upon the success of the business and market conditions, including as a result of the inability of the portfolio investment to raise additional capital. In some circumstances, a Client's lien could be subordinated to claims of other creditors. In addition, deterioration in a Client's portfolio investment's financial condition and prospects, including its inability to raise additional capital, can be accompanied by deterioration in the value of the collateral for the loan. Consequently, the fact that a loan is secured does not guarantee that a Client will receive principal and interest payments according to the loan's terms, or at all, or that such Client will be able to collect on the loan should it be forced to enforce its remedies.

***Middle Market Companies Risks.*** Investing in the debt obligations or securities of middle market and/or less well-established companies is associated with special risks. While middle market companies have potential for rapid growth, they often involve higher risks than larger companies. Middle market companies have more limited financial resources than larger companies and could be unable to meet their obligations under their debt obligations that a Client holds, which could be accompanied by a deterioration in the value of any collateral and a reduction in the likelihood of such Client realizing any guarantees it has obtained in connection with its investment. Middle market companies also typically have shorter operating histories, narrower product lines and smaller market shares than larger businesses, which tend to render them more vulnerable to competitors' actions and market conditions, as well as general economic downturns. Less publicly available information can be available about these companies and they are generally not subject to the financial and other reporting requirements applicable to public companies. They are more likely to depend on the management talents and efforts of a small group of people; therefore, the death, disability, resignation or termination of one or more of these people could have a material

adverse impact on the company and, in turn, on a Client. Middle market companies also have less predictable operating results and require substantial additional capital to support their operations, finance expansion or maintain their competitive position. They also have difficulty accessing the capital markets to meet future capital needs, which could limit their ability to grow or to repay their outstanding indebtedness upon maturity. If these companies are private companies, there will not be as much publicly available information about these companies as there is for public companies and such information may not be of the same quality.

***Originated Investments Risks.*** Direct lending Clients' success will generally depend on the ability of us to originate loans on advantageous terms. In originating and purchasing loans, a Client Fund competes with a broad spectrum of lenders, some of which may have greater financial resources than such Client. Increased competition for, or a diminishment in the available supply of, qualifying loans could result in lower yields on such loans, which could reduce returns to a Client's investors. The level of analytical sophistication, both financial and legal, necessary for successful financing to companies, particularly companies experiencing significant business and financial difficulties is unusually high. There is no assurance that we will correctly evaluate the value of the assets collateralizing a Client's loans or the prospects for successful repayment or a successful reorganization or similar action.

***Collateral Risks.*** The collateral and security arrangements in relation to such secured obligations as direct lending Clients may invest in will be subject to such security or collateral having been correctly created and perfected and any applicable legal or regulatory requirements which could restrict the giving of collateral or security by an obligor, such as, for example, thin capitalization, over-indebtedness, financial assistance and corporate benefit requirements. If a Client's investments do not benefit from the expected collateral or security arrangements, this could adversely affect the value of or, in the event of default, the recovery of principal or interest from such investments made by such Client. Accordingly, any such a failure to properly create or perfect collateral and security interests attaching to a Client's investments could have a material adverse effect on the performance of such Client, and, by extension, such Client's business, financial condition, results of operations and the value of its interests.

A component of our analysis of the desirability of making a given investment relates to the estimated residual or recovery value of such investments in the event of the insolvency of the obligor. This residual or recovery value will be driven primarily by the value of the anticipated future cash flows of the obligor's business and by the value of any underlying assets constituting the collateral for such investment. The anticipated future cash flows of the obligor's business and the value of collateral can, however, be extremely difficult to predict as in certain circumstances market quotations and third-party pricing information could be unavailable. If the recovery value of the collateral associated with the investments in which a Client invests decreases or is materially worse than expected by such Client, such a decrease or deficiency could affect the value of the investments made by such Client. Accordingly, there could be a material adverse effect on the performance of such Client, and, by extension, such Client's business, financial condition, results of operations and the value of its interests.

***Risks Associated with Investments in Structured Credit.*** Certain risks related to investments in structured credit, such as residential mortgage-backed securities ("RMBS"), asset-backed securities ("ABS") and commercial mortgage-backed securities ("CMBS"), are listed below:

**RMBS Risks.** RMBS represent an interest in a pool of residential mortgage loans. Investing in RMBS involves the general risks typically associated with investing in traditional fixed-income securities (including interest rate and credit risk) and certain additional risks and special considerations (including the risk of principal prepayment and the risk of investing in real estate). When market interest rates decline, more mortgages are refinanced and the securities are paid off earlier than expected. Prepayments also occur on a scheduled basis or due to foreclosure. When market interest rates increase, the market values of mortgage-backed securities decline. At the same time, however, mortgage refinancings and prepayments slow, which lengthens the effective maturities of these securities. As a result, the negative effect of the rate increase on the market value of RMBS is usually more pronounced than it is for other types of fixed-income securities. Further, different types of RMBS are subject to varying degrees of prepayment risk.

The risks of investing in RMBS reflect the risks of investing in real estate securing the underlying loans, including the effect of local and other economic conditions, the ability of tenants to make payments, and the ability to attract and retain tenants. Some RMBS may be backed by non-conforming mortgage loans, which are mortgage loans that do not qualify for purchase by government-sponsored agencies, such as Fannie Mae and Freddie Mac, because of credit characteristics. Accordingly, such mortgage loans are likely to experience higher rates of delinquency, foreclosure and loss than mortgage loans originated in accordance with Fannie Mae or Freddie Mac underwriting guidelines.

Certain RMBS contain certain credit enhancement features intended to enhance the likelihood that holders of such securities will receive regular payments of interest and principal. There can be no assurance that the credit enhancement, if any, will adequately cover any shortfalls in cash available to make payments on such securities as a result of such delinquencies or defaults. Certain RMBS are subordinated to one or more other senior classes of securities of the same series for purposes of, among other things, offsetting losses and other shortfalls with respect to the related underlying mortgage loans. In addition, in the case of certain securities, no distributions of principal would generally be made with respect to any class until the aggregate principal balances of the corresponding senior classes of securities have been reduced to zero. As a result, the subordinate classes are more sensitive to risk of loss and write-downs than senior classes of such securities.

Certain RMBS will be structured with no significant or any overcollateralization, so their performance will be sensitive to delays or reductions in payments, particularly in the case of subordinated tranches of such securities. To the extent that RMBS provide for write-downs of principal, interest will cease to accrue on the portion of principal of a security that has been written down.

**ABS Risks.** ABS generally refers to securities backed by assets other than mortgages, mortgage-backed securities or other mortgage-related assets. ABS are structured like mortgage-backed securities, but instead of mortgage loans or interests in mortgage loans, the underlying assets may include, but are not limited to, such items as motor vehicle installment sales or installment-loan contracts, leases of various types of real and personal property, and receivables from credit-card agreements. ABS are subject to many of the same risks as mortgage-backed securities. Each type of ABS also entails unique risks depending on the type of assets involved and the legal structure used. For example, credit card receivables are generally unsecured, and the debtors are entitled to the protection of a number of state and federal consumer credit laws, many of which give debtors

the right to set off certain amounts owed on the credit cards, thereby reducing the balance due. ABS typically experience credit risk. For example, there is an increasing supply of subordinated securities rated lower than AA (down to B or first loss) and senior securities that may be rated lower than AAA, as well. There is also the possibility that recoveries on repossessed collateral may not, in some cases, be available to support payments on these securities because of the inability to perfect a security interest in such collateral.

**CMBS Risks.** CMBS represents an interest in, or an interest secured by, a single mortgage loan or a pool of mortgage loans. Investing in CMBS involves the general risks typically associated with investing in traditional fixed-income securities, in the case of fixed rate CMBS, and those risks typically associated with adjustable-rate instruments, in the case of floating rate CMBS, which in each case includes interest rate risk and credit rate risk. CMBS also are subject to several risks created through the securitization process. CMBS may not be structured with significant or any overcollateralization, so their performance will be sensitive to delays or reductions in payments, particularly in the case of subordinated CMBS. To the extent that CMBS provide for write-downs of principal, interest will cease to accrue on the portion of principal of a security that has been written down. In addition, subordinate CMBS are paid interest only to the extent that there are funds available to make payments. Subordinate tranches of such securities also are subject to greater credit risk. CMBS may contain certain credit enhancement features intended to enhance the likelihood that holders of such securities will receive regular payments of interest and principal. There can be no assurance that the credit enhancement, if any, will adequately cover any shortfalls in cash available to make payments on such securities as a result of such delinquencies or defaults. Further, the risks of investing in CMBS involve all of the risks of the underlying mortgage loans, including the credit quality of the underlying loans, decreases in property values underlying the loans and the risk that borrowers will default on the mortgages underlying the CMBS.

Investing in CMBS often requires us to estimate loss-adjusted yields related to such investments. We expect to value potential CMBS investments based on loss-adjusted yields, taking into account estimated future losses on the mortgage loans included in the securitization's pool of loans, and the estimated impact of these losses on expected future cash flows. Based on these loss estimates, we typically either adjust the pool composition accordingly through loan removals and other credit enhancement mechanisms or leaves loans in place and negotiates for a price adjustment. Our loss estimates may not prove accurate, as actual results may vary from estimates. In the event that we overestimate the pool level losses relative to the price a Client pays for a particular CMBS investment, such Client may experience losses with respect to such investment.

The commercial mortgage loans underlying CMBS are secured by multifamily residential properties, retail properties or other types of commercial properties and are subject to risks of delinquency and foreclosure and risks of loss that are greater than similar risks associated with residential mortgage loans that are secured by single-family residential property. In the event of the bankruptcy of a mortgage loan borrower, the mortgage loan to such borrower will be deemed to be secured only to the extent of the value of the underlying collateral at the time of bankruptcy, and the lien securing the mortgage loan will be subject to the avoidance powers of the bankruptcy trustee or debtor-in-possession to the extent the lien is unenforceable under state law.

The ability of a commercial borrower to repay a loan secured by a commercial property typically is dependent primarily upon the successful operation of such property rather than upon the

existence of independent income or assets of the borrower. If the net operating income of the property is reduced, the borrower's ability to repay the loan may be impaired. Net operating income of an income producing property can be affected by, among other things: tenant mix, success of tenant business, property management decisions, property location and condition, competition from comparable types of properties, changes in laws that increase operating expense or limit rents that may be charged, any need to address environmental contamination at the property, the occurrence of any uninsured casualty at the property, changes in national, regional or local economic conditions and/or specific industry segments, current and potential future capital markets uncertainty, declines in regional or local real estate values, declines in regional or local rental or occupancy rates, increases in interest rates, real estate tax rates and other operating expenses, changes in governmental rules, regulations and fiscal policies, including environmental legislation, acts of God, terrorism, social unrest and civil disturbances.

**Risks Associated with Investments in Real Estate.** Clients make direct and indirect investments in real estate and real estate-related opportunities. Certain risks related to direct investments in real estate and real-estate related opportunities are listed below, and similar risks apply to indirect exposure to real estate and real-estate opportunities:

***Real Estate Generally.*** Special risks associated with such investments include changes in the general economic local conditions (such as an oversupply of space or a reduction in demand for space), the quality and philosophy of management, competition based on rental rates, attractiveness and location of the properties, financial condition of tenants, buyers and sellers of properties, quality maintenance, insurance and management services, and changes in operating costs. Real estate values are also affected by such factors as government regulations (including those governing usage, improvements, zoning and taxes), interest rate levels, the availability of financing and potential liability under changing environmental and other laws. In addition, real estate investments are relatively illiquid and as such, our ability to vary a real estate Client's portfolio promptly in response to changes in economic or other conditions will be limited.

***Joint Ventures.*** Certain Clients, particularly in the real estate context, will co-invest with third parties through partnerships, joint ventures or other entities. Such investments will involve risks in connection with such third-party involvement, including the possibility that a co-venturer may have financial difficulties that negatively impact such investment. Further, a co-venturer may have economic or business interests or goals that are inconsistent with those of Clients, or may be in a position to take (or block) action in a manner contrary to a Client's investment objectives. In addition, a Client may in certain circumstances be liable for the actions of its third-party partners or co-venturers. In those circumstances where such third parties involve a management group, such third parties may receive compensation arrangements relating to such Investments, including reimbursement of expenses, incentive compensation arrangements and fees payable to such third-party partners or co-venturers, in each case such compensation will not offset Management Fees. Furthermore, such third-party partners or co-venturers may provide services (such as asset management oversight services) similar to, and overlapping with, services provided by the general partner to the Client Fund or other accounts of ours, and, notwithstanding the foregoing, fees attributable to such services will not offset Management Fees.

***Commercial Real Estate Risks.*** Commercial real estate properties are subject to specific risks, including the potential inability of tenants to meet their rental obligations (whether due to poor

operating results, bankruptcy or other reasons), the potential inability to lease a significant amount of space at a property on economically favorable terms, and delays and expenses incurred in dealing with a tenant that defaults on its obligations.

***Property Ownership Risks.*** Risks incidental to the ownership of real property, include changes in the property market conditions leading to an oversupply of space or a reduction in tenant demand for a particular type of property or property related services in a given market; changes in interest rates and the availability of mortgage funds; changes in property tax rates and landlord/tenant or planning laws; credit risks of tenants and borrowers; environmental factors; quality of property available; the ability to maintain the recoverability of service charges and other expenditures and to control the cost of these items; the risk that one or more tenants may be unable to meet their obligations to a real estate Client or that such Client may not be able to lease existing or new properties on favorable terms and the potential illiquidity of property investments, particularly in times of economic downturn. The marketability and value of any properties owned by a real estate Client will, therefore, depend on many factors beyond the control of such Client, and there is no assurance that there will be either a ready market for any of the properties of the Client or that such properties will be sold at a profit or will yield a positive cash flow.

#### **Item 9—Disciplinary Information**

Not applicable.

In the ordinary course of business, we and our related persons are parties to litigation, investigations, inquiries, employment-related matters, disputes and other potential claims.

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

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

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

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

- TPG Capital Advisors, LLC
- TPG Global Advisors, LLC;
- TPG PEP Advisors, LLC;
- TPG RE Finance Trust Management, L.P.;
- TPG Real Estate Advisors, LLC;
- TPG Solutions Advisors, LLC; and
- AGTB Fund Manager, LLC,

along with their respective relying advisers.

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

*General Partners of Clients.* We or an affiliate acts as a general partner or managing member of Client Funds. Absent specific authority, we do not exercise any discretionary authority with respect to an investor's decision to invest in such Client Funds. For a description of material conflicts of interest created by the relationship among us and the general partners, as well as a description of how such conflicts are addressed, please see Item 11 below.

We provide investment advisory services in the United Kingdom through Angelo, Gordon Europe LLP ("AGE") and Northwoods European CLO Management LLC ("Northwoods"), which are "relying advisers" of ours. AGE is a wholly owned subsidiary that provides investment management and advisory services in the United Kingdom and is authorized and regulated in the United Kingdom by the Financial Conduct Authority ("FCA"). AGE is listed in Schedule R in Part 1A of our Form ADV as a "relying adviser."

Northwoods is a Delaware limited liability company and a wholly owned subsidiary of ours that provides investment advisory services to one or more collateralized loan obligation vehicle(s). This entity is listed in Schedule R in Part 1A of our Form ADV as a "relying adviser."

Angelo, Gordon International LLC ("AG-Japan") is a wholly owned subsidiary of and acts as an investment advisor solely to its parent company. AG Japan is registered with the Japanese Financial Services Agency (the "FSA") and the Kanto Local Finance Bureau (the "KLFB"), and its registered activities in Japan are limited to providing non-discretionary investment advice to us and the offer and sale of private investment funds and separate accounts sponsored and managed by us.

Angelo, Gordon Hong Kong Limited is a wholly owned subsidiary. AG HK is registered with The Hong Kong Securities and Futures Commission ("SFC") and its registered activities in Hong Kong are limited to the offer and sale of private investment funds and separate accounts sponsored and managed by us.

Angelo, Gordon Germany GmbH is a wholly owned subsidiary and acts as a sub-advisor providing certain advisory services relating to potential investments in Europe and any other geographic region as we may determine.

Angelo, Gordon Asia Co. Ltd., is a wholly owned subsidiary of ours that serves as an advisor to us for non-discretionary investment advice.

Angelo, Gordon, Netherlands B.V. is a wholly owned subsidiary and acts as a sub-advisor providing certain advisory services relating to potential investments in Europe and any other geographic region as we may determine.

AGTB Fund Manager, LLC ("AGTB"), is a Delaware limited liability company, and is a wholly owned subsidiary of ours. AGTB is a newly formed adviser formed to advise one or more advisory

clients, each of which will elect to be regulated as a business development company under the Investment Company Act of 1940. AGTB has one BDC client, AG Twin Brook Capital Income Fund.

We do not believe that our relationships with the above-referenced affiliates would negatively impact the Clients when considering the services provided and the compensation paid versus available and potentially comparable providers. We encourage readers to carefully review the conflicts of interest described in “*Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading*” below.

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

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

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

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

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

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

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

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

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

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



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

We, through affiliated entities, and our employees and their related parties make investments and capital commitments to Client Funds. The minimum amount of such investments in Client Funds is generally disclosed to investors in such Clients Funds. Clients participate in trading and investment situations in which we have considered a commitment of our own capital (either directly or indirectly through a capital commitment to Clients). We conduct such activity through our affiliates. In determining whether a particular situation or strategy under consideration by us is appropriate and feasible at a particular time for Clients, we generally consider a variety of factors, including, among others, capital available for investments, the ability to borrow and the cost of borrowed funds, transaction costs, tax consequences, and the liquidity of the investment relative to the needs of each account. There is no assurance that we or our affiliates will hold an interest in every position held by the Clients or us or the contents of its portfolio will be substantially similar to that of Clients.

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

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

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

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

- other Clients;
- Related Funds;
- Related Advisers; and
- the affiliates of the foregoing.

We describe below certain of these conflicts of interest, as well as how we seek to address them.

## Resolution of Conflicts

As an investment adviser, we will at times have certain conflicts of interest with our Clients and/or the Related Funds. In accordance with our policies and procedures, we seek to resolve conflicts of interest in a fair and equitable manner in compliance with our fiduciary obligations; however, in certain instances the resolution of the conflict could result in us acting on behalf of ourselves, or related persons, or one or more Clients or Related Funds (for example, by foreclosing on loans, putting an issuer into default and/or transacting with an issuer) in a manner that is not in the best interests, or is opposed to the interests, of one or more other Client(s). It could also cause us to forgo taking an action for a Client that would be in the best interest of such Client. Conflict resolution could result in a Client receiving less consideration or a less desirable outcome than it would have otherwise received in the absence of such a conflict of interest.

In addition, in order to minimize such conflicts, it is possible that a Client will avoid making certain investments or taking certain actions that would potentially give rise to conflicts of interest, which could have the effect of limiting the Client's investment opportunities. Alternatively, we might resolve the conflict by adopting a particular strategy (including disposing of an investment earlier than it otherwise would have if no conflict existed), which could result in a different investment outcome than might arise if the Client had adopted an otherwise different investment strategy. In certain circumstances, we and our Related Advisers erect temporary or permanent information barriers to restrict the transfer of non-public information between platforms.

It is possible for us to decline an investment opportunity on behalf of a Client to the extent we determine, in our discretion, that such investment could (i) have reputational considerations for any investors in such Client, us, or a Related Adviser, or such Client, TPG (ii) implicate considerations under our or an investor's environmental, social and corporate governance policy, (iii) to our knowledge, have been the subject of concern or controversy among financial institutions, institutional investors or the public or (iv) give rise to other similar considerations. In certain cases, it is possible that such an investment would be allocated to another Client that has consented to the investment or does not, in our discretion, have such considerations, in lieu of the investment being allocated to such Client.

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

## Potential Conflicts of Interest

The material conflicts of interest that a Client encounters include those discussed below and elsewhere in this brochure. The following summary is not intended to be an exhaustive list of all actual, potential, or apparent conflicts or their potential consequences. Identifying potential conflicts of interest is complex and fact-intensive, and it is not possible to foresee every conflict of interest that may arise during a Client's life. In particular, we expect in the future to identify additional conflicts of interest that currently are not apparent to us or the broader alternative

investments industry, as well as conflicts of interest that arise or increase in materiality as we develop new investment platforms or business lines and otherwise adapt to dynamic markets and an evolving regulatory environment. Moreover, we are a related person of the Public Company, and related personnel have duties or incentives related to the interests of the Public Company's stockholders that could differ from, and that could conflict with, the interest of Clients and their investors. Accordingly, as a consequence of the Public Company's status as a public company, we and our personnel may take into account certain considerations and other factors in connection with the management of the business and affairs of a Client that would not necessarily be taken into account if the Public Company were not a public company.

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

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

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

Also, from time to time, our affiliates or those of the Related Advisers, who control, are controlled by or are under common control with us, the Related Advisers and/or our respective affiliates, may provide seed capital to a new Client. In doing so, we, the Related Advisers, and/or our respective affiliates may purchase securities that are later transferred into the Client in exchange for a percentage ownership in such Client. We review such transactions with outside counsel in an effort to ensure that we comply with the requirements of Section 206(3) of the Advisers Act in respect of principal transactions.

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

***Participation of TPG BD and Related Entities in Capital Markets Activity.*** TPG leverages its internal expertise and infrastructure in structuring and executing a wide array of capital markets transactions across TPG which we expect will include those involving the Client and existing, prospective and former portfolio investments of the Client (including their affiliates and related entities such as holding companies, subsidiaries and continuation vehicles, and other parties to the

relevant transaction). Examples of the ways in which TPG does and is expected to deploy its capital markets expertise include:

- Structuring, executing and underwriting initial public offerings, follow-on primary offerings and secondary offerings (including “block trades”) and private placements of equity securities;
- Structuring, executing, syndicating and underwriting high yield and other bonds, preferred securities, hybrid instruments, notes, other credit instruments and other offerings;
- Originating, structuring, arranging, syndicating, placing and providing loans, credit facilities, asset-based facilities, securitizations, acquisition financings, bridge financings, hedging and similar instruments and financial services (including in respect of portions of the capital structures of issuers in which a Client does not invest);
- Structuring and arranging amendments to existing securities, credit facilities and other instruments;
- Structuring and implementing interest rate, foreign exchange and other hedging or derivative strategies;
- Structuring and executing other similar transactions to finance a Client’s or Related Fund’s acquisition of a portfolio investment or to enable a Client or Related Fund to monetize all or a portion of its interest in a portfolio investment, including the syndication of a continuation vehicle or investment;
- Structuring and executing interim financing and engaging in certain “fronting” and “seasoning” transactions and syndications in respect of, or otherwise making investments that are intended to be of a temporary nature in, any portfolio investment in which a Client invests or intends to invest, and providing other loan servicing, collateral agent, administrative agent and other similar services;
- Providing strategic and capital markets advice with respect to any of the foregoing transactions (including in connection with mergers and acquisitions, recapitalizations, refinancings and restructurings); and
- Providing any other capital markets or other services that a third party may render to or with respect to a Client or Related Fund or an existing, prospective or former portfolio investment and/or their affiliates or related entities.

We expect that the types of capital markets services TPG Capital BD provides, including those involving clients and/or portfolio investments of Clients, will evolve and expand in light of market developments and industry trends. TPG Capital BD is expected to in the future acquire an interest in or establish other businesses and service providers that will also be entitled to fees from a Client and portfolio investments in which a Client invests and/or to other parties participating in transactions with a Client.

TPG Capital BD and related entities typically receive compensation for the services they provide in connection with these capital markets and other activities, including but not limited to those listed above. The compensation may take a variety of forms, including, for instance, a portion of the commission or discount paid to the investment banks that underwrite a securities offering, a fee or other compensation for arranging the syndication or placement or origination of debt financing for a Client and/or one or more other Clients or other co-investors (including transactions where TPG and/or a Client originates and participates out a funded and/or unfunded portion of a loan to a co-investor), or a fee for facilitating the efficient execution by a Client of a “block trade” or other secondary sale to monetize a Client’s direct or indirect interest in a pre-IPO or publicly-traded portfolio investment. Depending on the nature of the transaction, a Client, one or more holding entities, the portfolio investment, continuation vehicles, co-invest vehicles or other parties to the transaction will pay the fee to TPG Capital BD or a related entity. Where legal and regulatory circumstances permit outside the U.S., other TPG affiliates may perform such capital markets services and receive compensation for the provision of such services.

TPG Capital BD (or a related entity) also is expected to receive transaction fees, and other upfront consideration or other similar fees from borrowers or other persons in connection with the making of an investment by a Client or, if applicable, from other holders of the investment or in connection with the syndication of part of an investment. Such fees and consideration in connection with an investment comes in various forms, including documentation fees, structuring fees, closing fees, underwriting fees, arrangement fees, loan origination fees, collateral fees, directors fees, consulting fees, advisory fees, management fees, monitoring fees, agency fees or original issue discount built into the price of the investment.

TPG Capital BD (or a related entity) is expected to participate in the origination, arranging, execution, underwriting or structuring of debt financing for a Client, in which case it would receive loan origination fees, arranging fees, structuring fees, underwriting fees, agency fees and/or similar fees or original issue discount for such services. Where such financing is obtained through the issuance of debt (or debt and equity) securities by any special purpose vehicle or other entity established for the purpose of facilitating such financing by a Client, TPG Capital BD (or a related entity) could receive fees in connection with the placement or syndication of such securities. In connection with selling portfolio investments by way of a public offering of such investments, TPG Capital BD (or a related entity) could act as the managing underwriter or a member of the underwriting syndicate in respect of such offering on a firm commitment basis. TPG Capital BD (or a related entity) could also, on behalf of a Client, be involved in transactions, including transactions in the secondary markets where TPG Capital BD (or a related entity) is also acting as a broker or other advisor on the other side of the same transaction (such transactions are generally known as “agency cross transactions”).

TPG Capital BD (or a related entity) is expected to also provide loan services to a Client and/or other Clients that invest in loan participations or to portfolio investments in which they invest or to lending syndicates in which they participate and will generally be entitled to servicing fees and expense reimbursements for such activities. Such services are expected to include sourcing of loans, due diligence of loans and general servicing or administration services in respect of loan portfolios.

TPG Capital BD (or a related entity)'s syndication services is expected to include, among other things, identifying potential third-party investors (including potential co-investors, syndicate participants and/or financing counterparties), assisting in structuring the transaction so that it will be more marketable to third-party investors and/or financing counterparties, preparing marketing materials, performing outreach, executing on a syndication and sell-down strategy, arranging financing and providing post-closing support to Clients. These services could be required (and TPG Capital BD (or a related entity) will be compensated for providing them) even in situations where ultimately there is no allocation, syndication, sell-down to third-party investors or financing (for example, when it is unclear at the outset of negotiating a transaction whether our Clients have sufficient internal capacity (or demand) to provide the full amount of the financing sought by the counterparty).

Any compensation TPG receives directly or indirectly for providing the services described above (whether in cash, warrants or other securities or instruments, or in the form of discounts or rebates or otherwise) will not, subject to any requirements set forth in a Client's Governing Documents, be shared with a Client or offset the Management Fee or any other compensation payable to us or require the approval of a Client's advisory committee, a Client's limited partners or any independent third party. Accordingly, in such cases, investors will not receive any benefit from such fees.

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

payments charged to a Client and/or a Client's portfolio investments. In connection with any transaction involving a Client where TPG Capital BD or a related entity is receiving the compensation described above, us and our affiliates will receive higher total compensation than they would in a compensation structure that does not contain deal-related compensation or for which such compensation would be offset. As a result, a conflict of interest exists because us and our affiliates have a financial incentive to originate investments besides the incentives associated with a Management Fee and Performance Compensation. The fee potential inherent in a particular investment or transaction could be viewed as an incentive for us to seek to refer, allocate or recommend an investment or transaction to a Client. In addition, a Client could be prevented from participating in an investment as a result of TPG Capital BD (or a related entity) participating in such underwriting or financing transactions. Where TPG Capital BD (or a related entity) dealer serves as underwriter with respect to an issuer's securities, a Client could be subject to a "lock-up" period following the offering under applicable regulations or agreements during which time their ability to sell any securities that it continues to hold is restricted. This would prejudice a Client's ability to dispose of such securities at an opportune time.

In addition, other actual or potential conflicts of interest in connection with the foregoing transactions include: (i) whether the TPG Capital BD (or a related entity) engagement, including amount of fees or other economics to be paid or received, is on terms that are not materially less favorable than terms that could be obtained from a third party with commensurate skill, expertise or experience (to the extent applicable), (ii) the portfolio investment viewing the total amount of fees and interest paid for or in connection with the financing (or similar instrument) as one overall category of remuneration, and therefore does not seek to negotiate the quantum of fees to be paid to TPG Capital BD (or a related entity), which could result in reduced fees or other compensation and/or less attractive investment terms for a Client, (iii) an incentive to pursue investment opportunities with greater fee opportunities for TPG Capital BD (or a related entity), whether as a percentage of the investment size or absolute dollar amount, which could adversely impact our sourcing, diligence and approval process for a Client, or (iv) the under- or over-commitment of certain Clients, and/or the inclusion or exclusion (in whole or in part) of certain Clients from such investment opportunity, as a means to ensure the payment of such revenue. In addition, TPG Capital BD (or a related entity) could, as a consequence of its activities, hold positions in instruments and securities issued by a Client's portfolio investments, enter into obligations to acquire such instruments or securities, and engage in transactions that could be appropriate investments for a Client.

Moreover, circumstances could arise where following a Client's investment in a portfolio investment, such issuer becomes distressed and the participants in the relevant offering have a valid claim against the underwriters of the relevant offering. Such underwriters could include TPG Capital BD or a related entity, in which case, a Client would have a conflict in determining whether to sue such underwriters. Where such underwriters include non-affiliated broker-dealers, the Client will also have a conflict in determining whether to bring a claim because of concerns regarding the relationships of TPG with such non-affiliated broker-dealers, which could relate to and otherwise benefit other TPG funds and/or TPG and its proprietary entities and not a Client.

TPG Capital BD from time to time acts as placement agent in respect of investment funds that are sponsored and managed by third-party investment managers, including funds that may compete with the Clients. In providing such services to, or with respect to, a competitor fund or company,

TPG Capital BD will not take into consideration the interests of the relevant portfolio investments or a Client.

We generally will evaluate any such transactions on a case-by-case basis to address any such conflicts. Transactions involving a Client and TPG Capital BD are also reviewed with regard to the appropriateness of the transaction and any fiduciary obligations. In addition, we review such transactions with outside counsel in an effort to ensure compliance with the requirements of Section 206(3) of the Advisers Act, in respect of principal transactions between any Client and us and our affiliates (including TPG BD).

***Third-Party Placement Agents.*** We may enter into arrangements with third parties to raise capital for a Client. Such placement agents will likely receive placement fees and/or other compensation (the “Fees”) for providing solicitation and other services with respect to certain investors that invest in a Client, and such Fees are generally based upon the size of an investor’s capital commitment to a Client, although they also have the potential to include flat fees and bonuses. The Fees typically are expected to be paid by an affiliate of the applicable general partner. As a result of the Fees, placement agents have a significant economic incentive to solicit investors to invest in the Clients, resulting in a material conflict of interest. Placement agents also seek to do business with and earn fees or commissions from the general partners and/or their affiliates, as well as with other third-party fund sponsors that may have similar or different investment objectives from the Clients. Examples of such business include placement, underwriting, investment banking, lending, consulting, advisory, valuation, personal banking and/or asset management. Accordingly, potential investors should recognize that a placement agent’s participation as placement agent for interests in a Client potentially will be influenced by its interest in such current or future fees and commissions, including differentials in the placement fees that are offered by us or other third-party fund sponsors for which the placement agent acts as placement agent. We also reserve the right to allow placement agents and their personnel to invest in a Client, Related Funds and/or their respective portfolio investments, including on preferential economic terms, which gives rise to potential conflicts of interest.

***Allocation of Investment Opportunities.*** Investment opportunities are appropriate for different Clients. Subject to the terms of certain Clients’ respective Governing Documents, pursuant to which a specific percentage of each relevant investment opportunity is required to be offered to such Client or to other Clients, we, in our sole discretion, will typically allocate investment opportunities among the Client Funds and such other investment vehicles and accounts on what we deem to be a fair and equitable basis at the time the investment is made and/or over time, taking into account a number of factors, such as terms and conditions of the relevant investment vehicles or accounts, the cash available to such investment vehicles and accounts, the application of law or regulatory requirements, the asset’s attributes, opportunities sourced by a Related Adviser on another side of a permanent information barrier and/or principles of portfolio management and investment objectives and strategies. Accordingly, application of the allocation methodology can result in a priority for certain investment vehicles or accounts. We typically aggregate orders or elect not to aggregate orders for a particular Client with orders for other Clients, notwithstanding that the effect of such aggregation or lack thereof can operate to the disadvantage of some Clients. In addition, because the decision to pursue an investment opportunity and whether an investment is suitable for a Client lies within our discretion, it is possible that a Client may not be given the opportunity to participate in certain investments made by other investment vehicles or accounts



even in circumstances where we are not required to give a priority investment allocation to such investment vehicles or accounts. We may be precluded from offering to Clients particular securities in certain situations as to which we or certain of our affiliates possess material, non-public information. We will evaluate a variety of factors that may be relevant in determining whether a particular investment opportunity or strategy is appropriate and feasible for a Client Fund or the relevant investment vehicle or account at a particular time.

As described in *Conflicts Arising from Other Investment Activities of the Clients and Related Funds – Walled-Off Businesses*, certain Related Advisers are on the other side of a permanent information barrier from us, and a Client generally will not be allocated any opportunity sourced by such Related Advisers.

We cannot assure and assume no responsibility for equality among Clients. There is no assurance that all Clients will hold the same investments or perform in a substantially similar manner as other Clients with similar strategies under our management. There is also a possibility TPG employees will invest in opportunities we decline for Clients.

***Allocation of Co-Investment Opportunities.*** There are expected to be circumstances where co-investments are offered alongside a Client Fund (to investors who may or may not be investors in such Client Fund, including, for greater certainty, limited partners of other Client Funds), and there is no guarantee that any investor will be offered any such co-investment opportunities. As a general matter, we have discretion in allocating co-investment opportunities and investors who have expressed an interest in co-investment opportunities may not be allocated any co-investment opportunities or may receive a smaller amount of co-investment opportunities than the amount requested. We will take into account various facts and circumstances deemed relevant by us in allocating co-investment opportunities, including whether a potential co-investor has expressed an interest in evaluating co-investment opportunities, our assessment of a potential co-investor's ability to invest an amount of capital that fits the needs of the investment (taking into account the amount of capital needed as well as the maximum number of investors that can realistically participate in the transaction) and our assessment of a potential co-investor's ability to commit to a co-investment opportunity within the required timeframe of the particular transaction. Additional considerations also include, among others and without limitation, the size of investor commitments to a Client Fund, whether a potential co-investor has a history of participating in co-investment opportunities with us, the size of the potential co-investor's interest to be held in the underlying investment as a result of a Client Fund's investment (which is likely to be based on the size of the potential co-investor's capital commitment and/or investment in such Client Fund), whether the potential co-investor has demonstrated a long-term and/or continuing commitment to the potential success of us and such other factors that we deem relevant under the circumstances. In the event a transaction is not ultimately consummated, co-investors may not bear any related broken deal expenses (such as reverse termination fees, extraordinary expenses such as litigation costs and judgments and other expenses) even if such co-investors would have borne their proportionate share of any transaction expenses had the investment been consummated. A Client Fund may temporarily warehouse a portion of an investment opportunity in order to facilitate a co-investment by one or more affiliated or third-party co-investors. If the relevant co-investment is not ultimately consummated, such Client Fund may end up holding a larger portion of the investment than it otherwise expected or desired to hold. The risk of a co-investment not being consummated will increase in the event an investment decreases in value during the warehousing period, and a Client

Fund may be required to bear the losses in connection with any such investment. Please see “*Allocation of Fees and Expenses for Broken Deals*” below for a further discussion of broken deal expenses.

***Conflicts Arising from Interests of Our Professionals in the Clients and Related Funds.*** Our professionals may participate indirectly in investments made by the Clients and/or Related Funds. While we believe this helps align the interests of our professionals with those of the Clients’ and Related Funds’ other investors and provides a strong incentive to enhance Fund performance, these arrangements also give rise to conflicts of interest. For example, our professionals have an incentive to influence the allocation of an attractive investment opportunity to the Client in which they stand to personally earn the greatest return, although we have adopted an allocation policy to address allocations of investment opportunities. Some of our professionals also have personal investments in entities that are not affiliated with us such as investment funds managed by other sponsors that compete for the same investment opportunities or acquire an investment from, or dispose of an investment to, a Client or Related Fund, which likewise gives rise to conflicts of interest. These other entities managed by other managers may invest in or employ strategies substantially similar to our strategies. Employees also co-invest or participate with joint venture partners in real estate transactions separately from Clients. Employees also invest in companies that provide services to one or more Clients or investments held by Clients. Because of these separate activities, we have actual or potential conflicts of interests in selecting joint venture partners for real estate investments or in negotiating the terms of such joint ventures with such partners, or in selecting service providers. Our Code of Ethics generally requires personnel to disclose such ownership interests periodically.

We, or our personnel may, at any time, transfer our owned interests in a Client to a third party so long as our capital commitment following such transfer satisfies the required minimum commitment applicable to the Clients. As a result of such a transfer, interests in the Clients that were previously non-voting interests may become voting interests. In addition, commitments of controlled vehicles by us would not be included in any cap on third-party commitments to the Clients during the fundraising period, and any amounts transferred to a third party after the final closing of the Clients would not count toward the Clients’ cap.

Our personnel also have family members who are actively involved in industries and sectors in which the Clients invest or have business, personal, financial or other relationships with companies in such industries and sectors (including service providers described below) or other industries, which gives rise to conflicts of interest. For example, such family members might be officers, directors, personnel or owners of companies that are actual or potential investments of the Clients or other counterparties of the Clients and their portfolio investments. Moreover, in certain instances, the Clients or the portfolio investments may purchase or sell companies or assets from or to, or otherwise transact with companies that are owned by such family members or in respect of which such family members have other involvement. The fees for services provided by such service providers may or may not be at the same rate charged by other third-party service providers and we are not required to select service providers who may have lower rates (or to engage in any benchmarking of such fees). Subject to the Clients’ Governing Documents, Clients typically will not be restricted from undertaking any of these investment activities or transactions.

***Conflicts Arising in the Allocation of Our Professionals' Time and Attention.*** The success of a Client will depend on our investment professionals' ability to, among other things, source, underwrite, structure, complete, finance and manage investments, improve the operations, governance and performance of the assets we acquire and exit investments at the appropriate time and at attractive valuations. To achieve those ends, our investment professionals will devote such time and resources to each Client's activities as we determine to be appropriate, consistent with the relevant Governing Documents. Our professionals, however, also spend time assisting other Clients and/or Related Funds with their investment activities or working on other projects. As a result of these other activities, we have actual or potential conflicts of interest in allocating management time, services and functions among a Client and other business ventures or other Clients and/or Related Funds. In addition, our professionals expect to have responsibilities and duties to other platforms of ours and to us generally. Finally, subject to the Governing Documents of the applicable Client, a Client's key persons, generally will not be restricted in their academic, advisory committee, personal wealth management, not-for-profit, charitable and similar activities. Conflicts will therefore arise between the Clients and/or Related Funds with respect to the allocation of investment professional time and resources.

***Conflicts Relating to Certain of Our Investments, Activities and Contributions.*** We and our Related Advisers with our related persons, either for their own accounts or the accounts of others, invest in securities or obligations that would be appropriate as investments for Clients. We and our Related Advisers with our related persons also currently serve as and expect to serve as investment manager for, invest in or be related with, other entities which invest in assets or employ strategies substantially similar to Clients' strategies. We and our Related Advisers with our related persons and our respective employees make investment decisions for ourselves, Clients, Related Funds, and/or our related persons that can be different from those undertaken for our personal accounts or those made by us on behalf of other Clients, even where the investment objectives are the same or similar to those of Clients. We and our Related Advisers with our related persons and our employees at certain times have been simultaneously seeking to purchase and/or sell the same or similar investments for Clients, another Client, Related Funds, or for ourselves. Likewise, we on behalf of Clients have made, and expect to make investments in an issuer or obligor in which another Client and/or Related Fund is already invested or has co-invested. This follow-on investment from one Client could result in a benefit to another Client and/or Related Fund. We and our employees also have ongoing relationships with certain obligors of investments or the Clients' counterparties and they or Clients can own equity or other securities or obligations issued by such parties.

Persons other than our principals and staff could acquire direct or indirect beneficial interests in us and our related persons or both. As a result, we and our staff could have duties and incentives relating to the interests of these stakeholders that differ from, and could conflict with, the interests of Clients and their investors.

We may cause Clients to make contributions to charitable initiatives or other non-profit organizations that we believe could, directly or indirectly, enhance the value of a Client's portfolio investments or otherwise serve a business purpose for, or be beneficial to, Clients' portfolio investments. Any such charitable contributions made by a Client, as applicable, which could reduce such Client's returns in respect of the relevant portfolio investment, will not offset Performance Compensation or Management Fees paid or allocable to us. There can be no

assurance that any such activities will actually be beneficial to or enhance the value of a Client, or that we will be able to resolve any associated conflict of interest in favor of such Client.

***Diverse Membership.*** The investors in a Client are a diverse group that have different investment programs and are subject to different legal, tax and regulatory regimes. For example, investors generally will include taxable and tax-exempt entities and will be organized in various jurisdictions. The nature and diversification of a Client's investments, as well as the manner in which it makes, structures, holds and exits them, therefore has the potential to lead to a more favorable legal, tax or regulatory outcome for some of its investors. In selecting investments appropriate for the Client, we generally consider the investment objectives of the Client as a whole, not the investment objectives of any of its investors individually. To the extent we are able to structure certain investments based in part on the investors' respective legal, tax and regulatory constraints, we will not take into account such interests as they relate to each individual investor. Each investor in a Client generally bears its share of the costs associated with a structure designed to address the concerns of other investors regardless of whether that investor itself benefitted.

For instance, in certain circumstances, a general partner may expect to hold the investments of investors that have so elected through one or more vehicles that are treated as corporations for U.S. federal income tax purposes (each, a "Blocker"). While the use of a Blocker may provide favorable tax treatment for certain investors, such as tax-exempt or non-U.S. investors, the investment returns realized by such investors will likely be less than the returns of investors that do not hold their investment through a Blocker. In addition, in certain cases, the Clients may be required, to the extent reasonably feasible (taking into account the interests of the investors who do not elect to hold their investments through a Blocker), to cause the disposition of investments that are held in part through a Blocker through a sale of the stock of such Blocker rather than a sale of the underlying assets. The use of a Blocker may affect all of the investors and not just those who have elected to hold their investments through a Blocker. For example, while a sale of the stock of a Blocker will likely be beneficial for the investors that have elected to hold their investments through Blockers, such sale could result in total proceeds that are lower than the proceeds that could have been generated if the Clients had sold the underlying assets and such reduction would generally be shared by all of the investors and not just those who have elected to hold their investments through a Blocker. Similarly, in certain types of transactions, such as "Up-C" transactions, certain benefits, such as tax receivable agreements, may be shared by all of the investors (including those who have elected to hold their investments through a Blocker) even if such agreements relate to benefits derived mainly from the investments held by the investors who have not elected to hold their investments through a Blocker.

To address legal, tax, regulatory, accounting or similar considerations, we may structure Client investments in certain portfolio investments so that some (if not all) investors hold their interests through one or more alternative investment vehicles ("AIVs"). While we generally expect that the economic and other substantive provisions governing any AIV will be substantially the same as those governing the applicable Client (taking into consideration the legal, tax, regulatory, accounting or other impetus for the AIV structure), an investor's rights in, and the obligations and duties of the Client's general partner as manager of, the AIV may differ from those applicable to the Client by virtue of the AIV's specific terms or jurisdiction of organization. In addition, we expect the structural attributes of certain AIVs to result in divergent return characteristics for certain investors. For example, we reserve the right to elect to structure an AIV that results in

favorable tax treatment for one set of investors but less favorable tax attributes for another. Furthermore, we may take steps adverse to certain investors to preserve the intended benefits of an AIV structure. For example, ownership restrictions applicable to companies in certain industries may compel us to limit a particular AIV to a certain category of investors. In these instances, we would restrict the ability of those investors to transfer their interests if doing so would jeopardize our ability to comply with the ownership restrictions.

In addition, investors in a Client typically engage in a broad range of activities in addition to their investment in the Client. It may occur that some investors could enter into various transactions relating to the Client or its portfolio investments, such as co-investments alongside the Client, financing transactions for the Client or its portfolio investments and the acquisition of interests in portfolio investments from the Client. Investors associated with corporate enterprises could enter into strategic partnerships or other similar arrangements with us, the Clients and/or the Clients' portfolio investments, which may involve, for example, designation as a preferred provider of goods or services to any of the foregoing. So long as an investor is not otherwise our affiliate, these types of transactions generally do not require the consent of the Client's advisory committee or investors more generally. In connection with their investing activities, investors in the Clients in some cases also have additional access to the management of, or enhanced information rights regarding, the Client's portfolio investments or the ability to serve on or observe a portfolio investment's board of directors.

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

We may enter into contractual arrangements established pursuant to broader strategic relationships between selected investors, including prospective investors and us. Each such contractual arrangement is highly customized to reflect the specific broader strategic relationship between us and the particular investor, and could, but may not necessarily include

- formation of dedicated vehicles;
- significant historical, pending and/or future commitments to, or other participation in, our funds or other entities of ours;

- the right to co-investment opportunities, and related economic terms, targets and remedies;
- discounted management fee, carried interest or other economic arrangements;
- the ability to participate in management fees or carried interest of related vehicles, including a general partner, management company and/or other subsidiaries that are entitled to receive payment of Management Fees and carried interest from the Clients or Related Funds; and/or
- knowledge sharing, training and/or secondment arrangements.

We have complete discretion to determine the investors with which we will build broader strategic relationships, and we expect to develop broader strategic relationships with investors with certain attributes even though we do not seek to establish them with other investors that have the same or similar attributes.

***TPG Information.*** In connection with its services to the Clients and their investments, we, our related persons and personnel expect to receive the benefit of certain tangible and intangible benefits. For example, in the course of our operations, including research, due diligence, investment monitoring, operational improvements and investment activities, we and our personnel expect to receive and benefit from information, “know-how,” experience, analysis and data relating to the Clients, or portfolio investment operations, terms, trends, market demands, customers, vendors and other metrics (collectively, “TPG Information”). In many cases, TPG Information will include tools, procedures and resources developed by TPG to organize or systematize TPG Information for ongoing or future use. Although we expect the Clients and their portfolio investments generally to benefit from TPG’s possession of TPG Information, it is possible that any benefits will be experienced solely by other or future Clients or Related Funds, portfolio investments (or by TPG and its personnel) and not by a Client or portfolio investment from which TPG Information was originally received.

TPG Information will be TPG’s sole intellectual property and solely for TPG’s use. TPG reserves the right to use, share, license, sell or monetize TPG Information, without offset to Management Fees, and none of the Clients or their portfolio investments will receive any financial or other benefit of such use, sharing, licensure, sale or monetization.

***Platform Companies.*** At times a Client may establish or invest in portfolio companies that, in turn, seek to acquire interests in related companies or assets or engage in other business activities. We often structure these portfolio companies, which we refer to as “platform companies,” as operating joint ventures, holding companies, partnerships, structured finance vehicles, incubators, start-ups and other platform companies or other similar arrangements. A “platform company” may consist of a single entity or a group of entities and we have significant discretion in determining what constitutes a “platform company.” Subsequent funding of a platform company by the Client, including to fund a new acquisition by such platform company, will be considered a “follow-on investment” for purposes of the Clients even if such investment is a “new” investment for the platform company or involves capitalizing a distinct legal entity and therefore such investment may be made after the expiration or termination of the Clients’ commitment period (subject to the restrictions on follow-on investments in the Governing Documents). In certain cases we fund these

companies up front, and in other cases we fund them gradually over time. In the event a Client makes such an investment, we generally would expect the Client to monetize its interest in a platform company through a sale or public offering of the platform company (or the Client's stake in the company) or through sales of the platform company's underlying assets.

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

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

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

A platform company's structure and relationship to us has the potential to create conflicts of interest. For example, although we (by virtue of our control of the Client) would form the platform company and in doing so often determine or significantly influence the form and amount of compensation paid to a platform company's management team, the platform company (and ultimately the Client) bears the attendant expense. In addition, given that we (and not the Client) otherwise pay the salaries of our employees, we have the incentive to cause a platform company to retain its own management team instead of relying on our employees to provide managerial services, or to convert existing employees of ours into members of a platform company's management team.

***Business Relationships with Certain Advisors and Consultants.*** We maintain business relationships with certain advisors and consultants that are expected to provide assistance and advice with respect to Clients' investments, including transaction sourcing, due diligence, valuation, structuring, and similar matters. The compensation for these individuals is dependent on the specifics of any particular engagement and may include, among other things, cash compensation (including retainers) from us, Clients and/or underlying investments, profits interests in an underlying investment, grants of equity in and/or the right to co-invest in an investment, and/or allocations of Performance Compensation. These individuals have been, and could be in the future, former employees and/or have close business and personal relationships with us. Even if most or all of their work is performed on behalf or at the direction of us, or if they have other characteristics of employees (e.g., office space at provided by us and participation in firm meetings), these individuals are not employees or our affiliates for purposes of the relevant Clients' Governing Documents and are not subject to the restrictions or provisions in such Governing Documents that relate to employees or our affiliates. Any determination to engage an individual as an advisor or consultant rather than an employee is made by TPG Angelo Gordon in its sole discretion.

***Conflicts Relating to Rates of Third-Party Advisors and Other Service Providers.*** The Clients and their portfolio investments will retain or pay for advisors and service providers, including accountants, administrators, lenders, bankers, brokers, attorneys, sourcing persons and consultants, including certain strategic partners as described in "*Conflicts Arising from Strategic Business Partners*" and certain service providers in "*Conflicts Related to Certain Service Provider Relationships*." In many cases, these are the types of services that our employees could also provide or have in the past provided. Determining whether to engage a third party or our employee gives rise to conflicts of interest because we generally bear the compensation costs of our employees who render these services, while amounts paid to third parties are typically an expense of the relevant Client ultimately borne by its investors. We therefore have an incentive to retain third parties rather than hire additional employees and to outsource to third-party service providers functions that our employees could perform or have previously performed.

Some of these advisors and service providers also provide services to or have other relationships with us or more broadly with TPG. While we will generally seek to engage advisors and service providers on behalf of the Clients and their portfolio investments on the basis of the quality of the advice and other services provided, these relationships could influence our decision to select or recommend an advisor or service provider to perform services for the Clients or their portfolio investments (the cost of which will generally be borne directly or indirectly by the Clients or their portfolio investments, as applicable). In certain circumstances, advisors and other service providers charge rates or establish other terms for advice and services provided to us, Related Funds or any of their respective affiliates or portfolio investments that are different from and more favorable than those charged in respect of advice and services provided to the Clients and their portfolio investments. Moreover, whereas we typically negotiate on a matter-specific basis the rates or amounts payable for such services, the Clients or their portfolio investments are expected from time to time to pay higher rates or amounts than we otherwise would for such services.

***Conflicts Related to Certain Service Provider Relationships.*** From time to time we, in our discretion, recommend to a Client or one of its portfolio investments that it contract for services or, in providing services to a Client, directly engage with



- an Affiliated Service Provider or other related person of ours (including a portfolio investment of a Client or a Related Fund); or
- an entity or person with which or whom we or our personnel have a relationship or from which or whom we or our personnel otherwise derive financial, personal or other benefit.

When engaging an Affiliated Service Provider or other related person, including a portfolio investment of a Client or Related Fund, we will generally have a financial, personal or other business incentive to recommend the Affiliated Service Provider or other related person even if another person is more qualified to provide the applicable services and/or can provide such services at a lesser cost.

Moreover, Affiliated Service Providers (as described in Item 5 above) are retained to provide Affiliate Services (as defined in Item 5 above) with respect to specific portfolios of assets owned by certain Clients. The general partners of such Clients have the ability to enter into servicing arrangements with the Affiliated Service Providers with respect to specific types of assets based upon the specialized expertise or systems of each such Affiliated Service Provider. Generally, the general partners can also replace any Affiliated Service Provider at any time without notice to such Clients. Subject to a Client's Governing Documents, the Affiliated Service Providers charge Service Fees that are not subject to Management Fees or Performance Compensation offset, as discussed in more detail in "*Item 5 – Fees and Compensation*" above. In such cases, we indirectly receive such fees, via our affiliates, in addition to Management Fees and Performance Compensation.

In addition, portfolio investments owned by certain Clients or Related Funds provide services to or otherwise have business dealings with, and therefore receive fees or value from, other Clients or their portfolio investments. For example, we have a business relationship with a portfolio investment that is collectively wholly owned by certain Clients, and that originates residential mortgages. Our Clients engage in mortgage trading with this portfolio investment and may in the future continue to do so. This and other similar arrangements with portfolio investments creates potential conflicts of interest. We may have an incentive to cause a Client or its portfolio investment to transact with a portfolio investment service provider in order to benefit the Client that owns the portfolio investment service provider, or cause the portfolio investment service provider to provide services or engage in transactions with a Client or portfolio investment on terms or for compensation not favorable to the provider in order to benefit the other Client. There can be no assurances that amounts charged by any such portfolio investment service providers will be consistent with those charged by similarly situated companies, which could provide the same services at more favorable rates. Some of the services performed by portfolio investment service providers could also be performed by us. Fees paid by a Client or its portfolio investments to the portfolio investment service provider, or value created by other the portfolio investment service providers or vendors, do not offset or reduce the Management Fee or Performance Compensation payable by a Client and are not otherwise shared with a Client.

***Conflicts Related to the Hiring of Asset Managers or Servicers.*** The general partner of a Client may hire asset managers, servicers or other strategic counterparties (collectively, "Servicers"), including affiliates of ours or the general partner (or entities in which affiliates of ours or the general partner have an interest or a right to acquire an interest), to provide asset management,

sourcing, due diligence, underwriting, loan and other asset servicing, accounting, operational or other services with respect to portfolio investments. The fees to be paid to the Servicer are determined at the discretion of the general partner taking into account the assets to be governed by such agreement, may include a profits interest or other incentive-based compensation to the Servicer, and are otherwise determined according to one or more methods, including a percentage of the value of the assets being serviced or the invested capital exposed to such assets, and/or a percentage of cash flows from such assets. In the event one or more Servicers is providing services to multiple Clients, we may allocate such fees among these Clients in a manner we deem fair and equitable, in our sole discretion. To the extent any such fees are payable to an affiliated Servicer, such fees will not reduce any fees otherwise payable to us or our affiliates and, other than fees payable as disclosed in a Client's Governing Documents, will require approval of the Client's advisory committee. Our affiliates or those of the general partner will benefit from these arrangements. Also, see *Conflicts Related to Certain Service Provider Relationships*.

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

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

Our affiliates have pre-existing relationships with a significant number of sponsors, investment managers, operating partners and companies, including those that are sources of potential investments for Clients. Our affiliates also have relationships with numerous investors, including institutional investors and their senior management. The existence and development of these relationships can influence whether or not a particular investment is undertaken on behalf of a Client and, if so, the form and level of such investment. Similarly, we in certain circumstances can take into consideration these relationships in the management of a Client. Accordingly, there are certain investments or strategies involving the management or realization of particular investments that we will not undertake on behalf of a Client in view of such relationships that could have been profitable for such Client.

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

***Conflicts Relating to Operating Companies.*** Certain Clients, particularly in the real estate context, from time to time participate in investments alongside operating companies in which other Clients and/or Related Funds (whether in existence at such time or subsequently established) own or acquire an entity-level interest, where additional opportunities to invest are made available to the Client and certain co-investors and we determine that doing so is appropriate under the circumstances. We or such other Clients or Related Funds will acquire economic interests and/or minority governance rights in such entity investments, which are likely to create conflicts of interest, including, but not limited to, determining terms of investments or services to be provided to an investment, exercising certain rights in connection with an investment and/or when to exit an entity or investment. For example, if an investment related to an entity investment is not performing well, it may be in a Client's interest to replace the operating partner or seek to dispose of such investment; however, it is possible that such actions would not be in the best interests of other Clients and/or Related Funds invested in the operating partner. We also have an incentive to use operating companies in which other Clients and/or Related Funds are invested in connection with investments because of our financial, business or other interests in such entities (including whether the use of such entities could establish, recognize, strengthen or cultivate relationships that have the potential to provide longer-term benefits to us and our affiliates and the Clients or Related Funds invested in such operating companies), which may cause us to favor the retention or continuation of such operating company even if a better price and/or quality of service could be obtained from another person or entity or ourselves. Entity investments will generally involve payment of fees and other amounts, including incentive-based fees, to the operating companies, which will not be offset against the Management Fees, notwithstanding that other Clients or Related Funds, and, indirectly, our affiliates would benefit from the payment of such fees. Such entity investments will generally not be subject to consent of a Client's advisory committee, as among other considerations, other Clients and/or Related Funds are not considered our affiliates. Although we will seek to ensure that any fees paid by a Client or investment in connection with an entity investment are consistent with what we believe to be market rates, we will consider a number of factors in assessing such fees, including, but not limited to, our experience with third-party operating companies, benchmarking data and other methodologies determined by us to be appropriate under the circumstances. Investors should be aware that it can be difficult to identify comparable operating companies or other service providers that provide services of a similar scope and scale, which could impact any benchmarking analysis. Similarly, certain Clients are expected to invest in operating partners, which in turn can provide services to an investment held by an affiliate of ours or other Client or Related Fund, or engage in similar investment transactions as an

affiliate of ours or other Client or Related Fund. Such transactions will entail conflicts of interest similar to those described above.

In addition, to the extent permitted under applicable law and the relevant Client Funds' Governing Documents, it is possible that a Client will purchase an entity investment interest in an operating partner from a prior fund or other Client and/or Related Fund, such that such Client may purchase the interests in an operating partner from another Client and/or Related Fund or sell such interests at or around the end of its term. Additionally, related investments can be managed together (including, for example, the use of the same third-party manager(s) or service provider(s)) or otherwise operated as part of the same entity, combined and/or otherwise sold together as a part of a single transaction or series of related transactions. Such arrangements would result in a Client's interests in any such investments being subject to dilution and give rise to other significant risks and conflicts of interest and there can be no assurance that any Client will not be adversely affected by such arrangements. For example, a Client, any such entity investments, and other vehicles or entities in which one or more affiliates of ours hold an interest (including, but not limited to, other Clients and/or Related Funds and their respective affiliates) can engage in activities that compete with those of such Client and otherwise make investments of a type that would be suitable for the same. Such activities can result in allocations of investment opportunities to any such entity investments, accounts or other entities controlled by or in which an affiliate of ours hold an interest and consequently can result in a Client not participating (or not participating to the same extent) in certain investment opportunities in which it would have otherwise participated.

***Conflicts Arising from Service by Our Professionals on Portfolio Investment Boards of Directors.*** Our professionals may serve on the boards of directors or in other similar capacities of our portfolio investments, including those of the Clients, by virtue of the governance agreements we typically negotiate with portfolio investments in connection with an investment. While the interests of a Client as a shareholder in a portfolio investment generally align with the interests of shareholders more broadly, it is possible that our professionals' fiduciary duties to the portfolio investments and its shareholders as directors will conflict with the interests of the Client. For example, it may be inconsistent with a director's fiduciary duties to share information he/she receives regarding the relevant portfolio investment with personnel overseeing an investment in a different portfolio investment even though that information would be beneficial to the other portfolio investment and hence some Clients. Additionally, such positions could impair the ability of a Client to sell the securities of an issuer in the event a director receives material non-public information by virtue of his or her role, which would have an adverse effect on the Client. Furthermore, personnel serving as a director to a portfolio investment owes a fiduciary duty to the portfolio investment, on the one hand, and the relevant Client, on the other hand, and such personnel may be in a position where he or she must make a decision that is either not in the best interest of the Client, or is not in the best interest of the portfolio investment.

***Conflicts Related to Other Investments by Clients and Related Funds.*** Given the breadth of our portfolio across platforms, we expect a Client or a Related Fund from time to time to invest in a competitor or customer of, or service provider or supplier to, a portfolio investment of another Client and/or Related Fund. In addition, personnel may serve as directors, or otherwise be associated with, companies that are competitors of portfolio investments of certain Clients and/or Related Funds. These circumstances would give rise to a variety of conflicts of interest. For example, another Client or Related Fund or its portfolio investment may take actions for

commercial reasons that have adverse consequences for the Client or its portfolio investment, such as seeking to increase its market share at the Client portfolio investment's expense (as a competitor), withdrawing business from the Client portfolio investment in favor of a competitor that offers the same product or service at a more competitive price (as a customer), increasing prices in lock-step with other enterprises in the industry (as a supplier) or commencing litigation against the Client portfolio investment (in any capacity). Another Client or a Related Fund may also obtain information while dealing with its portfolio investments that it is prohibited from acting on or disclosing to another Client or its portfolio investment as a result of confidentiality requirements or applicable law, even though such action or disclosure would be in the latter's interests. In addition, to the extent not restricted by confidentiality requirements, we generally will apply the experience obtained by managing the Clients to benefit other Clients or Related Funds. Related Advisers are under no obligation to take into account the Clients' interests in advising their portfolio investments or otherwise managing their assets.

***Conflicts Arising from Other Investment Activities of Clients and Related Funds – Possession of Material Non-Public Information.*** The Clients and Related Funds regularly obtain non-public information regarding target companies and other investment opportunities. Since TPG does not currently maintain permanent information barriers among many of its businesses, we generally impute non-public information received by one investment team to all other investment professionals, including all of the personnel who make Client investments. In the absence of an information barrier between businesses, if a Client or Related Fund receives non-public information with respect to a company, other Clients would face, as a result of securities law prohibitions on trading on the basis of material non-public information, restrictions on their ability to pursue a transaction with that company or dispose of an investment. Moreover, the confidentiality agreements the Clients and Related Funds enter into often include provisions, such as “standstills,” that could prevent the Clients from making an investment, potentially for extended periods.

In addition, some Clients and Related Funds regularly trade securities and debt instruments in the secondary market. In the absence of information barriers, a Client's receipt of non-public information on a particular company would, as a result of securities laws or applicable industry conventions (such as with respect to secondary loan trading), generally restrict the trading activities of these Related Funds with respect to that company. Moreover, the operation of certain Governing Document provisions could impair another Client's or Related Fund's ability to trade the securities or debt instruments of a company if a Client invests in that company. In certain circumstances, we will have an incentive to avoid taking actions for one Client that would impede the operation of another Client or Related Fund. For example, we may on behalf of a Client decline to receive non-public information on a company or otherwise pursue an investment opportunity if doing so would prevent Related Funds from trading securities or debt instruments currently in their portfolio or of interest to them.

In limited circumstances, we erect temporary information barriers to restrict the transfer of non-public information between Clients and Related Funds to avoid the restrictions described in the preceding paragraphs. In these instances, however, a Client's ability to benefit from our expertise outside any such barrier will be limited. In addition, in the event that a temporary information barrier designed to protect a Client is breached, even if inadvertently, the Client will likely face

the same restrictions on its investment activities as it would have faced had the temporary information barrier not been established in the first place.

***Conflicts Arising from Other Investment Activities of the Clients and Related Funds – Walled-Off Businesses.*** While we generally allow for information to flow freely among many of TPG’s investment platforms, TPG places certain businesses behind information barriers. Currently, for example, many Related Advisers are on the other side of an information barrier from us. Given that TPG has “walled off” these businesses from our business, we generally do not have access to information about such Related Funds and their investments, and they have different day-to-day management from the Clients. Accordingly, these “walled-off” businesses may not be subject to certain restrictions otherwise applicable to our affiliates under certain Clients’ Governing Documents. For example, subject to any limitation in the Client’s Governing Documents, these businesses and their dedicated personnel generally are authorized to:

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

While information barriers are designed to restrict the flow of information between certain businesses, there can be no assurances that such barriers would not be breached, inadvertently or otherwise, including with respect to information regarding investment opportunities, deal pipelines and strategy, which could result in greater restrictions in a Client’s investment activities, and implicate certain of the risks and conflicts described in *Conflicts Arising from Other Investment Activities of Clients and Related Funds – Possession of Material Non-Public Information*. Further, we evaluate the scope and necessity of such information barriers from time to time, and such information barriers may be adjusted or fully removed at any time in our determination.

In addition, there can be no assurance that any such information barrier policies and/or procedures will be effective in accomplishing their stated purpose and/or that they will not otherwise adversely affect the ability of the Clients to effectively achieve their investment objective by unduly limiting the investment flexibility of the Clients and/or the flow of otherwise appropriate information between us and other business units. For example, in some instances, our personnel may be unable to assist with the activities of a Client as a result of these walls. There can be no assurance that additional restrictions will not be imposed that would further limit our ability to share information internally. As a consequence of an information barrier, information that could be of benefit to a Client might become restricted to those other respective businesses and otherwise be unavailable to such Client.

***Conflicts Arising from Other Investment Activities of the Clients and Related Funds – Certain Bankruptcy Implications.*** Clients and/or the Related Funds will in many cases own a significant or controlling percentage of the common equity of portfolio companies which, depending upon

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

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

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

***Activities in Restructurings.*** We may serve on creditor committees, advise companies subject to bankruptcy or insolvency proceedings and otherwise engage in financial restructuring activities. Such activities can limit our flexibility in making certain investment decisions to purchase or sell on behalf of Clients.

***Conflicts Related to Investing in Different Levels of the Capital Structure.*** The Clients and Related Funds invest in a broad range of asset classes throughout the corporate capital structure, including loans and debt securities, preferred equity securities, and common equity securities; certain Related Funds also engage in short selling. We, from time to time, may acquire for Clients and/or Related Funds, or for our own account or the accounts of employees, securities or other financial instruments of an issuer which are senior or junior to securities or financial instruments of the same issuer that are held by, or acquired for, another Client and/or Related Fund, and in such capacity, will have interests that are adverse or different to those of a Client from time to time. For example, one Client and/or Related Fund will from time to time hold an equity tranche of a particular investment while another Client and/or Related Fund holds equity with differing control rights, or a mezzanine or other debt interest in the same underlying investment. In addition, one or more properties owned in whole or in part by a Client and/or Related Fund may form part of the underlying collateral for securities owned by other Clients or Related Funds. As the number and range of products we and TPG offer grows, we expect the frequency of such practices to increase. We will, in certain circumstances, face a conflict of interest in respect of the advice we give to, or the decisions made with regard to, such investments. Similarly, we could take an investment position for a Client and/or Related Fund that would benefit another Client or Related Fund, including, for example, by creating investment opportunities for other Clients and/or Related Funds that offer a higher return than the investment or direct or indirect investments in operating companies that could provide services to other Clients and/or Related Funds that would not

otherwise be available. Additionally, the differing investment programs and projected investment horizons of Clients and Related Funds at times results in one Client and/or Related Fund taking positions in securities that are inconsistent with positions in such securities taken by other Clients or Related Funds, including variations in timing of transactions in such securities and the simultaneous holding by such Clients, or Related Fund, of long and short positions relating to the same security. We and Related Advisers have ongoing relationships with issuers whose securities or assets are held by or are being considered for Clients.

We, from time to time, determine it would be appropriate for multiple Clients and/or Related Funds to participate in the same investment opportunity or cause a Client and/or Related Fund to invest in an issuance where one or more other Clients and/or Related Funds made an investment, or may cause one or more other Clients to invest in an issuer in which such Client has previously made an investment, either in the same instrument or in a different level of the capital structure of an issuer. In certain circumstances, Clients' investment professionals may be unaware, as a result of information barriers, of a Related Fund's participation, the size of the Related Fund's investment or otherwise. Situations can occur where a Client could be disadvantaged because of the investment activities conducted by us for other Clients and/or Related Funds. For example, co-investing funds and accounts can have different terms, investment strategies, investment periods, return profiles and/or structures from a Client. These factors could result in a Client's investment being made at a different effective price or with differing costs or terms. In addition, we and the Related Adviser face conflicts of interest in managing the underlying investments of a Client and/or Related Fund, to the extent that an investment decision that benefits one Client or Related Fund can disadvantage another. For example, it could be in the best interest of a co-investing Client or Related Fund to sell an investment while being in the best interest of another Client or Related Fund to continue to hold it (and vice versa). In addition, investments by a Client and/or Related Fund alongside other Clients can result in the incurrence of additional investment expense and delays as a result of the greater structural complexity faced by us in seeking to address the needs of multiple Clients and/or Related Funds, which have investment objectives and/or sensitivities that conflict or are otherwise at odds with one another. In particular, please see the discussion of entity investments in *Conflicts Relating to Operating Companies*.

A Client or Related Fund could acquire a significant equity stake in a company whose debt securities are already held by another Client or Related Fund or another Client or Related Fund could lend to a company in which a Client or Related Fund already holds an equity stake. Equity holders and debt holders have different (and often competing) motives, incentives, liquidity goals and other interests with respect to an investment. The other Client or Related Fund could take actions, consistent with its obligations to maximize the return to its investors, that would be adverse to the interests of the Client as a holder of more junior or more senior securities. The Related Fund, for instance, could cause the acceleration of the portfolio investment's debt, or exercise other rights it has that could precipitate a sharp decline in the value of the equity held by the Client. The other Client or Related Fund would be under no obligation to take any action or refrain from taking any action to prevent or mitigate any losses by the Client. In fact, as certain Related Funds are advised by Related Advisers on the other side of an information barrier from us, it is expected that the Related Fund will not take the Client's interest into account in such transaction.

Conflicts may arise in determining the terms of investments, especially when we and/or other Related Advisers control the structure of a transaction and its capitalization. For example, if a



Client is investing in debt securities, it would have an interest in structuring debt securities that have financial terms (such as interest rates, repayment terms, seniority, covenants and events of default) that are more restrictive than the Related Fund, as an equity owner, would desire. In addition, a Related Fund may participate in leveraging and recapitalization transactions involving portfolio investments in which Clients have invested or will invest. Recapitalization transactions may present conflicts of interest, including determinations of whether existing investors are being cashed out at a price that is higher or lower than market value and whether new investors are paying too high or too low a price for the company or purchasing securities with terms that are more or less favorable than the prevailing market terms. Investments by more than one of our clients in a portfolio investment also raise the risk of using assets of one of our clients to support positions taken by other clients of ours. For example, it raises the risk that we have an incentive to cause a portfolio investment of a Client to select a Related Fund as a lender or offer financial or other terms that are favorable to such Related Fund and less favorable than a Client would otherwise desire. Similar conflicts could arise to the extent that TPG BD holds securities of a portfolio investment.

In such circumstances described above, we will at times take steps to reduce the potential conflicts of interest between the various Clients and Related Funds, including causing a Client to take certain actions that, in the absence of such conflict, it would not take (or abstain from taking certain actions it would otherwise take). Any such steps could have the effect of benefiting another Client, Related Fund or us at the expense of a Client. Our approach to mitigating such conflicts may include, without limitation, voting with the majority of unaffiliated investors holding the relevant classes of securities in circumstances where we have a right to vote with respect to such securities, recusing ourselves from any decision with disparate impact on multiple Clients, taking any action pursuant to our compliance policies and procedures (including, without limitation, requiring compliance review in connection with actions taken with respect to investments and creating information barriers between our investment teams) or, to the extent necessary, seeking the consent of the Client's limited partner advisory committee.

The application of a Client's Governing Documents and our policies and procedures are expected to vary based on the particular facts and circumstances surrounding each investment by two or more Clients or Related Funds in different classes of a company's capital structure (as well as across multiple issuers or borrowers within the same overall capital structure) and, as such, there may be a degree of variation and potential inconsistencies in the manner in which potential or actual conflicts are addressed.

***Conflicts Relating to Interests in Non-Affiliated Entities.*** On May 1, 2020, TPG and Sixth Street Partners announced a mutual agreement to amend their relationship and formally operate as independent, unaffiliated businesses. While Sixth Street Partners and its clients are no longer TPG affiliates, TPG has retained a passive minority economic interest in Sixth Street Partners, and is providing it certain transition services, such as IT and accounting services. The two firms have protocols in place to prevent the sharing of information between each other, and provide training as well as periodic reminders regarding the protocols. As a result, we believe the opportunity for a conflict of interest to arise between TPG and Sixth Street Partners is in many cases eliminated. Nonetheless, these ongoing business arrangements, as well as the close business relationship TPG has built with Sixth Street Partners across an eleven-year partnership, including certain legacy investments that TPG's funds and Sixth Street Partners' funds previously invested in alongside

one another, could continue to present at least an appearance of conflicts of interest between Sixth Street Partners and TPG, including of the type we highlight in this section and specifically as described in the preceding paragraph. Additional examples of potential conflicts include the possibility that a Sixth Street Partners fund will from time to time invest in a competitor of a Client's portfolio investment or in a different part of the capital structure of a Client's portfolio investment, giving rise to some extent to the same conflicts described above under "*Conflicts Related to Other Investments by Clients and Related Funds*" and "*Conflicts Related to Investing in Different Levels of the Capital Structure*," respectively. Certain additional conflicts we discuss in this Item 11 could also continue to arise to some degree, including, for example, those described under "*Diverse Membership*;" "*Platform Companies*;" "*Conflicts Arising from Interactions with Portfolio Investments*;" "*Conflicts Related to Transactions with Other Clients or Related Funds*;" "*Investing Alongside Other Clients or Related Funds*;" "*Conflicts Arising from Business with Certain Investors*;" "*Conflicts Related to Legal Counsel and Other Service Providers Engaged by Clients and Related Funds*;" "*Allocation of Co-Investment Opportunities*;" "*Conflicts Arising from Other Investment Activities of the Clients and Related Funds – Certain Bankruptcy Implications*;" "*Conflicts Relating to Rates of Third-Party Advisors and Other Service Providers*."

***Conflicts Related to Investments of Personnel.*** We and our personnel may buy or sell securities or other instruments that we have recommended to Clients. Personnel may also buy securities in transactions offered to, but rejected by Clients. A conflict of interest may arise because such investing personnel will, for some investments, benefit from the evaluation, investigation, and due diligence undertaken by us on behalf of the Client. In such circumstances, the investing personnel typically will not share or reimburse the relevant Client(s) and/or us for any expenses incurred in connection with the investment opportunity.

We, our personnel or Clients will at times hold investments in entities that are or become service providers to Clients or their investments. Although we, our relevant personnel or Clients might not have control over the decisions of the relevant service provider (including whether to enter into a business arrangement with us or a Client's investments), a conflict of interest or the perception thereof could nevertheless arise in engaging the relevant entity as a service provider in light of the personal benefits that accrue through the investment they hold in the service provider.

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

***Allocation of Other Fees and Expenses.*** From time to time, we determine whether to allocate certain other fees and expenses among Clients, Related Funds and us. In exercising our discretion

to allocate such fees and expenses, we face a variety of potential conflicts of interest. We will generally allocate fees and expenses to be split between us and the Clients (including fees and expenses incurred in the offering of the Client, management of the Client, and investment opportunities), in each case in accordance with the Client's Governing Documents. To the extent not addressed in the Governing Documents, we generally will allocate such fees and expenses in our sole discretion, in each case in good faith using our best judgment. Because certain expenses are paid for by a Client or, if incurred by us, are reimbursed by a Client, we will not necessarily seek out the lowest cost options when incurring (or causing a Client to incur) such expenses.

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

***Allocation of Fees and Expenses for Broken Deals.*** We generally make fee and expense allocation decisions while a transaction is pending in a manner believed to be fair and equitable over time based on our best judgment of the Client or Client Fund and/or Related Fund to which we will ultimately allocate the transaction. This judgment is necessarily subjective, especially when a transaction is terminated at an early stage. When we abandon an opportunity, absent a factual development to the contrary, we will allocate the fees and expenses for such transaction to such Client or Client Funds and/or Related Fund. The allocations of fees and expenses among Clients may not be proportional. For example, to the extent one or more Related Funds were involved in a broken deal with one or more Clients, the fact that the Related Funds at times have different expense reimbursement terms, including with respect to Management Fee and similar offsets, could result in the Clients bearing different levels of expenses with respect to the same investment.

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

In certain instances we will evaluate investment opportunities that, if consummated, we would likely offer in part to prospective co-investors, including affiliated co-investors. If such a potential investment is not consummated, the full amount of any expenses relating to such potential but not consummated investment and co-investment (including reverse termination fees, extraordinary expenses such as litigation costs and judgments and other expenses) will typically be borne entirely by the Client (and any other Related Fund that would have participated in such investment), rather than by any such prospective co-investors. Alternatively, such co-investors could independently pursue such transaction, without reimbursing the Clients for its broken-deal costs.

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

***Conflicts Related to Transactions with Other Clients or Related Funds.*** In certain rare instances, we may cause a Client to purchase investments from another Client or a Related Fund, or we may cause a Client to sell investments to another Client or a Related Fund. In connection with such transactions, we, the Related Advisers, and/or our professionals may

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

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

***Investing Alongside Other Clients or Related Funds.*** We expect a Client and one or more other Clients or Related Funds to make investments in the same investment. In many such cases, a Client will co-invest in lockstep with the other Client or Related Fund, with both funds making and exiting the shared investment at the same time and on substantially the same terms. In some situations, however, the Client and the other Client or Related Fund will have different entry timing in the same portfolio investment, acquire the same security on different terms, acquire different assets from the same portfolio investment and/or invest in different parts of the portfolio investment's capital structure (as described in "*Conflicts Related to Investing in Different Levels of the Capital Structure*"). For example, another Client or Related Fund could invest in the publicly traded securities of a Client or Related Fund portfolio investment, including by purchasing these securities in an initial public offering, in a secondary offering by the Client or in the open market. Alternatively, a Client could invest in a subsequent financing round of an existing portfolio investment of the other Client or Related Fund, assuming receipt of the necessary approvals (if any) from the advisory committees of the respective funds. In these scenarios, given the different entry points, a Client and the other Client(s) and/or Related Fund(s) are not required to exit that company at the same time and on the same terms. Even when a Client and other Client(s) and/or Related Fund(s) have the same entry point in a particular company, having invested at the same time and on the same terms, it is possible that, taking into consideration, among other things, the respective terms, commitment periods, structures and investment strategies of each fund, as well

as any applicable tax, regulatory or legal restrictions or considerations, a Client could exit the shared investment at a different time, at a different effective price or with differing costs or terms than the other Client(s) and/or Related Fund(s). For instance, a Related Fund that is close to the end of its commitment period could make a shared investment with a Client when such Client is at the very beginning of its commitment period. In all of these cases, the other Client's or Related Fund's view of the investment and its interests may diverge from those of the Client. This could cause the other Client or Related Fund to dispose of, increase its exposure to or continue to hold the investment at a time when the Client has taken a different approach. As a result, the actions of the other Client or Related Fund could affect the value of the Client's investment. For instance, a sale by the Related Fund of its investment could put downward pressure on the value of the Client's interest, which such Client has opted to hold longer term. The other Client or Related Fund is under no obligation to act in a way that furthers or protects the interests of the Client. The other Client or Related Fund could earn a return on its investment that exceeds the Client's return.

In addition, if one Client or Related Fund is unable to fund its share of additional capital (e.g., in the event such Client does not have sufficient available capital), the other Client may be obligated to fund more than its share of such amount. In such event, one Client or Related Fund will gain greater exposure to such investment than may have been intended, and the other Client or Related Fund will be diluted in such investment. The returns of each Client may be negatively impacted as a result of the foregoing. Additionally, to the extent a Client invests in the same portfolio investment as another Client or Related Fund but at a different time, the Client typically would be expected to bear a higher level of diligence and transaction fees, costs and expenses than the other Client or Related Fund that invested later. We will, in certain circumstances, have an opportunity to acquire a portfolio or pool of assets, securities and instruments that we determine should be divided and allocated among the Clients and Related Funds. In this situation, the combined purchase price paid to the seller(s) would be allocated among the multiple assets being acquired and therefore among the Clients and Related Funds acquiring any of the assets, although we could, in certain circumstances, allocate value to the Clients and Related Funds on a different basis than the contractual purchase price. Regardless of the methodology for allocating value, we will have conflicting duties to the Clients and Related Funds when assets are bought together in a portfolio, including as a result of different financial incentives we have with respect to the Clients and Related Funds, most clearly when the fees and compensation, including performance-based compensation, earned from the Clients and Related Funds differ. There can be no assurance that a portfolio investment of the Clients will not be valued or allocated a purchase price that is higher or lower than it might otherwise have been allocated if such portfolio investment were acquired or sold independently rather than as a component of a portfolio shared with other Clients and Related Funds. Similar considerations could apply where multiple Clients and Related Funds are selling assets to a single purchaser as a portfolio.

A Client will from time to time invest in opportunities that other Clients or Related Funds have declined, and likewise, a Client will from time to time decline to invest in opportunities in which other Client or Related Funds have invested. In addition, entities in which a Client and other Clients invest also engage in transactions with one another from time to time under certain circumstances.

Our employees and related persons and those of the other Related Advisers have made, and expect in the future to make, capital investments in or alongside certain Clients or Related Funds, or in

prospective portfolio investments directly or indirectly, and therefore have additional conflicting interests in connection with these investments.

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

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

- cash payments from us, a Client or Related Fund or a portfolio investment;
- grants of carried interest generated by a Client or Related Fund;
- the ability to participate in management fees or carried interest of related vehicles, including general partners, management companies that are entitled to receive payment of management fees and carried interest from the Clients or Related Funds;
- profits interests in a portfolio investment or holding vehicles beneath a Client or Related Fund; and/or
- other similar payments from us, a Client or Related Fund or a portfolio investment.

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

We expect to also offer strategic partners the opportunity to co-invest alongside a Client, in some cases regardless of whether such partner played a significant role in sourcing or managing the specific investment.

***Conflicts Arising from Interactions with Portfolio Investments.*** Portfolio investments of Clients (or Related Funds) generally are not our affiliates for purposes of a Client's Governing Documents. As a result, the Governing Documents' provisions that relate specifically to our affiliates do not apply to Clients' (or Related Funds') portfolio investments or their management teams or employees, even if we have a significant economic interest in a portfolio investment and/or ultimately control it through our control of the relevant fund. For example, in the event that a Client or one of its portfolio investments purchases products or services from, or otherwise enters into a transaction with, a portfolio investment of another Client or Related Fund, such transaction generally would not trigger the advisory committee disclosure, review or consent or trigger other provisions of the Governing Documents typically applicable to transactions with affiliates. Also,

if a Related Fund establishes a platform company, investment opportunities that the platform company management sources for the platform company generally will not be offered to the Clients.

Given the collaborative nature of our business (and the business of our affiliates) and the portfolio investments in which some Clients (or Related Funds) have invested, we (or Related Funds) from time to time recommend the services of a portfolio investment to other portfolio investments. For example, see “*Conflicts Related to Certain Service Provider Relationships*” for a discussion of portfolio investments providing services to or otherwise having business dealings with other Clients’ portfolio investments. We have a conflict of interest in making these recommendations, in that we have an incentive to maintain goodwill between ourselves and the existing and prospective portfolio investments for the Clients or Related Funds, while it is possible that the products or services recommended are not necessarily the best available to the portfolio investments of the Clients or the most favorably priced.

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

In addition, portfolio investments of Clients or Related Funds, from time to time, make discounts and other benefits available to our personnel in connection with the companies’ products or services. Sometimes these discounts or benefits are extended to our personnel in only certain roles, such as board members of the portfolio investment. Such benefits or discounts are not considered compensation to our personnel and do not offset the Management Fees payable by investors in the related Clients.

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

***Conflicts Related to Strategic Transactions.*** TPG is a broad-based alternative investment platform that may engage in strategic transactions, including the investment in, acquisition of, or combination with, other investment platforms for any reason, including those that currently or may in the future sponsor, manage or advise funds, vehicles or accounts with investment mandates that are the same as, or similar to, the Clients’ investment mandates. In determining whether to pursue or engage in any strategic transaction, we are entitled to consider only the interests and factors that

we desire, including our own interests. Except as expressly set forth in the Governing Documents, nothing prohibits, restricts or otherwise limits us in any way from pursuing or engaging in any strategic transaction or operating any such investment platform following any such acquisition or combination, including continuing or expanding the business and operations of such investment platform or any fund, vehicle or account sponsored, managed or advised thereby. Such strategic transactions and the continued operations of any such investment platform may result in the re-allocation of the time and attention of our personnel (either on a temporary or permanent basis), including to the detriment of the Clients, or the allocation of investment, sale or other exit opportunities or liquidity options which otherwise would be allocated to or benefit the Clients to instead be allocated to or benefit any such funds, vehicles or accounts, and will otherwise give rise to the same conflicts of interest that may arise among the Clients and any other Related Funds as described herein. To the maximum extent not prohibited by applicable law, neither we nor any of our affiliates will have any obligation to give any consideration to any interest of or factor affecting the Clients in connection with any such transaction (e.g., whether a Client would otherwise be interested in pursuing such transaction or whether such transaction involves funds, vehicles or accounts with investment mandates that are the same as, or similar to, a Client's investment mandate).

In the event that we, any of our affiliates or any other party engages in any such transaction or otherwise engages in any actions or any other event occurs that results in an "assignment" (including for purposes of the Advisers Act) of the Advisory Services Agreement or any other agreement (including because of any change in our control group), and as a result we or any other entity must seek the consent of the Client under applicable law.

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

***Conflicts Arising in Respect of Alignment of Interest.*** A number of persons hold direct or indirect equity and other economic interests in TPG, including in its holding structures and certain other subsidiaries or vehicles that TPG controls. On January 18, 2022, the Public Company completed an initial public offering. TPG is a subsidiary of TPG Operating Group, which is indirectly controlled by the Public Company. The officers, directors, members, managers and personnel of TPG, including certain key persons, can be expected to take into account certain considerations and other factors in connection with the management of the business and affairs of the Clients and their affiliates that would not necessarily be taken into account if we were not under the control of a publicly listed company, and certain of them have fiduciary duties to shareholders of the Public Company that could conflict with their duties to the Clients. For example, although we believe its reputation in the marketplace will provide a benefit to the Clients, we could decline to undertake investment activity or transact with a counterparty on behalf of the Clients for reputational reasons, and these decisions could result in the Clients forgoing a profit or suffering a loss. For additional



information regarding the Public Company, please refer to its public filings, which may be accessed through the web site of the SEC ([www.sec.gov](http://www.sec.gov)) or TPG (<https://shareholders.tpg.com>). Similarly, we have permitted and reserve the right to permit third-party investors (including certain Client investors in consideration of a capital commitment to a Client) to hold material direct or indirect equity and/or debt interests in, participate in fees and/or carried interest of or provide other forms of financing to, other related vehicles, in each case, including the general partners, management companies and/or other subsidiaries of TPG Operating Group that are entitled to receive payment of management fees and carried interest from a Client and/or Related Fund as well as entities we form to exercise our rights or discharge our obligations under the Governing Documents. This includes debt financing that is recourse to us and/or our employees as well as non-recourse debt, such as a securitization structure. We and/or our employees could also, but are not required to, participate in such vehicles by holding direct or indirect equity and/or debt interests. Any of the foregoing vehicles could be used to fund our capital commitments to Clients and/or Related Funds, including the required minimum commitment as well as any additional commitments permitted following the end of the fundraising period. These practices could have the effect of reducing the amount of management fees and carried interest received directly or indirectly by TPG Operating Group and/or the management companies and the general partners (including carried interest received by persons responsible for operating a Client and/or Related Fund) and/or the amount of capital contributed or remaining at risk by persons responsible for operating the Clients and/or Related Funds, and lessening the alignment of interests between such persons and the investors in such Clients and/or Related Funds.

***Conflicts Relating to Fee Structure and Carried Interest.*** Certain Clients may have fixed investment periods after which capital is only permitted to be drawn down in limited circumstances, and Management Fees are, at certain times during the life of those Clients, based upon capital invested by the Clients. This fee structure creates an incentive to defer the realization of investments and/or deploy capital when we would not otherwise have done so.

See also “*Item 6 – Performance-Based Fees and Side-by-Side Management*” for a description of the other conflicts that arise as a result of the methodology for determining the amount of Performance Compensation earned by the general partner of a Client.

***Conflicts Related to the Employee Retirement Income Security Act of 1974.*** We expect one or more Clients or Related Funds to hold plan assets subject to ERISA. If a Client or Related Fund holds plan assets subject to ERISA, we and certain related entities would be classified as “fiduciaries” under ERISA with respect to the plan assets of such vehicles when acting on behalf of such vehicles. ERISA imposes certain general and specific responsibilities and restrictions on fiduciaries with respect to plan assets. As a result, in the event a Client or Related Fund holds plan assets subject to ERISA, such Client or Related Fund may be prohibited from entering into certain transactions if the investment would violate ERISA with respect to such Client or Related Funds, or may be obligated to take certain actions or refrain from taking certain actions in order to avoid a violation of ERISA with respect to such Client or such Related Funds.

***Conflicts Arising from the Exit of Certain Investments.*** The general partner of a Client, or its affiliates, may receive distributions in kind from an investment disposition. In the event the general partner, or its affiliates, receives such a distribution, the general partner may act in its own interest with respect to its share of securities and will determine to sell the distributed securities, or hold

the distributed securities for such time as the general partner will determine. The ability of a Client's general partner to act in its own interest with respect to such distributed shares creates a conflict of interest between the general partner or affiliate, as an adviser to the Client, and the Client and its investors. This conflict may be exacerbated due to the enhanced knowledge and information the general partner has relative to the limited partners with respect to such securities.

***Conflicts Arising from Customized Terms Provided to Certain Investors.*** Investors increasingly expect to make investments in private investment funds on customized terms. We accommodate these expectations by entering into written agreements, which we refer to as "side letters," with investors in connection with the formation of the applicable Client. We also reserve the right to provide customization by forming separate accounts for certain investors that would invest alongside the applicable Client on terms that differ from those in the Client's Governing Documents.

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

- the ability to opt out of investments (which, to the extent exercised, would increase the other investors' pro rata interest in those investments);
- the reporting or notice obligations of the applicable general partner or Client;
- consent rights with respect to certain amendments to the applicable Client Governing Documents;
- the right to transfer interests in the applicable Client;
- the right to withdraw from the applicable Client in the event of adverse tax or regulatory events (which, if exercised, would increase the other investors' pro rata interest in such Client);
- the right to appoint a representative or observer to the advisory committee of the applicable Client, if applicable, or other similar advisory groups;
- additional confidentiality protections or waiver of existing confidentiality obligations;
- the right to disclose certain information to underlying investors or to the public;
- structuring rights with respect to certain types of investments;
- economic terms, including reduced or modified Management Fees and/or Performance Compensation;

- the ability to participate in management fees or carried interest of related vehicles, including a general partner, us and/or other subsidiaries that are entitled to receive payment of Management Fees and Performance Compensation from the Clients or Related Funds;
- the investor-specific information or documentation that the applicable Client would otherwise provide to lenders, other financing sources or other third parties;
- the offering of co-investment opportunities;
- distributions in-kind; or
- any other terms, whether economic, procedural or otherwise.

Specifically, the preferential treatment may include certain investors of a Client receiving additional information that is not made available to a Client's investors generally. For example, (i) investors who designate representatives to participate on a Client Fund's advisory committee, (ii) investors who negotiate particular side letters and (iii) our affiliates, will have more information about such Client than other investors, and we will have no duty to ensure all of a Client's investors seek, obtain or process the same information regarding such Client and its investments. Similarly, certain investors in a Client are also investors in other Clients, or otherwise engage in transactions with us, and receive additional information through such arrangements. Certain information that is provided to one investor in a Client and not to another investor (or prospective investor) could be material. In particular, such information can affect a prospective investor's decision to invest in a Client or an investor's decision to take actions or make decisions pursuant to such Client's governing documents.

We will consider many factors in deciding whether to accord investors in Clients customized terms via a side letter and expect to grant preferential treatment to the following types of investors:

- investors that have made or have proposed to make relatively large commitments to the Client or Related Funds or that are anticipated to be important to future fundraising campaigns undertaken by us;
- investors that have made a commitment on the initial closing date or during an early closing period;
- investors that have a broader strategic relationship with us;
- investors that are subject to specific legal, tax or regulatory requirements or policies applicable to them; and
- other investors meeting other criteria we consider reasonable in our discretion.

Matters arising under any side letter are subject to indemnification and exculpation by a Client pursuant to a Client's Governing Documents.

***Favorable Terms Provided to Affiliates and Related Persons.*** Our employees, business associates and other "friends of the firm" are typically able to invest directly or indirectly in Clients on terms

that are more favorable than those offered to other investors and can buy and sell securities or securities of issuers or obligors with debtor instruments which are held by a Client or may be suitable for such Client for their own account or the account of others. Such favorable terms may involve, among other things, a waived or reduced Management Fee, and the waiver or reduction of other restrictions. The Clients have no obligation to disclose or offer such favorable terms to any other investor in the Client, except to the extent required by the Governing Documents of the applicable Client.

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

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

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

**Item 12—Brokerage Practices**

***Investment or Brokerage Discretion***

For each of the Client Funds, we have sole discretion over the purchase and sale of securities and instrument transactions (including the size of such transactions, time, price, manner and amount) and the broker dealer or counterparty, if any, to be used to effect transactions. Generally, there are no restrictions or limitations on our authority. Clients should expect to incur expenses associated with their securities transactions, including brokerage commissions and fees, commissions to other financial intermediaries, and other costs. These are all borne by the Client, and not us.

Securities and credit balances of Clients are maintained in the custody of financial institutions ("Prime Brokers") selected by us. Such Prime Brokers provide additional services to Clients which typically include clearance and settlement services and may also include margin loans and other financing. From time to time, Prime Brokers will also provide services on our behalf such as market information, research or Client or investor referrals.

In the course of selecting such brokers, dealers, banks and financial intermediaries to effect transactions for and with Clients, we may agree to such commissions, markups and markdowns, fees and other charges on behalf of our Clients as we shall deem reasonable under the circumstances taking into consideration all such factors as we and its personnel deem relevant, including, among other things, the quality of research services (even if such research services are not for the exclusive benefit of the relevant Client(s)). There is no assurance that the costs of such services will represent the lowest costs available. We may also receive Client referrals from broker-dealers or others providing services to Clients.

Commercial banks and dealers act as principals to effect fixed income trades (including bank debt) and earn a markup, not a commission, on such trades. Published research from such dealers may be provided to and used by us. Such research is generally provided free of charge and is not available for sale. Certain fixed income instruments such as bank debt or trade claims can be subject to settlement periods/closings in excess of the securities standard of trade date plus three days. Settlements/closings can range from ten to sixty days, or longer in the case of distressed, non-U.S. transactions and special situation trades.

We generally seek to obtain, among other things, best execution of securities transactions for our Clients. Best execution is not limited solely to the consideration of the best available commission rate. Based on the applicable investment strategy, a limited universe of dealers are in a position to offer investments to us. Accordingly, at times it is possible that we will have a limited selection of dealers or may only have one option with respect to our selection of a dealer. In such cases, the dealer offering the investment to us usually represents the only execution for such investment and is, therefore, the “best execution.”

When we are in a position to select from a range of brokers and dealers, we consider relevant factors such as: the ability to achieve prompt and reliable execution and settlement; the efficiency with which transactions are effected; the financial strength, integrity, reputation, and stability of the broker; the transaction’s size and timing; service as a Prime Broker or capital introduction capabilities; desired timing of the transaction; willingness and ability to commit capital (i.e., loss rations); availability of stocks to borrow; quality and timeliness of market information; ability to provide competitive term financing across a variety of asset classes; access to underwritten offerings and secondary markets; the broker-dealer’s ability to maintain our anonymity; the nature of the market for the security and the difficulty of execution; the quality of execution and service rendered by the broker-dealer in prior transactions; the quality, comprehensiveness and frequency of available research services considered to be of value; the belief that the broker-dealer charges fair and reasonable fees for trades, and that the Clients have been treated fairly and honestly in prior trades; the competitiveness of transaction costs and overall cost of trade (including commissions, markups, markdowns, spreads, and other costs); and our overall relationship with the broker-dealer. Thus, even when a range of brokers and dealers is available, transaction cost is not the sole factor used by us to evaluate execution. Research services provided by brokers may include written information and analyses concerning specific securities, companies or sectors; market, financial and economic studies and forecasts; statistics and pricing or appraisal services, as well as discussions with research personnel. We may have an incentive to select or recommend dealers based on an interest in receiving research or other products or services rather than Clients’ interest in receiving favorable execution and the commissions or markups and markdowns may exceed those charged by other available brokers or dealers based on the above.

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

We do not have formal arrangements with specific brokers or dealers to receive research or other services beyond transaction execution in exchange for brokerage commissions from client transactions (so-called “soft dollar” arrangements). However, we may select brokers or dealers who provide us research reports and services, including: proprietary broker-dealer company research and analyses; oral and written reports, statistics and advice about the economy, industries and individual securities’ or company investment opportunities; reports on underwriting activity, bank rates, loan defaults, loan new issuance volumes and other capital markets statistics; and opportunities to confer with company management.

Our employees have received gifts and gratuities from broker-dealers or persons with whom we do business, including tickets to sporting events, meals and other entertainment, transportation, attendance at seminars or other educational training or informational events, logo items and other items of small value, gifts associated with life events such as birthdays or weddings, and gifts of substantial value. Our Code of Ethics contains policies regarding the permissibility of gifts and entertainment and the required pre-approval.

We have no directed brokerage arrangements. If it were to engage in such arrangements, there is no assurance that best execution could be achieved.

Orders are allocated among eligible Clients in a manner which we believe is fair and equitable over time and in accordance with our allocation policy and procedures. Pro rata allocation is not always feasible, and allocations are driven by a number of factors including, among others, Client investment guidelines and the portfolio manager’s overall view of the portfolio, including the nature and size of target positions and existing positions, available cash, cash needs, liquidity, regulatory restrictions, as well as market conditions and performance. Accordingly, our allocation decisions will affect performance, and certain Clients will not participate in gains or losses that were realized by other Clients with similar investment objectives. Likewise, certain allocations to Clients which provide for Performance Compensation could result in an increased economic benefit to us. See “*Allocation of Investment Opportunities*” in Item 11 herein.

We negotiate the rates of compensation that Clients pay. Some broker-dealers and other counterparties we select have (or are affiliates of entities that have) other material business relationships with us or our affiliates, or with our principals. In addition, certain Clients may not have clearing, custodial or financing arrangements (including ISDA agreements, repurchase agreements, securities lending agreements, futures agreements or give up/clearing agreements) with all counterparties that have relationships with other Clients. While we attempt to negotiate similar arrangements on behalf of all Clients, there can be no assurance that these arrangements will be uniform across all Clients, that we will be able to establish uniform arrangements in a timely manner or that such arrangements will be established at all. Accordingly, certain Clients may be subject to higher clearing, custodial and financing expenses.

In addition to using brokers as “agents” and paying resulting commissions, we sometimes cause Client accounts to buy or sell securities directly from or to dealers acting as principals at prices

that include markups or markdowns, and may also cause Client accounts to buy securities from underwriters or dealers in public offerings at prices that include compensation to the underwriters and dealers.

With respect to transactions in derivatives (*i.e.*, swaps, forwards, options and futures (and options thereon)), we execute such transactions through regulated or exempt swap dealers, non-registered swap dealers, non-swap dealers or futures commission merchants. From time to time, we also use the services of introducing brokers.

From time to time, during the course of trading for Clients, errors can occur. It is our policy to resolve an error that constitutes a “trade error” under our policy in a manner which will put the Client in such a position as if the error had not occurred. Subject to applicable documentation, we are responsible for our own errors and not the errors of other persons, including third-party broker-dealers and custodians. In cases when an error is attributable to a broker-dealer or other third party, we take reasonable steps to recover the amount of losses resulting from a third-party trading error.

We have established an advisory committee to oversee, among other things, the brokerage practices (the “Risk Committee”). The Risk Committee is comprised of members of senior management and generally meets at least quarterly. The Risk Committee provides oversight for our trading and funding activity with banks and broker-dealers and also conducts periodic reviews of the level of activity with each bank/broker-dealer.

Please refer to the section above entitled “*Conflicts Relating to Rates of Third-Party Advisors and Other Service Providers*” for a discussion of potential conflicts of interests that affect our choice of service providers, including broker-dealers.

### ***Cross Transactions***

From time to time, we or one or more of our related persons have, to the extent permitted under applicable law and the relevant Clients’ Governing Documents, effected Client cross-transactions where we cause a transaction to be effected between two or more accounts that we advise or between accounts that we advise and portfolio investments owned by one or more accounts that we advise, and expect to do so in the future. Such cross transactions will be engaged in if we believe that it is in the best interests of all relevant Client accounts to effect such transactions. No brokerage commission, fee or other remuneration will be charged to Clients in connection with the completion of a cross-transaction other than customary transfer fees or a marginal transaction fee for brokered cross trades.

Such cross transactions create conflicts of interest because, by not exposing such buy and sell transactions to market forces, a Client may not receive the best price otherwise possible, or we might have an incentive to improve the performance of one Client or a Related Fund by selling underperforming assets to another Client in order, for example, to earn fees. Additionally, in connection with such transactions, we

- may have significant investments, or intentions to invest, in the Client or Related Fund that is selling and/or purchasing such an investment; or

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

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

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

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

We have designed and implemented policies and procedures to address the conflicts of interest that arise in connection with cross-transactions. Each cross-transaction is required to be approved by the relevant Portfolio Manager(s) and the Risk and Compliance groups.

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

From time to time we also establish other investment vehicles for the purpose of purchasing one or more investments from a Client or Related Fund (sometimes, but not always, where the selling Client or Related Fund is approaching the end of its term) in connection with, or alongside another Client and/or a Related Fund making an investment (such vehicles, “Continuation Vehicles” and such transactions, “Continuation Transactions”). In such circumstances, we and/or our affiliates are acting on behalf of, and making the investment decision for, both the Client and the applicable Continuation Vehicle. As a result, Continuation Transactions implicate conflicts of interest described above in “Cross Transactions” between the Client and the Continuation Vehicle more generally. Further, because we and/or our affiliates expect to have the opportunity to earn additional management fees and/or receive additional carried interest and other benefits in respect of such Continuation Transactions, and because each purchaser’s commitment to acquire interests in a Continuation Vehicle will ordinarily be conditioned upon completion of the Continuation Transaction, we will have a potential conflict of interest in determining transaction terms and participants. Because of the potential for a requirement for an investor in the Continuation Vehicle to make an investment in a Client or Related Fund or a commitment to invest in a future Client or Related Fund, this (a) incentivizes us to favor such investors because of the potential for us and our affiliates to earn additional management fees with respect to any such investment or commitment to invest, and (b) could affect the price such investors offer to purchase the asset from the selling Client or Related Fund. Additionally, conflicts of interest arise in continuation transactions as a result of the allocation of fees and expenses, because fees and expenses will be incurred in connection with the transaction, and we might determine to allocate bankers’ fees and certain other fees and expenses solely to selling investors and not to certain investors in the Continuation Vehicle or vice versa.



While certain conflicts of interest related to Continuation Transactions often require approval by a Client's advisory committee, certain transactions may be able to be completed at our initiation without any such approval.

### ***Trade Aggregation***

In pursuing our investment objectives, we will cause Clients to purchase and sell publicly traded securities through brokers. If we have determined to sell or purchase a publicly traded security at the same time for more than one Client, we will seek to combine or ("bunch") orders for Clients because in many instances, such "bunching" of orders can result in lower commissions, a more favorable net price or more efficient execution than if each Client's order were placed separately. There may, however, be instances in which order bunching results in a less favorable transaction than a particular Client would have obtained by trading separately. Similarly, when orders are not bunched, there may be circumstances when purchases or sales of portfolio securities for one or more Clients will have an adverse effect on other Clients. We are not obligated to place all transactions on a "bunched" basis. We generally seek to avoid putting any Client at an advantage or disadvantage compared to other Clients that are buying or selling the same security. Each Client participating in a "bunched" order generally participates at the same price as all other participants, and all transaction costs on the order are generally allocated pro rata to all participating Clients.

## **Item 13—Review of Accounts**

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

Responsibility for managing the Client's accounts is spread among our investment professionals who are best suited and skilled to manage the asset class in which the account is invested. These professionals review and monitor the accounts on a daily basis. On an ongoing basis, these professionals review current market prices of securities and instruments held for Clients, review relevant financial markets and are involved in all major portfolio decisions. In addition, with respect to investments such as bank and other loans, financings, originations and related credit, fixed income and other instruments and claims, we review and analyze existing investment positions to attempt to identify issues early on and to take action when necessary. We meet periodically with members of our investment review committee to update them on such portfolio positions and related matters.

Client accounts are also regularly reviewed by our Head of Credit and Head of Real Estate and the Risk and Compliance groups in light of trading activity, Client guidelines and objectives, allocations and best execution and to provide instructions or guidance concerning Client transactions.

### ***Reporting***

A Client's investors receive reports from the Client as described in the Governing Documents of the Client. Clients may enter into agreements with certain investors to provide such investors with additional reports, including detailed information regarding portfolio positions. In addition, investors may be supplied with a commentary on each month's or quarter's performance in monthly or quarterly letters. Generally, investors in Clients are provided with audited financial statements in compliance with the requirements of applicable law. The nature and frequency of

written reports to investors in managed accounts are as agreed upon between us and the investors in those managed accounts.

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

We pay certain third parties cash compensation for investor referrals in amounts based upon a portion of the advisory or performance fees earned by us with respect to investors or Clients introduced by the third party. Such arrangements will be disclosed to Clients in accordance with applicable law. The fact that we share with third parties a portion of the compensation we receive for investment advisory services will not result in any Client being charged investment Management Fees at a rate in excess of, or less than, the rate of Management Fees customarily charged by us to our Clients for similar services, nor will we charge any Client any other amount for the purpose of offsetting costs associated with Client referrals.

For information regarding any economic benefits we receive from non-clients, including a description of related conflicts of interest, please see “*Conflicts Arising from Business with Certain Investors*” in Item 11 above. In addition, as discussed in “*Conflicts Related to Certain Service Provider Relationships*” in Item 11, we and our related persons, in certain instances, receive discounts on products and services provided by portfolio investments held by Clients and/or the customers or suppliers of such portfolio Investments.

#### **Item 15—Custody**

Unless exempt under the Advisers Act, Client Funds and securities over which we have custody are maintained or custodied with qualified custodians. Client Funds are generally subject to an annual audit conducted by an independent public accounting firm in accordance with GAAP and distributed to investors in the Client Funds within 120 days of the Client Fund’s fiscal year. To the extent that Clients are not subject to such audits, those clients will undergo an annual surprise examination by an independent public accountant to verify Client assets. For certain Clients that are discretionary separate accounts and for which we have determined we have custody, we have a reasonable belief that Clients receive at least quarterly statements from the qualified custodian that holds and maintains such Clients’ investment assets. We urge Clients who receive such statements from another qualified custodian to compare such official custodial records to the account statements that we provide to Clients.

#### **Item 16—Investment Discretion**

We typically receive full discretionary authority from Clients at the outset of an advisory relationship to select the identity and amount of securities to be bought or sold. In all cases, however, such discretion is exercised in a manner consistent with the stated investment objectives and guidelines for the particular Client. When selecting securities and determining amounts, we observe the investment policies, limitations and restrictions of the Clients which we advise. The Clients’ offering memoranda or Clients’ investment management agreements or guidelines may place limits on the types of securities, issuers or industries in the portfolio or the types of investment techniques that may be used in managing the Client portfolio.

## **Item 17—Voting Client Securities**

We have been delegated the authority to vote on matters with respect to Client securities, including proxies or other corporate actions, such as consent requests regarding securities held by the Clients. We have adopted and implemented policies and procedures reasonably designed to ensure that we vote proxies in the best interests of the Clients. ESG-related factors are considered in proxy voting, to the extent applicable, alongside other economic and non-economic factors, with the goal of maximizing the financial interests of the Clients involved. Decision-making in the proxy voting context is a combination of all relevant economic and non-economic considerations rather than based solely on ESG considerations, consistent with our fiduciary duties, Clients' investment mandates, and/or other applicable laws. Clients generally cannot direct our vote.

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

In exercising our voting discretion, we seek to avoid any direct or indirect conflict of interest between the Clients and the voting decision. If any conflict of interest is identified, our proxy voting policy requires that the Compliance group be notified to advise on next steps prior to voting. Where appropriate, and within our discretion, unaffiliated third parties may be used to help resolve conflicts or to otherwise assist us in fulfilling all or part of our voting obligations.

In accordance with the requirements of the Advisers Act, we maintain records of our proxy voting for at least five years and, at a Client's request, will furnish proxy voting information, free of charge, to the requesting Client within a reasonable period of time (usually within ten business days). Clients may request proxy voting information by contacting us at (212) 692 -2000.

## **Item 18—Financial Information**

Not applicable.