



TPG'S ANNUAL ESG REVIEW

**ENVIRONMENTAL  
SOCIAL  
AND  
GOVERNANCE  
PERFORMANCE**

# TPG TODAY

TPG is a leading global alternative asset management Firm. Founded in 1992 in San Francisco from family office roots and an entrepreneurial heritage, the Firm was built to bring a unique perspective and a differentiated approach to investing. Our distinct position in the industry is based on innovation, organic growth, and a culture of openness and collaboration.

Over 30 years, we have developed an ecosystem of insight, engagement, and collaboration across our platforms and products. We are transformational investors - we aim to drive meaningful long-term value and leave our companies healthier, more strategic, and more growth-oriented than they were before we invested. Our principled focus on innovation has resulted in a disciplined, organic evolution of our business. Incubating, launching, and scaling new platforms and products organically—often early in the development of important industry trends—is embedded in our DNA.



**\$139B**

Assets Under Management



**300+**

Portfolio Companies



**30+**

Countries



**1,100+**

Employees Globally

**DISTINCTIVE GLOBAL INVESTOR BASE,  
WITH 75% OF LIMITED PARTNERS INVESTED IN THREE OR MORE TPG PRODUCTS**

# TO OUR STAKEHOLDERS

TPG's commitment to fostering strong performance in financially material Environmental, Social and Governance practices within our Firm and externally in our portfolio, communities and ecosystem is a long-standing tenet of how we operate. We hold that it is simply good business, and we approach it both with a strong, explicit foundation and as an important part of our culture every day.

This report describes TPG's current ESG strategy, progress we made in 2022 and 2023, and our priorities for future advancement. We discuss the pillars around which our ESG strategy is organized:

- Positive sector selection – across our platforms, investing in businesses where commercial outperformance tends to align with positive ESG outcomes.
- Edges and angles in informed investment decisions – making ESG an integrated part of our investment and portfolio

management process, with access to leading tools and expertise and shared accountability for outcomes.

- Partnering on advancement with our portfolio – working with the leadership of our invested assets to define a shared path toward ESG progress that contributes to business performance.
- Flywheel of Firm progress – capturing ESG benefit, and enhancing the support we can provide to our portfolio, in how we manage TPG's growth.

We illustrate these pillars with the innovative in-house ESG capabilities and tools we continue to invest in advancing, the distinctive impact-dedicated pools of capital we have built, and stories of companies across our investment platforms that show how ESG performance can go hand in hand with value creation and business growth.

OUR COMMITMENT IS TO AUTHENTIC ACTION – TO MAKING CHOICES IN PARTNERSHIP WITH OUR PORTFOLIO COMPANIES AND INVESTORS, AND IN HOW WE LEAD AND OPERATE OUR FIRM, WHICH BUILD COMPANIES THAT ARE STRONGER BECAUSE THEY ARE MORE SUSTAINABLE.



David Bonderman  
*Founding Partner,  
Non-Executive Chairman*



Jim Coulter  
*Founding Partner, Executive Chairman,  
Managing Partner of TPG Rise Climate and  
Co-Managing Partner of The Rise Funds*



Jon Winkelried  
*Chief Executive Officer*



Todd Sisitsky  
*President*



Jack Weingart  
*Chief Financial Officer*



Anilu Vazquez-Ubarri  
*Chief Operating Officer*



Bradford Berenson  
*General Counsel*



Joann Harris  
*Chief Compliance Officer*



Maryanne Hancock  
*CEO of Y Analytics*



Liz Stiverson  
*Global Head of ESG*

OUR FIRM AND ESG LEADERSHIP WELCOME THE OPPORTUNITY TO ENGAGE FURTHER ON THE CONTENTS OF THIS REPORT, AND WE LOOK FORWARD TO CONTINUING TO WORK WITH OUR GLOBAL STAKEHOLDERS IN THIS IMPORTANT ARENA IN THE YEAR TO COME.

# CONTENTS

## **OUR APPROACH** \_\_\_\_\_ 05

ESG SUPPORTING DIFFERENTIATED INVESTMENT PERFORMANCE

DEDICATED ESG CAPABILITIES AND INTEGRATED ESG GOVERNANCE

## **OUR INVESTMENTS** \_\_\_\_\_ 09

CAPITAL DEPLOYMENT FOR IMPACT AND ESG PERFORMANCE

INVESTMENT DECISIONS INFORMED BY ESG

ENVIRONMENTAL, SOCIAL AND GOVERNANCE PORTFOLIO INSIGHTS AND PROGRESS

## **OUR OPERATIONS** \_\_\_\_\_ 23

ESG PERFORMANCE WITHIN OUR FIRM

## **APPENDIX** \_\_\_\_\_ 28

# OUR APPROACH

At TPG, we seek to deliver differentiated investment performance. Since our inception, consideration of financially relevant environmental, social, and governance (ESG) factors has been a source of value that has differentiated how we develop investment themes, how we make investment decisions, how we manage our portfolio, and how we build our firm.

## OUR ESG INTEGRATION BEGINS WITH POSITIVE SECTOR SELECTION.

TPG's invested capital is concentrated today in healthcare, technology and media, climate, and impact companies – sectors in which outperformance tends to align with positive ESG outcomes.

**67%** PRIVATE MARKETS INVESTMENTS IN ESG-RELATED SECTORS

Our access to opportunities and performance in these sectors is built on years of deliberate focus and consideration of factors that are often regarded as ESG factors in our capital deployment and offers us unique insight into how enhanced ESG performance drives enhanced business performance. Our investment teams are principally organized around sectors, which also means that investors focused across a diverse set of products and strategies are working together globally to develop networks and intellectual capital. This accelerates our ability to identify ESG value – including in new pools of capital, as demonstrated by our leading scaled impact investing platform, described in more detail on pages [9-12](#).

POSITIVE SECTOR SELECTION

EDGES AND ANGLES IN INFORMED INVESTMENT DECISIONS

PARTNERING ON ADVANCEMENT WITH OUR PORTFOLIO

FLYWHEEL OF FIRM PROGRESS

## WE BUILD ON STRONG SECTOR SELECTION WITH ESG EDGES AND ANGLES IN INVESTMENT DECISIONS.

ESG integration in our investment process is grounded in a model of shared responsibility between our investment professionals and meaningfully resourced, dedicated ESG capabilities.

Since the Firm was founded, we have prioritized and maintained open investment committees in many of our businesses as a critical part of both our culture of collaboration and our apprenticeship model. This environment encourages participation and fosters comprehensive discussion of all considerations for our investment strategies, including ESG, which investment teams are ultimately responsible for.

TPG's dedicated ESG expertise resides in Y Analytics – our innovative internal capability, purpose-built to understand and improve the environmental and social impacts of deployed

capital in alignment with value creation opportunities, and described in more detail on pages [7 and 8](#). The Y Analytics team and the tools they have developed are informed by academic research and available to all of our investment platforms, and members of the team regularly directly participate in investment committee discussions. This often includes the pipeline stage of our investment evaluation, as recognizing ESG risk and opportunity considerations early helps us take a better informed approach to investment diligence and ultimately build a more differentiated view on investment opportunities.

The combined result is investment committee discussions and decisions which are rigorously informed by ESG insights and expertise, and in which ESG considerations are everyone's responsibility.

**DURING OUR INVESTMENT PERIOD, WE PARTNER ON ESG ADVANCEMENT WITH OUR PORTFOLIO COMPANIES.**

TPG's investment platforms and strategies are broad and diverse, and our approach to all the ways we engage with our portfolio is built on meeting companies where they are – across our operating supports, portfolio human capital capabilities, and ESG strategy. Joining companies and management teams to craft a shared path together maximizes what we can offer and ensures we remain a capital partner of choice.

Our ESG strategy's foundation in financial materiality means that we begin our ownership with a clear understanding of the ESG factors that matter to companies' performance and growth. During the ownership period, bringing ESG value to our investments can mean treating ESG priorities as an embedded aspect of core operations, growth planning, and value creation potential—rather than an isolated effort—as well as building reporting and other capabilities with our companies that are both comprehensive in what they seek to achieve over time, and practical to implement today.

Our portfolio management approach helps us and our companies both monitor ESG progress meaningfully, and accelerate it with companies' growth.

**WE SUPPORT ALL OF OUR WORK WITH A FLYWHEEL OF FIRM PROGRESS ON ESG.**

ESG at TPG is both led and underpinned by highly transparent governance. The firm's senior leadership and representatives of teams with ESG-related subject matter expertise are actively involved in the development of our ESG strategy through the Y Analytics Board and TPG's ESG Strategy Council. This includes Y Analytics' publication of its methodology, developments in impact and ESG, and capability-building work with our Limited Partners and others in the industry.

At the time of our IPO in January 2022, we laid out the path by which our public company board will become majority independent within five years. We remain the only publicly traded alternative asset manager to have taken this step.

Most of our employees also have the opportunity to be owners of our business. Nearly 100% of TPG employees received equity grants through our IPO, every non-Firm Partner employee at the time of our IPO was offered the opportunity to purchase TPG shares at our IPO listing price, and TPG equity continues to be an important part of the firm's compensation program.

Just as ESG is not a separate, standalone part of our engagement with our portfolio companies, diversity, equity and inclusion is not a separate effort from the rest of our talent strategy. A cornerstone of our approach to talent management

is the way we incorporate diversity, equity and inclusion in how we recruit, train, retain, and build our teams for the future, as described in more detail on pages [25 and 26](#).

In the course of our everyday operations, we build and maintain ESG-aligned social and environmental programs. These include the measurement of our operational emissions and equivalent purchases of high quality carbon credits, described in more detail on pages [23 and 24](#), and support for and organization of ways for our employees to make

charitable contributions to their local communities and important global causes, described on page [26](#).

Our goal is to build and manage our portfolio in a way that demonstrates how we define and prioritize ESG as a contributor to investment performance, and to manage ESG at our firm in a way that enhances our ability to do the same.



TPG has been a Signatory to and Sponsor of the United Nations' Principles for Responsible Investment (PRI) since 2013. We have committed, where consistent with our fiduciary duties, to PRI's 6 Principles for Responsible Investment.



TPG has been a public Supporter to the Task Force on Climate-Related Financial Disclosures (TCFD) since 2019.

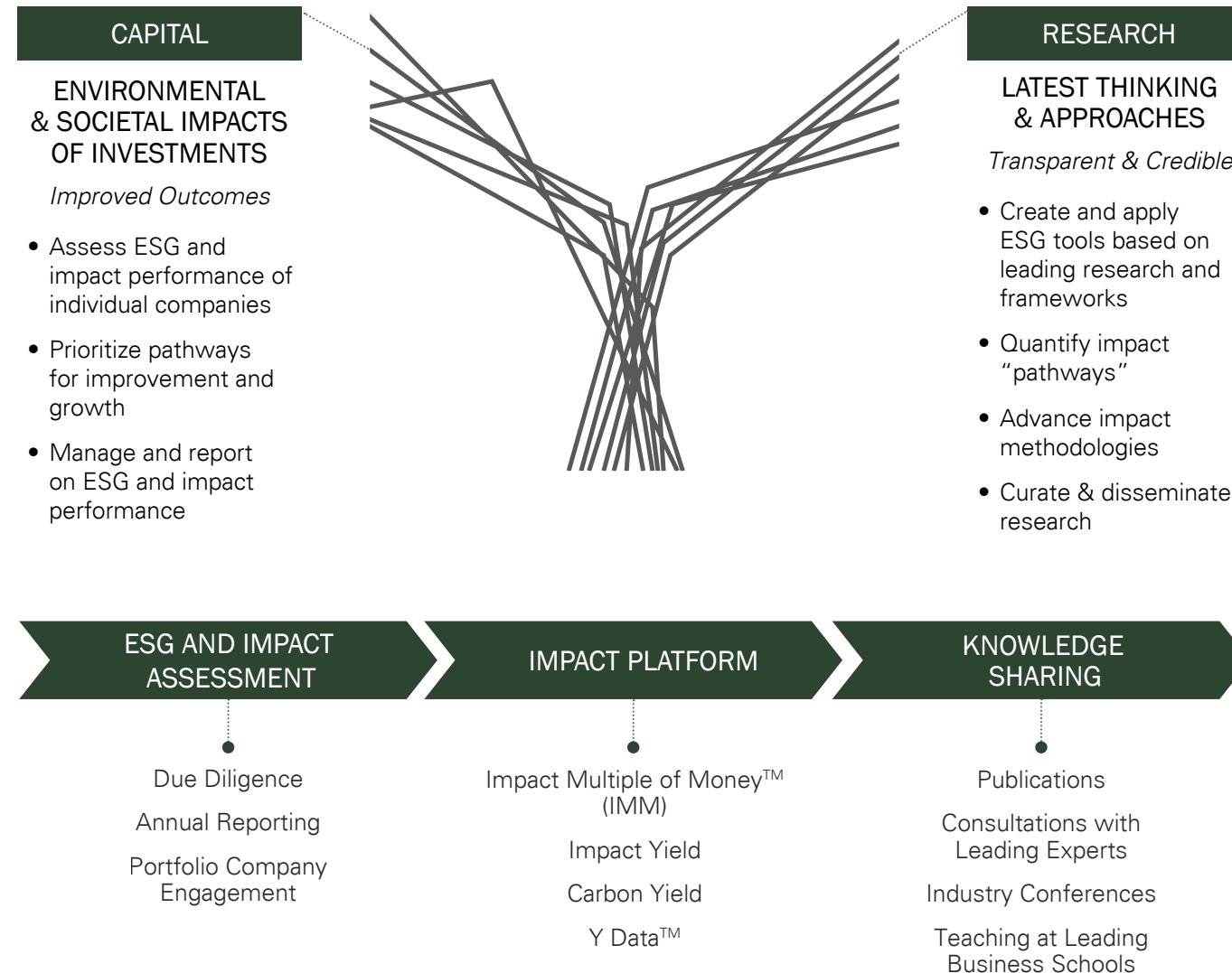
*TPG's views may be different than those of any of the organizations in which it participates or methodologies with which it aligns or otherwise refers to, and TPG's status as a signatory, member, and/or participant of an organization or its use of any methodology with which it aligns is subject to change at any time in its sole discretion. By participating in, aligning with or referring to any of the ESG organizations or methodologies described herein, TPG does not intend to engage in any behavior that would lessen or restrict competition, and has not reached any agreements with third parties to restrict competition or boycott any industries or companies*

# DEDICATED ESG CAPABILITIES

TPG's commitment to capturing value from ESG in our investing processes is supported by more than a decade of dedicated in-house ESG leadership.

In 2018, as our reach grew globally – including in our impact investing businesses – we elected to build Y Analytics, an innovative capability focused on data-driven decision-making related to the environmental and social impacts of our deployed capital. In the years since then, Y Analytics has evolved its assets and capabilities to include a broad suite of research-based and standards-informed decision tools that provide visibility into environmental and social impact across the investment life cycle.

Y ANALYTICS BRINGS TOGETHER RESEARCH AND RIGOR TO PROVIDE INSIGHTS AND TOOLS TO IMPROVE TPG'S CAPITAL ALLOCATION, AND REGULARLY SHARES FINDINGS AND APPROACHES



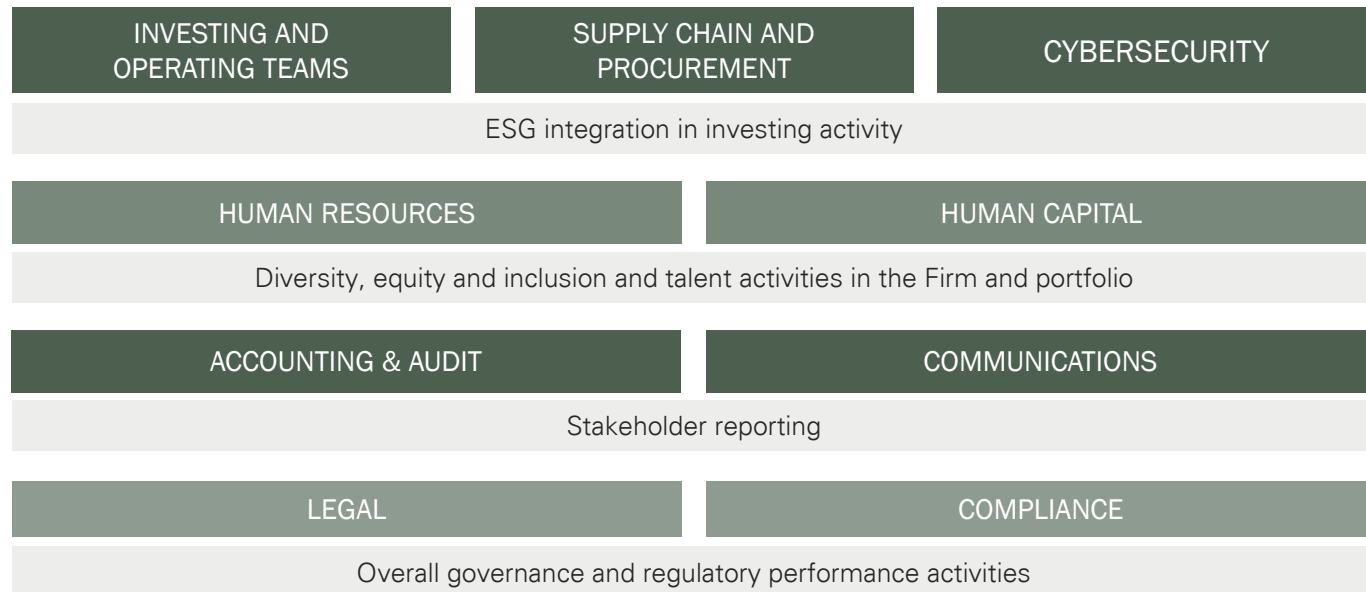
Today, Y Analytics is responsible for the design, implementation and performance of TPG's ESG strategy, through and with TPG's investment professionals. This includes:

- Building and using tools and strategies to conduct ESG diligence on applicable investments,
- Encouraging cross-portfolio collaboration and knowledge-sharing on ESG value creation,
- Developing initiative-level engagements designed to improve performance within individual portfolio companies, and
- Analyzing and reporting on our firm's and our portfolio companies' ESG performance and progress.

Y Analytics brings together research and rigor to provide insights and tools to improve capital allocation for TPG directly, and regularly shares its findings and approaches for the benefit of other investors. These external engagements allow us to bring the most updated research base to our work, while contributing to the advancement of the impact and ESG field. In 2022, this included **engaging with more than 20 academic researchers** on topics across all the sectors in which we invest, the launch of two newsletters curating notable developments in climate and social impact, and the **presentation of our methodology in information sessions reaching more than 100 investor teams.**

Y Analytics works in direct collaboration with TPG leadership and engaged subject matter experts across a range of disciplines important to ESG performance.

**TPG's ESG Strategy Council is led by Y Analytics, and includes senior member representatives from teams including:**



The Council meets quarterly to spotlight ESG progress and activities within our investments and review risks and opportunities related to the environmental and social impacts of our operations and our capital at work. The Council's engagement ensures that our ESG strategy and implementation are consistently updated and informed by developing best practices.

TPG's most senior leadership participates actively in the oversight of our ESG activities. Todd Sisitsky, President of TPG, is a member of the Y Analytics Board of Directors, and Maryanne Hancock, CEO of Y Analytics, is a TPG Firm Partner, and a member of the Firm's Management Committee. Todd and Maryanne serve as Co-Chairs of TPG's Diversity, Equity and Inclusion Council, which drives the firm's DEI strategy and is described in more detail on page [25](#).

Y Analytics benefits from the engagement of its independent Editorial Advisory Board. The Editorial Advisory Board supports the development of Y Analytics' substantive methodological approach, with Members' backgrounds in leadership ranging across academic and sectoral disciplines directly related to our work.

TPG's public Board of Directors includes members of the ESG Strategy Council, and ESG matters are brought before TPG's Board of Directors on a periodic basis. The TPG Board represents broad diversity of background and experience, and our governance structure at IPO is distinctive in the explicit process it specified to create a majority independent Board of Directors. As laid out in our publicly available corporate governance guidelines, this transition will take place within five years of our IPO.

**EDITORIAL ADVISORY BOARD**



**Helene D. Gayle**  
*President, Spelman College*



**Judith Rodin**  
*Former President, The Rockefeller Foundation; President Emerita, University of Pennsylvania*



**Anne-Marie Slaughter**  
*CEO of New America; Bert G. Kerstetter '66 University Professor Emerita of Politics and International Affairs at Princeton University*



**Jerome C. Vascellaro**  
*Senior Advisor, TPG*



# OUR INVESTMENTS

TPG's deployment of capital is the most significant lever we can pull for ESG impact.

## LEADING IMPACT PLATFORM

We launched our impact platform in 2016, and we believe we were the first global alternative asset manager to develop an impact investing business with more than \$1 billion in assets under management. Since then, we have grown the platform with successor and sector-specific funds.

**BUILT A LEADING IMPACT PLATFORM, INVESTING IN COMPANIES DRIVING MEASURABLE SOCIAL AND ENVIRONMENTAL IMPACT ALONGSIDE COMPETITIVE FINANCIAL RETURN**

**GLOBAL PORTFOLIO CONCENTRATED IN ESG-POSITIVE SECTORS**

**COMPANIES IN OUR PORTFOLIO DEMONSTRATE HOW ESG BUSINESS OBJECTIVES AND OPERATIONAL INITIATIVES CAN CREATE COMMERCIAL OPPORTUNITY**



The Rise Fund is our inaugural impact fund and pursues a global, multi-sector investment strategy building profitable businesses with social and environmental impact. The Rise Fund seeks to

thematically invest in businesses producing goods or services that help address significant challenges identified by the United Nations Sustainable Development Goals.

### UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

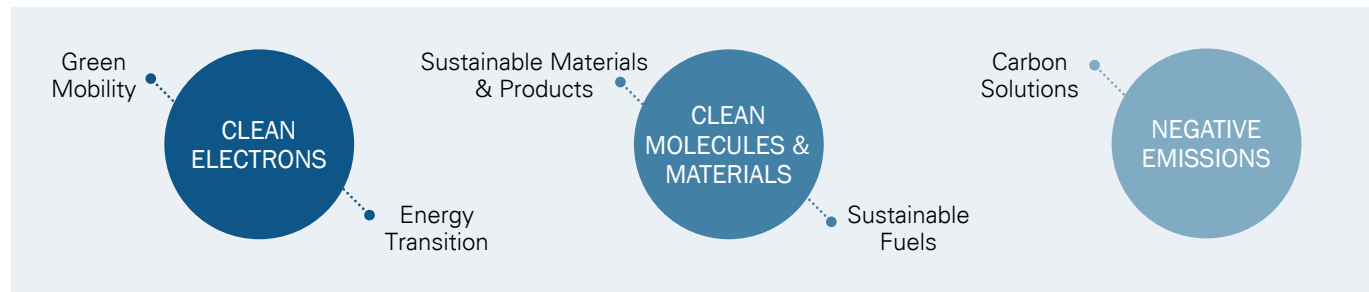


Source: [United Nations Sustainable Development Goals](#)



TPG Rise Climate was launched in 2021, as a sector-specific impact fund deploying capital at scale across growth-stage innovative solutions that

have the potential to meaningfully contribute to climate change mitigation. TPG Rise Climate targets five specific climate sub-sectors:



*We built TPG Rise and the most rigorous, evidence-based, and data-driven impact assessment methodology on the chassis of TPG to demonstrate that when done right, impact investing can scale, and private companies can make a positive difference while delivering competitive returns*

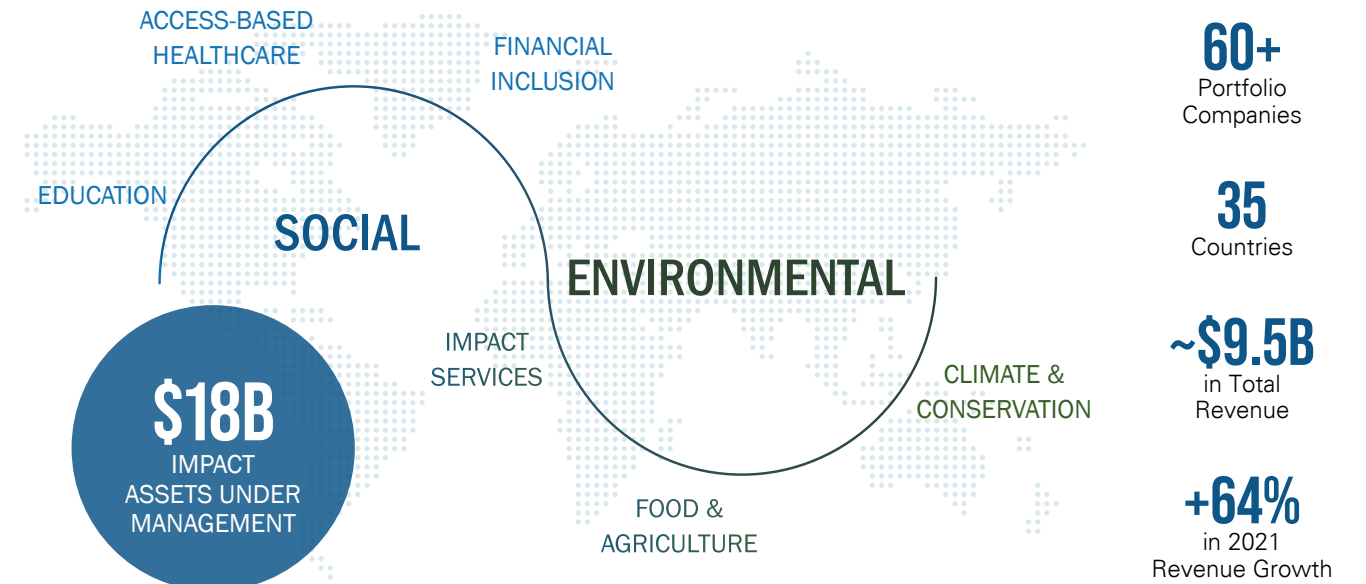
— Jim Coulter

Founding Partner, Executive Chairman, Managing Partner of TPG Rise Climate and Co-Managing Partner of The Rise Funds



The Y Analytics team leads the development and implementation of our industry's most rigorous and evidence-based approach to impact assessment for The Rise Funds and TPG Rise Climate. The funds [report on their impact publicly](#) as well as to

their Limited Partners, and Y Analytics makes its methodology to assess [evidence-based impact](#), and [evidenced-based impact specifically in climate](#), publicly available.



**TPG'S QUARTERLY TPG INSIGHTS PUBLICATION PROFILES OUR IMPACT INVESTING PLATFORM AND PERSPECTIVES ON THE ROAD AHEAD FOR THE INDUSTRY, INCLUDING INTERVIEWS WITH LEADERS OF THE RISE FUNDS, TPG RISE CLIMATE, AND Y ANALYTICS**

Assets under management as of June 30, 2023, all other data as of March 31, 2023.



TPG NEXT is a strategy designed to support the next generation of underrepresented alternative asset managers. TPG NEXT began investing in underrepresented managers from the firm's balance sheet in 2019, including in Harlem Capital – a venture capital firm investing in diverse-led companies; and VamosVentures – a venture firm investing in companies with diverse leadership and supporting or growing the LatinX community. In 2023, we announced the launch of the inaugural TPG NEXT fund to address the

significant undercapitalization of alternative asset management firms led by chronically underrepresented investors. TPG NEXT provides flexible capital and ecosystem resources – seeding new alternative asset managers, strengthening their access to capital, offering business-building expertise and providing strategic advisory support.

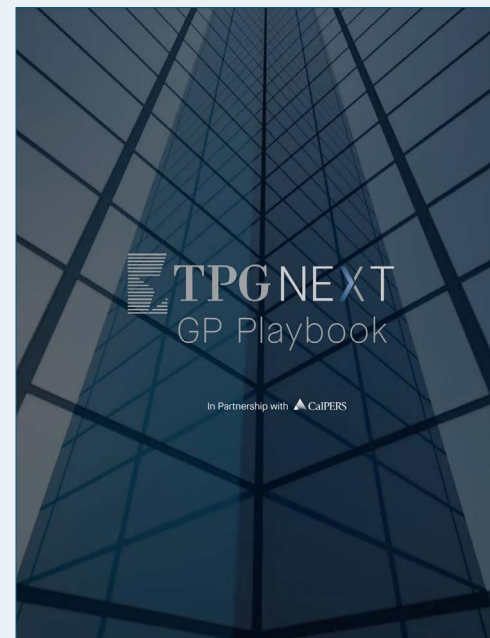


*We launched TPG NEXT to empower principal talent underrepresented in alternative assets to become next generation industry leaders. We will bring financial and operational capital support to diverse-led firms, accelerating their growth and success and demonstrating their ability to generate competitive returns*

— Jon Winkleried  
Chief Executive Officer



TO FURTHER ITS MISSION AND THE GROWTH OF ITS LONG-TERM INVESTMENT PIPELINE, TPG NEXT HAS MADE AN OPEN-SOURCE PLAYBOOK PUBLICLY AVAILABLE TO PROVIDE UNDERREPRESENTED INVESTOR ENTREPRENEURS WITH CENTRALIZED EXPERTISE, BEST PRACTICES, AND ACTIONABLE INSIGHTS INTO LAUNCHING AND GROWING THEIR FIRMS' BUSINESSES.



**Keys for Next Generation Managers**

**Define your Strategy**

**Build your Firm**

**Investment Capabilities**

**Operating Capabilities**

**Capital Formation**

**Seeding Considerations**

**Customize Your Partnerships**

**TPG NEXT At A Glance**

**GP Stakes Market**

**Case Studies**

**Harlem Capital**

**VamosVentures**

**naic**



### IMPROVING EQUITABLE ACCESS TO HEALTHCARE

The Evercare Health Fund is an emerging markets healthcare fund that is striving to provide affordable, high-quality healthcare in emerging markets. TPG invested in Evercare in 2019; today, Evercare's investments are integrated under a common operating platform, The Evercare Group, which delivers healthcare in emerging markets across Africa and South Asia, including India, Pakistan, Bangladesh, Kenya and Nigeria.

The Evercare Foundation was founded as a non-profit organization in 2022. The Foundation goes beyond Evercare's patient care with additional work toward equitable healthcare for all and the development of more resilient health systems across low- and middle-income countries in Africa and South Asia. The Foundation's primary focus is vulnerable women and children, aligning with Evercare's mission and leveraging its extensive network of hospitals, clinic and skilled professionals.

**EVERCARE'S PORTFOLIO INCLUDES 31 HOSPITALS, 15 CLINICS AND 104 DIAGNOSTIC CENTERS, AND EVERCARE EMPLOYS MORE THAN 2,400 DOCTORS, 4,000 NURSES AND 2,500 PARAMEDICAL AND SUPPORT PERSONNEL.**

## evercare FOUNDATION

The Evercare Foundation's flagship programs include:

### PAKISTAN: HEAR THIS! PREVENTION & TREATMENT OF CONGENITAL HEARING AND SPEECH IMPAIRMENT

Investing in children's health and long-term development by supporting early identification of congenital hearing impairment and provision of Cochlear implant surgery.

- Provides cochlear implant surgery to children at no cost, including supportive care such as post-operative speech therapy, family support and integration into schools and communities.
- Collaborates with community organizations, health ministries and university healthcare networks to scale and co-finance the program.

### BANGLADESH: CLEFT LIP AND PALATE RECTIFICATION IN CHATTOGRAM

Addressing congenital anomalies, with a special focus on cleft and palate rectification among vulnerable children.

- Performs cleft lip and palate rectification surgery on children, supported by speech therapy

### KENYA: WORKFORCE CAPACITY BUILDING

- Engaged with universities, hospitals, primary care centers, the Ministry of Health and other stakeholders to provide simulation training to healthcare professionals in Nairobi.
- Working to set up a simulation laboratory to train nurses, doctors and healthcare professionals.

# ESG ASSESSMENT & ENGAGEMENT MODEL

Across TPG's five investing platforms, we believe that assessing material ESG performance facilitates a stronger understanding of business risks and opportunities, for ultimately enhanced financial returns for stakeholders.

Our assessment of ESG considerations in our investments is grounded in financial materiality – we focus on the specific set of factors which research shows are linked to improved financial performance. This approach leverages and is aligned with leading standards, including the Sustainability Accounting Standards Board (SASB).

The utilization of SASB's material ESG factors is guided by two key considerations: first, the specificity of ESG performance factors across 77 industries in 11 thematic sectors, and second, the demonstrated linkage to value of these factors to overall company performance.

## FOCUSING ON MATERIALITY IS LINKED TO IMPROVED FINANCIAL PERFORMANCE

Annualized alpha from investments in:

		Material ESG Factors	
		Low	High
Immaterial ESG Factors	High	-0.38%	+4.83%
	Low	-2.20%	+3.32%



Source: Khan, Serafeim, and Yoon, Corporate Sustainability: First Evidence on Materiality (2015, updated 2017) examining 2,307 companies between April 1993 to March 2013 (13,397 unique firm years)

Note: Analysis of material ESG factors is one of many considerations in TPG's investment due diligence process. Not all TPG portfolio companies will utilize all ESG support offerings made available by Y Analytics. Assets under management as of June 30, 2023.

## TPG PLATFORMS

### CAPITAL

Large-scale, control-oriented private equity investments – \$69B AUM  
 TPG Capital, TPG Asia, TPG Healthcare Partners

### GROWTH

Growth equity and middle market private equity investing - \$24B AUM  
 TPG Growth, TPG Technology Adjacencies, TPG Life Sciences Innovations

### IMPACT

Private equity investments focused on both societal and financial outcomes - \$18B AUM  
 The Rise Funds, TPG Rise Climate, TPG NEXT, Evercare

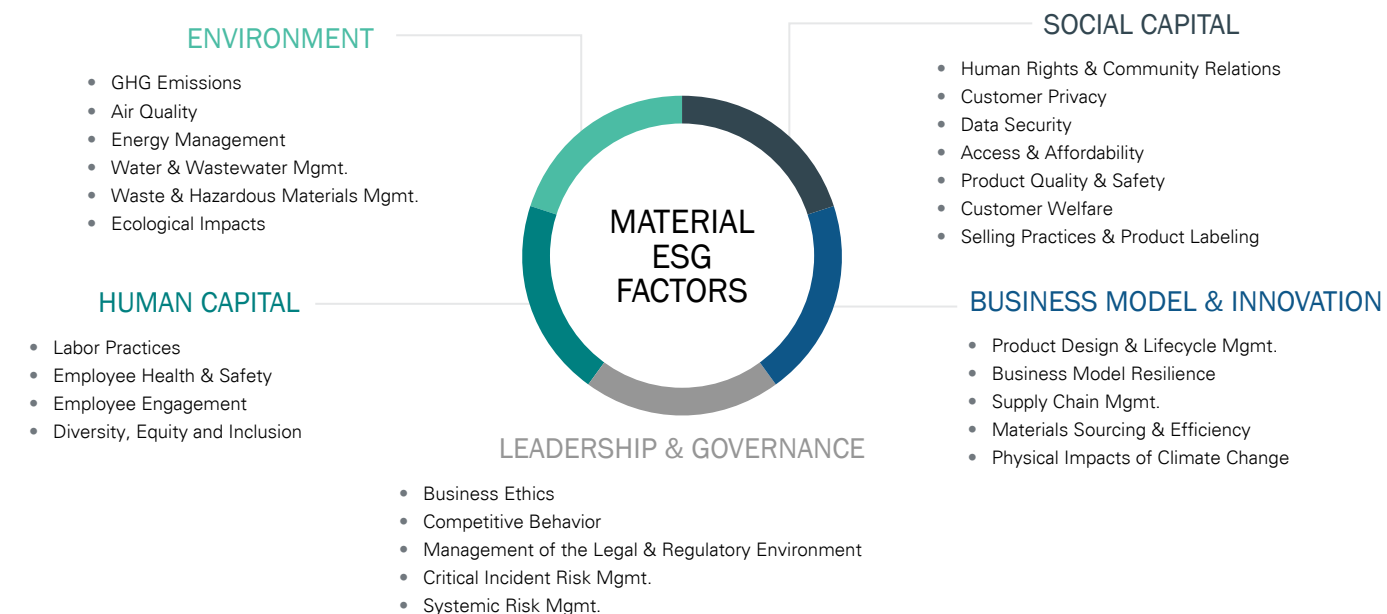
### REAL ESTATE

Diversified thematic Real Estate investing – \$19B AUM  
 TPG Real Estate Partners, TPG Real Estate Thematic Advantage Core-Plus, TPG Real Estate Finance Trust

### MARKET SOLUTIONS

Differentiated strategies built to address specific market opportunities – \$9B AUM  
 TPG Public Equity Partners, TPG NewQuest, TPG GP Solutions

## SASB STANDARDS DEFINE WHAT ESG “MEANS” BY IDENTIFYING MATERIAL FACTORS ACROSS FIVE DIMENSIONS WITHIN A GIVEN INDUSTRY<sup>1</sup>



Where appropriate in the case of individual investments, we support our financial materiality assessment with industry-specific and research-backed leading standards, including the Taskforce on Climate-Related Financial Disclosures (TCFD). TPG's investment processes also align with the United Nations-supported Principles for Responsible Investment (PRI).

TPG adopted a firm-wide ESG policy in 2012, which codifies our deliberate consideration of material environmental, social and governance factors throughout the investment process and in our operations as a Firm. The policy is reviewed annually to ensure it continues to reflect the scope and specifics of our current ESG priorities.

**TPG'S FOCUS ON MATERIAL ESG FACTORS GENERATES ACTIONABLE INSIGHTS AND SEEKS TO ENHANCE LONG-TERM FINANCIAL RETURNS, IMPROVING OUR ASSESSMENTS OF RISK AND VALUE CREATION ACROSS THE PORTFOLIO.**

1. IFRS Foundation International Sustainability Standards Board (ISSB) SASB Standards, "Understanding SASB Standards". TPG's views may be different than those of any of the organizations in which it participates or methodologies with which it aligns or otherwise refers to, and TPG's status as a signatory, member, and/or participant of an organization or its use of any methodology with which it aligns is subject to change at any time in its sole discretion. By participating in, aligning with or referring to any of the ESG organizations or methodologies described herein, TPG does not intend to engage in any behavior that would lessen or restrict competition, and has not reached any agreements with third parties to restrict competition or boycott any industries or companies

### INFORMED INVESTMENT DECISIONS: DUE DILIGENCE

ESG performance considerations are woven throughout and integrated in a variety of components of our investment selection process. During the investment review process for most of our private equity, real estate, and private market solutions investments, the Y Analytics team may provide support to TPG investment professionals with our consideration of material sustainability risk and performance indicators, guided by our SASB-based framework. These indicators are investment specific, typically based on factors such as the company's industry and sectors, geography of operations, workforce and supply chain construct, current and future regulatory environment, among others.

Our goal in these assessments is to use material factor screening to determine the potential for ESG-related risk, performance, and value creation, and to support a holistic understanding and appropriate discussion of these findings during investment decision-making and when setting company initiatives post-closing. The Firm may elect to proceed with investments with a goal of improving the company's ESG performance, if needed or expected to create financial value.

### PARTNERING ON ADVANCEMENT WITH OUR PORTFOLIO: ESG PERFORMANCE ASSESSMENT, IMPROVEMENT AND PREPARATION FOR EXIT

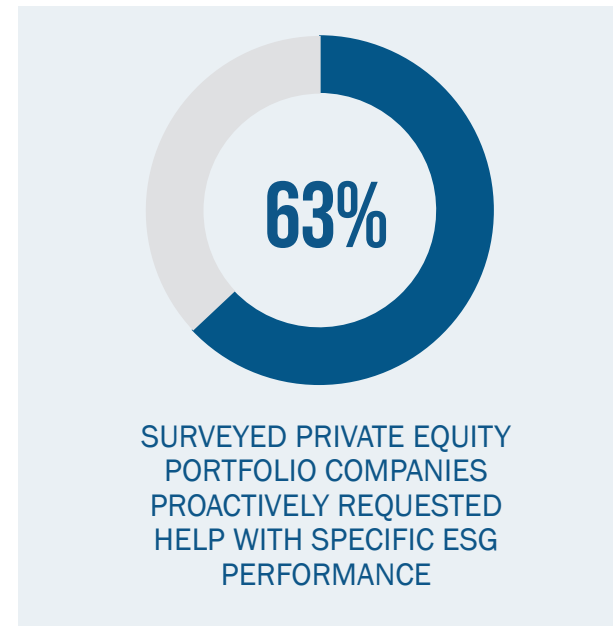
The Y Analytics team has curated a suite of ESG-focused assets available for use with TPG portfolio

companies to help monitor material ESG factors across the lifecycle of an investment, and identify opportunities to enhance ESG-related practices and outcomes to protect and generate sustainable enterprise value. These ongoing performance assessments use the same SASB-based tools and framework we apply in diligence, delivering continuity in our focus on financial materiality and a consistent long-term understanding of a company's ESG performance.

In 2023, we conducted our tenth annual ESG Performance Survey of our private equity portfolio. Our approach to monitoring captures a mixture of qualitative and quantitative information in a SASB-aligned framework, for most companies pertaining to the prior calendar year. We administer the survey via a dedicated ESG data collection and management platform, to maximize the usefulness of the information we gather to our Limited Partners and simplify portfolio companies' provision of data.

We also maintain asset class-suited surveying and data monitoring capabilities for many of our real estate and private markets solutions investments.

Examples of themes our assessment addresses and data we collect include resource management, climate change, social and human capital, ESG disclosure and stakeholder engagement, and ESG governance mechanisms, in addition to a range of industry-specific diagnostic information. Our assessments are fundamentally designed to identify and reflect opportunities to partner with our portfolio companies on value-added ESG topics – including those companies themselves identify.



Our engagement with companies to improve ESG performance may include help to:

- Benchmark performance along material ESG factors to leading frameworks and relevant peers for a given company;
- Establish tailored, actionable ESG policies and governance;
- Identify and prioritize ESG initiatives to optimize short- and long-term performance benefit;
- Select implementation partners to accelerate ESG progress where appropriate; and
- Create systems to measure and report on ESG progress.

Note: Data as of June 30, 2023.

Globally, ESG standards and expectations of stakeholders at every stage of capital markets continue to evolve at a rapid pace. TPG's Y Analytics ESG team offers advisory support, when appropriate, to companies preparing to IPO in order to help them understand and meet ESG disclosures required by relevant public exchanges and anticipated regulatory developments, as well as perspective and specific diligence engagement for the benefit of potential strategic or private capital buyers.

We have conducted more than 200 Material ESG Factor performance screenings in the last three years for potential investments and portfolio companies, produced quantitative assessments and benchmarks to guide ESG strategy development and value creation with more than 50 portfolio companies, and engaged with numerous other companies to provide specialized ESG research and best practice guidance to aid their ESG performance improvement efforts. This type of engagement helps our portfolio companies prepare for potential and new ESG disclosure expectations, and improves the company's conveyance of relevant practices in place.

**200+** MATERIAL ESG FACTOR ASSESSMENTS

**50+** PORTFOLIO COMPANIES SINCE INCEPTION ENGAGED ANNUALLY

Note: Analysis of material ESG factors is one of many considerations in TPG's investment due diligence process.

# CASE STUDIES



## BETA TECHNOLOGIES

*TPG Rise Climate and The Rise Fund invested 2022*

BETA Technologies is an electric aerospace company developing fixed wing vertical take-off and landing (eCTOL and eVTOL) aircraft and supporting charging infrastructure. BETA's aircraft use patented electric propulsion systems and produce zero operational emissions. The company's charging technology is compatible with BETA aircraft, other electric aircraft, and ground-based electric vehicles, enabling meaningful impact on the large share of global emissions generated by the transportation sector.

BETA's operations also create value for the company through leading environmental and social practices. The company has made a climate pledge of net neutral emissions by 2040 or earlier, and uses a wide range of passive and active strategies to manage its energy efficiency and scope 1, 2 and

Source: BETA Technologies (September 2023)

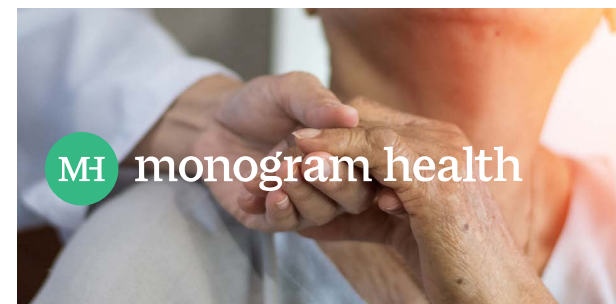
3 emissions. BETA's aircraft will be manufactured in a newly commissioned 188,500 square foot net zero emissions facility in Vermont, powered by 100% renewable electricity, and heated and cooled exclusively with a ground-source geothermal system. BETA prioritizes sustainable lifecycle management of its products with preventative maintenance programs that extend the useful life of its equipment, reducing the need for replacement and disposal. The company's inventory management systems are designed to improve efficiency and reduce scrap, rework, excess raw materials and obsolescence; and importantly, reuse and recycling of its batteries, including the redeployment of used aircraft batteries in its charging infrastructure and other secondary applications.

**BETA'S AIRCRAFT ARE MANUFACTURED IN A VERMONT FACILITY WHICH IS POWERED BY 100% RENEWABLE ELECTRICITY**

For its employees, BETA offers every member of its team the opportunity to get a pilot's license. To date, over 650 employees and interns have participated in the flight training program, achieving 167 pilot ratings and certifications. In support of its working families, BETA opened a company-sponsored family health clinic, and in response to the lack of reliable child care in Vermont, instituted a bring-your-baby to work policy which includes dedicated child-friendly workspaces.

In addition to the creation of 450 livable-wage clean-tech jobs in Vermont, BETA's STEM education and workforce development initiatives

and events have reached over 3,800 participants in two years, including targeted diversity and inclusion programs such as the Vermont Works for Women vocational outreach program. Other notable partnerships include the development of an Introduction to Electric Aviation course with Vermont State Colleges; a professional certification training program for aerospace coating application specialists with Champlain Valley Tech in Plattsburgh, New York; an extensive college intern program; and mentoring and sponsorship of high-school students through robotics clubs and job shadowing.



## MONOGRAM HEALTH

*TPG Capital invested 2021 and 2023*

Monogram Health is a rapidly scaling provider of next-generation care management and care delivery services for patients with chronic kidney disease and end stage renal disease. Its home-first model enables high-touch engagement with patients, driving better financial and care outcomes.

Note: Reduction in hospital admissions and emergency room re-admissions represents all Monogram attributed members referred between January 2022 and May 2023, over 1-15 month durational performance. Increase in nephrologist-patient engagement represents all Monogram attributed members compared to the national average between January 2022 and September 2023. Reduction in medical loss ratios represents Monogram stage 4 end-stage kidney disease members' average medical loss ratio for patients after 12 months from a baseline of 100% in calendar years 2020-2022. Source: Monogram Health (September 2023)

Historically, kidney care has been a difficult area for healthcare delivery and outcomes, where underdiagnosed and undermanaged patients 'crash' onto dialysis in higher-cost settings and have ultimately higher mortality rates. Monogram's care model focuses on meeting patients in their home, coordinating with other care providers, and facilitating broader education on medication management, optimal settings of care, and other considerations for dialysis transition.

**MONOGRAM PATIENTS HAVE EXPERIENCED A 19% DECREASE IN EMERGENCY ROOM RE-ADMISSIONS**

With this model, Monogram reduces negative health episodes that cause inpatient visits, including over 10 percentage point increases in the share of patients with controlled hypertension. Monogram has reduced hospital admission rates by 35%, in part through increased engagement with nephrologists and primary care providers. Overall, Monogram has achieved a 42 percentage point increase in nephrologist-patient engagement. Patients have also experienced a 19% decrease in emergency room admissions for affected patients, creating increased quality of care and patient satisfaction. Payors have received an estimated 12% reduction in their medical loss ratios across their chronic kidney disease and end-stage renal disease populations, enabling greater access and affordability for affected individuals.



FUNLAB IS ALSO ACTIVELY EXPANDING ITS ENVIRONMENTAL IMPACT INITIATIVES INCLUDING PLANS TO ELIMINATE SINGLE-USE PLASTICS

## FUNLAB

*TPG Asia Invested 2021*

Funlab offers entertainment services and social experiences across eight brands in over 40 locations throughout Australia, New Zealand, Singapore and the United States. Funlab guests experience bowling, mini-golf, darts, immersive game rooms and arcade games – and the company makes **inclusiveness and meaningful diversity and equity practices part of its strategy for success**. Funlab conducts an inclusiveness survey of its employees; maintains diversity trainings and content for all of its employees' ongoing access; offers gender-neutral parental leave; and in its venues, honors Aboriginal people as traditional landowners and includes native languages on food menus.

Funlab is also **actively expanding its environmental impact initiatives**, including plans to eliminate single-use plastics, measure and report its scope 1, 2 and 3 emissions across all sites, and increase its use of renewable energy sources.

Source: Funlab (September 2023)



PHYSICUS AIMS TO CONSTRUCT A PORTFOLIO OF BEST-IN-CLASS SUSTAINABLE LAB SPACE

## PHYSICUS

*TPG Real Estate Invested 2021*

Physicus is a joint venture real estate company investing in life science properties across Europe. Physicus aims to construct a portfolio of best-in-class sustainable lab space, and considers impact investments with direct links to the PRI Impact Investing Market Map and United Nations Sustainable Development Goals. ESG factors are considered throughout the investment management lifecycle, including climate change-related risks, regulatory frameworks and compliance, resilience, BREEAM certifications and benchmarks, environmental performance and green leases. Through the implementation of a unified smart building platform, each property within the portfolio is equipped with advanced metering capabilities designed to carefully measure asset-level environmental performance data. In 2023, all Dutch and Belgian portfolio properties achieved class-leading EPC ratings, and, by 2024, will be BREEAM certified 'Very Good' or 'Excellent'.

Source: Physicus (September 2023)



ATTERO'S PATENTED TECHNOLOGIES ACHIEVE UP TO 100% METAL EXTRACTION FOR REUSE

## ATTERO RECYCLING

*TPG NewQuest Invested 2016*

Attero Recycling is the largest electronic waste (e-waste) company in India. Attero's patented technologies achieve up to 100% metal extraction for reuse, and its salvaged materials and refurbished parts are used in the manufacturing of printed circuit boards, solar panels and consumer electronics; its recycling process extracts all metals, with no downstream sales for recycling.

The company is expressly mission-driven around ESG priorities, dedicated to responsible mineral sourcing stewardship and helping its customers achieve their carbon neutrality and Paris Alignment goals.

Source: Attero (September 2023)



# SURVEY INSIGHTS

## PORTFOLIO ESG PERFORMANCE INSIGHTS

Our annual ESG portfolio company survey helps us identify themes for progress and opportunities for continued engagement, including in our core investment sectors. Examples of insights on companies' financially material ESG factors from our 2022 survey include:



### HEALTHCARE DELIVERY

**55%** have or are working to develop policies, initiatives or practices for alternate pricing mechanisms or programs to increase access to care



### TECHNOLOGY AND COMMUNICATIONS

**70%** have or are working on policies and processes relating to behavioral advertising and user privacy



### BIOTECH, PHARMACEUTICALS AND MEDICAL EQUIPMENT AND SUPPLIES

**55%** have policies or procedures in place to monitor and address human rights and labor practices in the supply chain



### SERVICES

**91%** have or are working to identify and address data security risks, including the use of third-party cybersecurity standards

Our annual survey also serves as an important opportunity for our portfolio companies to identify where they would value TPG's support and help pursuing their ESG priorities. This year, these included a range of important capability-building topics:

- Conducting scenario analysis to evaluate resilience and support the management of climate-related risks and opportunities
- Establishing emission reduction goals over the next 1-2 years
- Training employees on ESG topics
- Establishing formal governance of ESG issues, including committees and board oversight

## CLIMATE ENGAGEMENT & PERFORMANCE

As part of TPG's fiduciary duty to our investors, we recognize the importance of considering both the opportunities and the financially-material risks posed by climate change throughout the investment cycle.

In addition to the capital we dedicate to scaling climate solutions in The Rise Funds and TPG Rise Climate, we consider climate-related factors among the financially material topics we evaluate in our pre-investment diligence, and conduct annual processes to evaluate our existing global portfolios' greenhouse gas emissions and climate risk and opportunity profiles.

We also make climate progress a strategic pillar of our value creation partnerships with portfolio companies, as climate, emissions and

decarbonization are significant ESG focal points for a growing range of our portfolio companies' stakeholders, including regulators, supply chain partners and customers, and employees.

**LESS THAN 1% OF OUR GLOBAL AUM IS CURRENTLY DIRECTLY INVESTED IN FOSSIL FUEL COMPANIES**

TPG's investments are currently concentrated in sectors with relatively low greenhouse gas emissions profiles; as of the date of this report, less than approximately 1% of our global AUM is currently directly invested in fossil fuel companies, with no direct investments in coal. We have completed preliminary, top-down, approximation-based estimates of our financed emissions each year for the last four years in order to understand and prioritize where material emissions and decarbonization potential may exist within our portfolio. Our 2022 analysis was completed in accordance with the Partnership for Carbon Accounting Fundamentals (PCAF) standard, leveraging company-reported emissions data where available and otherwise using PCAF's economic activity-based methodology to establish estimates.

Further, while we believe that our global portfolio is currently concentrated in geographies with relatively low physical climate risk, some physical risk is inherent in the companies in our portfolio. Since 2021, we have conducted an annual qualitative scenario analysis, aligned with TCFD principles, to segment and prioritize certain climate-related risks withing TPG's Capital, Growth, Impact and Real Estate investment portfolios.



The Rise Fund  
Invested 2021

Climavision is a weather intelligence and analytics platform powered by a private network of high-resolution radars, high-power computing infrastructure, and proprietary software to vastly improve the timing and accuracy of weather forecasting and "nowcasting" and to fill low-level gaps in existing weather surveillance.

The company's dedicated weather radar network provides more coverage and delivers significantly better data than ever available, especially across traditional gap areas prone to severe weather events, such as in the southeast of the United States.

Climavision gives greater visibility into the potential impacts of severe weather events with greater precision and longer lead times than previously available, making it possible to survey extreme weather phenomena, such as hurricanes, faster and at higher resolution, which helps businesses and communities mitigate risk.

Source: Climavision (September 2023)

For companies where emissions or climate-related physical risks are material based on our portfolio segmentation, our partnership on progress can include advisory and facilitated third party support on additional assessment, decarbonization, and steps to strengthen climate resilience.

We frame our engagement with our portfolio companies on decarbonization around three key levers:



Note: Not all TPG portfolio companies measure emissions, take decarbonization action, or purchase carbon credits. Surveyed portfolio companies include active investments in TPG's private equity platforms as of January 2023, except select companies were excluded from the survey for considerations including low ownership share and imminent exit.



### MEASUREMENT

Baseline measurement of greenhouse gas emissions are among the most common stakeholder expectations for companies' climate management, and an important starting point for companies to capture value from decarbonization. We introduced a pilot program to help TPG portfolio companies to build **"bottom-up" GHG inventories** in 2021, and we continue to expand and scale the reach of the offering across our portfolio.

**32%** TRACKING OR WORKING TOWARD TRACKING CARBON FOOTPRINTS



TPG Growth and The Rise Fund  
*Invested 2018*

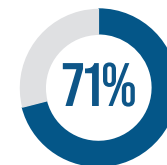
Persefoni is an all-in-one carbon management SaaS software provider that helps enterprises and financial institutions measure and manage their portfolio-wide carbon footprint. The company's solutions help institutions to meet stakeholder and regulatory climate disclosure requirements with the same rigor and confidence as their financial transactions, and are used by companies across 17 sectors.

Source: Personfoni (September 2023)

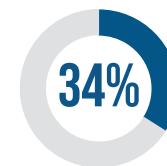


### REDUCTION

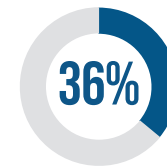
Steps to reduce greenhouse gas emissions often create cost savings and other value-add opportunities, and our portfolio companies often take these steps in order to capture that value while they establish formal greenhouse gas emissions tracking. Two common reduction objectives are to **reduce overall energy use** in companies' operations with efficiency interventions, and to **reduce the carbon intensity of energy used** by shifting to a greater share from renewables or electrifying vehicles, heating, or other carbon intensive components of operations.



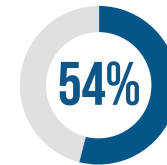
TOOK ACTIONS IN 2022 TO REDUCE THEIR CARBON FOOTPRINT



HAVE OR ARE WORKING ON A GREENHOUSE GAS EMISSIONS REDUCTION TARGET



MAINTAIN COMPANY POLICIES TO SUPPORT EMISSIONS-REDUCING BEHAVIOR CHANGE



HAVE RESOURCE EFFICIENCY GOALS AND TARGETS

## CLEARResult

TPG Growth and The Rise Fund  
*Invested 2018*

CLEARResult provides energy management technology and consulting services designed to advance energy efficiency and the clean energy transition. CLEARResult serves utility customers, businesses, and contractor and trade allies with practices in Energy Efficiency, Energy Transition and Decarbonization. The company prioritizes meaningful progress on resource usage alongside reduction in operational costs for their clients: across two decades of service, the company has helped to avert 127 million metric tons of CO<sub>2</sub>, and, in 2022, CLEARResult helped customers achieve \$9.6 billion in lifetime energy bill savings, including \$210 million in lifetime savings for low-to-moderate income households. CLEARResult also enacts meaningful change within its own internal ESG program: the company has achieved a 67.6% reduction in its carbon footprint from its 2019 baseline and has nearly doubled its diverse business partner network in 2022.

Source: CLEARResult (September 2023)



The voluntary carbon market is an important mechanism for companies to accelerate climate action that is consistent with their strategic goals, including Net Zero commitments, as a complement to ongoing emissions reduction efforts or where reduction is not currently feasible. We provide advisory support to help our portfolio companies prioritize and evaluate carbon credit purchases.



TPG Rise Climate and The Rise Fund  
Invested 2022

Rubicon Carbon is a market-based products and solutions platform that allows users to explore, purchase, manage and retire carbon credits with enterprise-grade custody, security and support. Rubicon uses science-based quality guardrails, project-level engagement, and continuous monitoring to curate its portfolio of carbon credits, which include the development of next-generation carbon projects like tech-based carbon removal.

Anew partners with Rubicon Carbon on carbon credit generation, procurement, and supply management.

Source: Rubicon Carbon (September 2023)



TPG Rise Climate and The Rise Fund  
Invested 2021 & 2022

Anew Climate is one of the largest marketers and originator of carbon and environmental credits in North America. The company was formed in 2022, when renewable natural gas marketing and environmental commodities company Element Markets and carbon credit developer Bluesource merged.

Today the company is one of the largest independent marketer of renewable natural gas, and developed many of the first pathways for low-carbon intensity renewable natural gas through high intensity methane capture.

Anew also professionalizes the voluntary carbon credits marketplace by delivering a robust and diverse supply of third party-verified credits. To date, the company has completed more than 400 projects across 600 million acres, displacing the equivalent of 240M gallons of diesel. Anew partners with Rubicon Carbon on carbon credit generation, procurement, and supply management.

Source: Anew (September 2023)

## SOCIAL ENGAGEMENT AND PERFORMANCE

In our 2022 portfolio company survey:

**93%** TRACK OR ARE WORKING TOWARD TRACKING EMPLOYEE DIVERSITY

**67%** HOLD WORKPLACE DIVERSITY, EQUITY AND INCLUSION TRAININGS

**71%** OFFER EMPLOYEES FLEXIBLE WORK AND PAID LEAVE POLICIES

**47%** HAVE OR ARE WORKING TO ESTABLISH AN ESG BOARD COMMITTEE OR OTHER FORMAL ESG FORUM

**62%** HAVE OR ARE CREATING DATA MANAGEMENT SYSTEMS TO TRACK ESG PERFORMANCE

**89%** HAVE BUSINESS PROCESSES THAT SUPPORT THE IDENTIFICATION OF RISKS AND OPPORTUNITIES FROM DYNAMIC CLIMATE AND SOCIAL ISSUES SUCH AS NATURAL DISASTERS OR LABOR SHORTAGES

TPG has also built a growing portfolio of companies with core businesses that enable their customers to create value with strong human capital capabilities, across talent acquisition and equity in hiring, talent development through employer-sponsored continuing education, access to retirement benefits, and employee engagement through volunteer work and philanthropy.

M O R R O W  
S O D A L I

TPG Growth  
Invested 2022

Morrow Sodali is a leading global provider of shareholder engagement and corporate governance services, working with over 1,000 clients in over 80 countries, including some of the world's largest multinational corporations. The company's offerings span the entire annual shareholder engagement lifecycle, including annual meeting proxy solicitation, ESG advisory and governance consulting, activism advisory, liability management, and capital markets intelligence services. The company continues to deepen its expertise in ESG advisory with the recent acquisitions of FrameworkESG and HXE, two leading specialty sustainability advisories focused on integrating ESG initiatives into companies' strategies and operations. These additional sustainability capabilities, coupled with the company's already market-leading governance platform, enable Morrow Sodali to offer a scaled, comprehensive ESG solution across North America. The company is actively looking to develop these capabilities across all of its geographies.

Source: Morrow Sodali (September 2023)

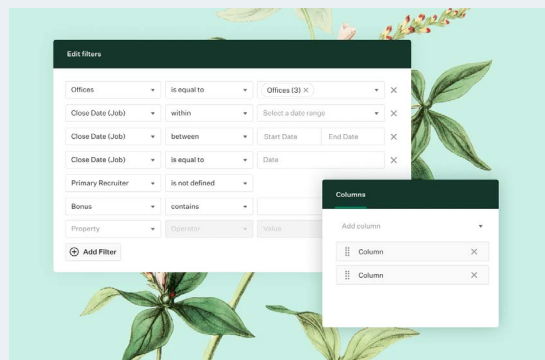
Note: Not all TPG portfolio companies measure their emissions, take or report actions to decarbonize operations or enhance climate resilience, or purchase or generate carbon credits. Surveyed portfolio companies include active investments in TPG's private equity platforms as of January 2023. Select companies were excluded from the survey for considerations including low ownership share and imminent exit.

## greenhouse

TPG Rise Climate and The Rise Fund  
Invested 2021

Greenhouse's hiring operating system software brings structure to customers' hiring processes, helping to promote more fair and equitable hiring practices and more data-driven decisions so companies can continuously get better at hiring.

Greenhouse addresses the entire lifecycle from candidate to applicant to employee, and ultimately results in greater efficiency for the more than 7,500 companies who use its software, including reduced cost and time per hire, and increased hiring rates of underrepresented candidates.



Source: Greenhouse (September 2023)

## Human Interest

The Rise Fund  
Invested 2021 & 2022

Human Interest is an affordable, full-service 401(k) provider that makes it easy for small and medium-sized businesses to help their employees save for retirement. An estimated 90% of U.S. businesses that employ less than 100 people do not offer employees 401(k) plans, and 75% of people who work for a small business do not have access to a retirement savings plan. Human Interest administers over 17,000 retirement plans to address this problem, supporting hundreds of thousands of employees, with a platform that automates payroll deductions and manages compliance testing, recordkeeping, and all of the associated paperwork for companies – and offers employees built-in investment education and automatic portfolio rebalancing to accelerate savings and a path to a secure financial future.

Source: Human Interest (September 2023), "Exposing the small business 401(k) access gap" (Guideline, March 2019), "Can \$250 Get You to Start Saving for Retirement?" (The Wall Street Journal, June 2023)

## InStride

The Rise Fund  
Invested 2019

InStride designs industry- and role-driven workforce education programs to deliver value to businesses and career growth for employees. Founded as a public benefit company through an innovative joint venture between The Rise Fund and Arizona State University, InStride partners with leading academic institutions to create tailored learning pathways that help employees develop the in-demand skills organizations are seeking in their hiring. InStride offers high school through doctorate degree programs, certificates for working adults, and skill building courses across a range of industries. Companies that partner with InStride maintain a 3x higher retention rate for roles critical to their success. Especially for the 36 million working Americans who started college but did not graduate, InStride offers a cost effective model to acquire high-quality essential skills. Since inception, InStride has provided debt-free education to 57,000 employees across over 40 enterprises. Eighty percent of its student body is in the bottom 60% of earners, and collectively they have avoided \$900M in student loans by leveraging the InStride platform.

Source: InStride (September 2023)

## benevity

The Rise Fund  
Invested 2021

Benevity provides an integrated software suite of community investment and employee, customer and nonprofit engagement. The company is a certified B Corporation, and its cloud solutions help companies attract, retain and engage today's workforce by providing tools that streamline employee and customer charitable giving, volunteering event management, donation and volunteering matching, company grantmaking, and impact reporting. Its products are available in 22 languages, and since it was founded, Benevity has processed more than \$12 billion in donations and 58 million hours of volunteering time to support 418,000 nonprofits worldwide.



Source: Benevity (September 2023)

## BOARD DIVERSITY

Within our portfolio, we are dedicated to supporting diversity of gender, race, ethnicity, and sexual orientation on our portfolio company boards – combined with the deep subject matter expertise diverse directors bring across a range of discipline, we believe board diversity facilitates more robust evaluation of the risks and opportunities our portfolio companies face, and ultimately delivers stronger performance. Since 2017, when we launched our dedicated board diversity effort, over 425 diverse directors have joined TPG portfolio company boards, and today, more than 80% of our U.S.-headquartered portfolio companies have both gender and racial or ethnic diversity represented on their boards.

### Recent Years' Board Diversity Partnerships and Collaboration



Note: There is no guarantee that TPG will remain a signatory, supporter, or member of any DEI initiatives or frameworks referred to herein.



TPG Growth  
Invested 2021

Keter Environmental Services is a leading provider of end-to-end recycling and waste management services to a range of clients, including commercial, industrial and healthcare property managers in the U.S. The company enables greater efficiency and landfill diversion within clients' waste and recycling programs, ultimately averting greenhouse gas emissions. In 2022, Keter averted over 900,000 pounds of GHG emissions and recycled over 200,000 tons of waste, saving 3.8 million cubic yards of landfill space. Keter recently signed agreements to merge with Waste Harmonics, another tech-enabled leader in the sustainable waste management services space. The transaction will meaningfully expand the number of end markets served by the combined company, and together Keter and Waste Harmonics is expected to provide services for almost 70,000 sites nationwide.

Keter leverages eTrac, its proprietary tech-enabled customer portal, to facilitate clients' enhanced ESG reporting and goal-setting via access to granular real-time data. eTrac makes it easy to understand, for any given site, metrics such as performance in terms of efficiency and diversion success, any applicable sanctions or rules, and averted greenhouse gas emissions, among a wide range of other data points. For an average customer, after two years, Keter typically increases landfill diversion by more than 25% while also improving efficiency (the percent full a receptacle is at pickup) by up to 80%.

In its operations, Keter prioritizes its people - the company has partnered with Ownership Works to create pathways to ownership for 100% of employees.

Source: Keter Environmental Services (September 2023)

We are building partnerships with industry-leading groups dedicated to gender, ethnic, racial and sexual orientation diversity on corporate boards. We have also developed a database of over 3,800 diverse directors for potential placement within our network, and we continue to invest in growing this pipeline.

### EMPLOYEE OWNERSHIP

TPG is a founding member of Ownership Works, a nonprofit consortium established in 2022 to advocate for and implement employee ownership programs that create economic opportunity for working families, advance racial equity, enhance

employee engagement, and build stronger companies. The consortium includes investors, corporations, foundations, labor advocates, and pension funds working together to create and implement leading programs that provide all employees with the opportunity to participate in the success they help create at work.

The Ownership Works model advances employee ownership – and thereby, companies' growth – with four components:

- Structuring and Implementing Broad-Based Ownership Programs that provide every employee with the opportunity to participate in the value they help create. Ownership

participation should be comprehensive of the entire full-time employee base, meaningful in terms of expected value to employees, and may range in form from tradeable shares to options, restricted stock units, or other forms of actual or synthetic equity, according to the structure that works best for the company.

- Developing a Culture of Ownership by aligning an entire workforce around a common purpose, values and goals to maximize shared wealth creation and foster work environments where employees feel respected and engaged.
- Creating a Financially Inclusive & Resilient Workforce through programs that provide

employees with access to personal financial education and coaching, along with access to cost-effective financial services.

- Sharing Data, Best Practices and Insight on the impact of shared ownership on employee financial wellbeing and corporate performance.

TPG's President, Todd Sisitsky, and the CEO of Y Analytics, Maryanne Hancock, both serve as Ownership Works Board of Directors, and TPG has formed a working group of representatives across every sector in which we invest and key operational areas of expertise to support our participation in and contribution to the organization.

In 2022, over 1,500 employees below the executive level realized over \$200 million in gains from incentive profit sharing programs at TPG portfolio companies, enhancing those companies' ability to attract and retain engaged employees who are invested in their success.



*As investors, we've put a lot of resources and capital into our core sectors because we have strong conviction in their long-term growth trajectory. Within these sectors, we're then very aggressive in engaging and creating unique opportunities to invest behind companies we believe in, where we can focus on driving sustainable growth. Companies' ability to recruit, retain and engage top-tier talent is an essential part of that.*



**Todd Sisitsky**  
President

## CONVENING OUR PORTFOLIO

Bringing our portfolio company leadership, Limited Partners and other stakeholders together around ESG priorities is a high-impact way we can leverage TPG's unique ecosystem to build capabilities and create new opportunities for value creation. Highlights from this year included:

### ENGAGING GLOBAL CORPORATIONS ON CLIMATE SOLUTIONS

The TPG Rise Climate Coalition is a partnership between TPG and 28 leading global corporations to identify and share best practices for considering climate solutions and investment opportunities, including practical strategies for each corporation to achieve their own decarbonization goals.

### GLOBAL ESG BEST PRACTICE WEBINAR SERIES

We seek to bring internal and external subject matter expertise to regular webinars for our portfolio companies, designed to highlight actionable steps on their individual ESG goals and offer the benefit of connection to each other and their shared questions. Topics covered in this year's webinars included tools and approaches to manage operational energy efficiency, business benefit

and key steps to begin carbon accounting, and key considerations in communicating ESG strategies and progress.

### ESG IN CXO FORUMS

We also integrate ESG content in operational forums for TPG portfolio company senior leadership, including in-person and virtual events for CFOs, CHROs, Chief Procurement Officers, and General Counsels and Chief Compliance Officers. ESG topics covered in this year's forums included incorporating sustainability priorities in global procurement strategies and the role of carbon credits in decarbonization programs.

### SOLAR SUPPLY CHAIN CONSORTIUM

TPG has a growing portfolio of solar investments, which we believe play an important role serving individuals and businesses in the global transition to renewable energy. However, solar supply chains can face exposure to human rights abuses including forced labor around the world through the supply of raw materials, polysilicon, and downstream production; this can be a challenging risk to mitigate, due to limits on investors' and operators' ability to conduct comprehensive on-site supplier diligence. Governments around the world are responding to this risk with new regulations and collaboration among multi-stakeholder groups to develop standards, best practices, and other initiatives to address risks associated with human rights violations.

TPG's pre-investment ESG assessment process includes supply chain management and materials sourcing and efficiency as material ESG business model and innovation factors for solar investments. We have also formed a consortium among our current solar portfolio companies which serves as a forum to present and share supply chain best practices. Topics covered in this forum this year included responsible supply chain management; supply chain-related advancements in agrovoltatics, the integration of solar power production and agricultural activity; and region-specific sourcing and auditing methodologies in the context of changing regulation.



# OUR OPERATIONS

Strong management of material ESG factors in our operations supports TPG's performance in the same way it does our portfolio companies', and our own experience implementing impactful ESG programs makes us ever-better and more-informed capital partners.

## MEASURING TPG'S OPERATIONAL EMISSIONS

We began measuring TPG's operational carbon emissions annually in 2019. Our footprint includes the emissions associated with our firm's offices and our employees' activities, and measuring it helps identify opportunities for reduction and mitigation beyond our value chain.

Our firm operational footprint assessments are calculated in alignment with the Greenhouse Gas Protocol and include all material sources of emissions under TPG control, which include:

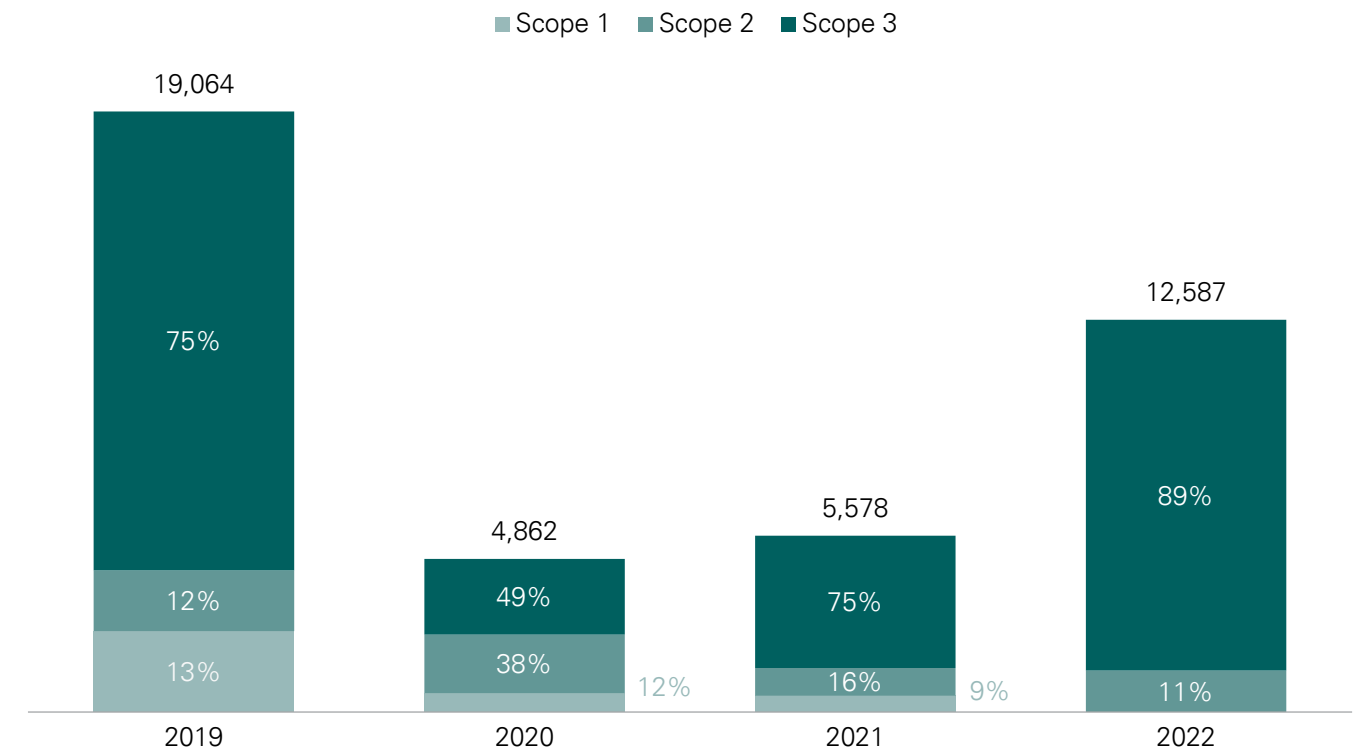
- SCOPE 1** — Emissions from aircraft under TPG's operational control
- SCOPE 2** — Emissions from electricity and heat consumption in TPG offices
- SCOPE 3** — Emissions from employee business related air travel and lodging, commuting, ground transit and remote work

TPG's operational emissions in 2022 reflected an increasing return to pre-pandemic activity levels, and were measured to be 12,540 metric tons of CO<sub>2</sub>e. TPG's 2022 greenhouse gas inventory

was verified by ERC Evolution, an independent, third-party verification body that conducted its verification in line with the principles of ISO 14064-3:2019. Please see page [30](#) for more detail.

## TPG OPERATIONAL GREENHOUSE GAS EMISSIONS

Metric Tons Of CO<sub>2</sub> Equivalent



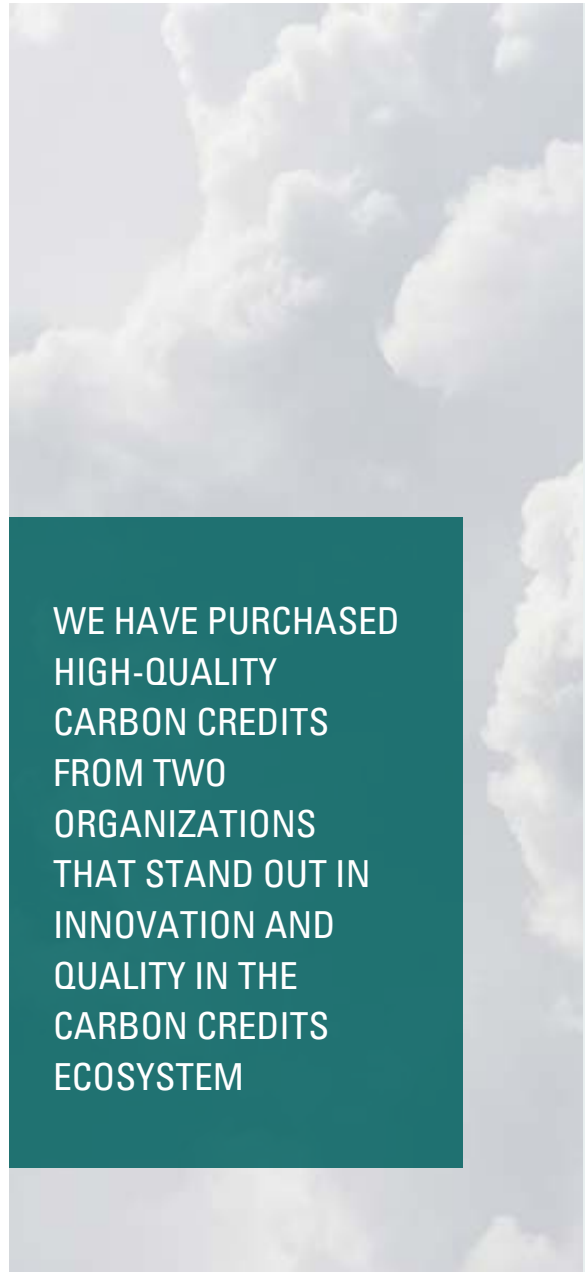
Note: Measured scope 3 emissions include material portions of categories six (business travel) and seven (employee commuting). In 2022, TPG no longer maintained operationally controlled aircraft, and therefore did not generate any scope 1 emissions.

TPG continues to grow as a Firm. As our in-person operations and business travel to our clients, portfolio companies, and other stakeholders grow, we will also continue to actively pursue opportunities to manage and reduce our global operational emissions. Today, eight of TPG's corporate offices maintain Energy certifications, and the Firm maintains a range of in-office recycling and waste-reduction programs, including purchasing practices that prioritize computer equipment with longer service life and partnerships to donate cycled-out office equipment to local charities.

In addition to evaluating operational emissions reduction opportunities on an ongoing basis, we fund negative greenhouse gas emissions equivalent to our operational footprint. To do this, we have purchased high-quality carbon credits from two organizations that stand out in innovation and quality in the carbon credits ecosystem.

Anew, a TPG portfolio company, is a leading originator of carbon and environmental credits, and Climate Vault is a non-profit founded at the University of Chicago that has developed an innovative, market-based approach to reducing carbon emissions, using the transparency and rigor of compliance markets.

In 2022, we made a preemptive purchase of high-quality credits equivalent to our anticipated emissions for that year. Our measurement and verification of our 2022 actual emissions confirms that this purchase was sufficient. We do not deduct these purchased credits from our reported emissions.



**WE HAVE PURCHASED  
HIGH-QUALITY  
CARBON CREDITS  
FROM TWO  
ORGANIZATIONS  
THAT STAND OUT IN  
INNOVATION AND  
QUALITY IN THE  
CARBON CREDITS  
ECOSYSTEM**



Anew is one of the largest climate solutions companies in America, formed through the 2022 merger of Element Markets and Bluesource. It is also a portfolio company of The Rise Fund and TPG Rise Climate. Anew offers a comprehensive portfolio of carbon reduction solutions, including advisory services, carbon credits generated by nature-based solutions and other greenhouse gas-reducing projects, renewable natural gas (RNG), renewable energy credits, electric vehicle credits, emission credits, and capital formation and deployment strategies.

Through Anew, TPG has purchased voluntary carbon credits from a landfill gas capture project in Rochelle, Illinois, where methane is captured from the Rochelle Municipal Landfill and combusted to produce electricity to the local power grid. This is the third year TPG has supported this project, which we believe to be highly additional and an example of action made possible by voluntary markets – both preventing the release of a potent greenhouse gas into the atmosphere and replacing the use of conventional natural gas with a renewable alternative.



**CLIMATE VAULT**

Founded at the University of Chicago, Climate Vault operates as a voluntary participant in U.S. carbon compliance markets – including California's cap and trade market and the Regional Greenhouse Gas Initiative in 12 eastern U.S. states – on behalf of individuals and organizations seeking to credibly reduce their carbon footprint.

Climate Vault uses donated funds to purchase and "vault" emissions allowances in these capped markets, making them unavailable to buyers that would use them to generate emissions, thereby effectively lowering the amount of permissible emissions.

Climate Vault will eventually use the aggregated monetary value of vaulted allowances to purchase carbon removal that eliminates historical pollution in the atmosphere.



## ADVANCING DIVERSITY, EQUITY AND INCLUSION

At TPG, we believe that the quality of our investments and our ability to build great companies depend on the originality of our insights. Promoting diversity, equity and inclusion is embedded into the highest levels of our firm, and our (DEI) strategy continues to advance with the leadership of our DEI Council. The DEI Council is a 17-member firm Partner-level steering committee led by our President, Todd Sisitsky, and the CEO of Y Analytics, Maryanne Hancock, and is supported by three advisory groups driven by our people that focus on recruiting, external and ecosystem engagement and internal engagement.

In addition to the work of our DEI Council, we strive to ensure that our DEI strategy is embedded in the key pillars of our firm's talent strategy, including recruiting, employee retention and employee development.

From a diversity recruiting perspective, we have enhanced our collaborations with key external organizations to diversify our sourcing and networks. As a result, 75% of global new hires that we recruited in the first half of 2023 are racially or ethnically diverse in the U.S., gender



TPG CEO Jon Winkelried and global head of learning and engagement Leslie Zamora-Murguía speak at the firm's annual global new hire orientation

diverse globally, or self-identify as LGBTQ+. Partner-sponsored initiatives, such as our Associate Mentoring Program, Women's Mentoring Program and Diversity Roundtable discussions, are critical ways for us to promote an inclusive employee experience. With respect to employee development, we proactively build a diverse pipeline at all levels of the firm to actively identify talented diverse employees early in their careers. In our annual performance processes over the last four years, 53% of our promotes below partner level, in addition to 40% of our partner promotes globally, have been racially or ethnically diverse, gender diverse or self-identify as LGBTQ+.

To further foster a welcoming and inclusive work environment that helps us to attract and retain the highest caliber talent, TPG also maintains a number of other human capital initiatives and programs:

## INCLUSIVE TALENT & BENEFITS PROGRAMS

- For the last six years, TPG has received a 100% score for HRC Corporate Equality Index rating on LGBTQ+ equality in the workplace. Our employee benefits include coverage for same-sex and opposite-sex domestic partners and transgender healthcare, and we offer flexible gender-neutral parental leave to families welcoming children through birth, adoption, and foster care.
- Since 2018, TPG has placed restroom signage within its office buildings encouraging employees and guests to use the restroom that best fits their gender identity or expression.
- Recognizing that feedback is critical to driving career development and growth, as well as overall employee engagement, we have sought to develop a robust feedback framework, which includes opportunities for all employees to both provide

and receive feedback through our annual 360 degree review process. In addition, our employees set goals at the beginning of the year in partnership with their managers and receive feedback throughout the year. Our annual review process is a competency-based assessment, including "core" competencies that are consistent across the firm regardless of function or title. These competencies are aligned with the firm's values and are attributes that we believe are important to the success of all employees. Support of and contribution to a diverse, equitable and inclusive culture is one of these competencies, for both individual contributors and for managers in their capacities as leaders of others.

More information on TPG's benefits is detailed on page [31](#)

## TALKS@TPG ROUNDTABLES

- To advance the conversation on critical DEI issues, TPG hosts regular guest speakers and small group facilitated discussions. Recent examples of these Talks@TPG topics include: Impact of COVID-19 on the Hispanic/Latino Community; The History of Juneteenth; Finding Purpose for Veterans Back Home; and Mental Health and Building Resiliency; and roundtable perspectives from leaders of our portfolio companies who are members of the populations our employee affinity groups support.
- TPG also hosts an annual Talks@TPG town hall dedicated to sharing our DEI strategy and progress with our global employee base.

## PARTNER ORGANIZATIONS



Note: In accordance with Equal Employment Opportunity ("EEO") policy described on page 32, employment decisions with respect to hiring and promotion are made without regard to race, religion, color, sex, gender identity and expression, sexual orientation, pregnancy, national origin, ancestry, citizenship status, uniform service member and veteran status, marital status, age, disability, or any other category protected by applicable Federal, State, and local laws.  
Source: [Human Rights Campaign Corporate Equality Index](#)

## TRAINING

As a part of our commitment to invest in the development of our employees, we have developed learning initiatives focused on five practice areas:



CULTURE

DIVERSITY, EQUITY AND INCLUSION



FUNCTIONAL AND TECHNICAL KNOWLEDGE

LEADERSHIP AND MANAGEMENT



PROFESSIONAL GROWTH

We have tailored learning initiatives for our new employees to facilitate their integration into the Firm, including a self-paced 30-day onboarding program and an annual new hire orientation curriculum, which includes an introduction to the

firm's DEI strategy and ways every employee can participate, including through employee affinity groups.

In addition to our learning initiatives, we provide our employees access to e-learning resources that have been curated based on our analysis of performance review data. These curated learning paths align with our internal performance management competencies, including risk management, DEI and specific functional knowledge.

In furtherance of our goal of developing an inclusive workforce, over the past few years we have held firmwide training on unconscious bias, allyship, harassment awareness and prevention. Our harassment awareness and prevention training also covers protocols for bystander intervention.

We believe that external learning opportunities also benefit our employees and foster our culture of continuous learning. We offer our employees a learning reimbursement stipend to encourage them to apply for certifications and attend classes or conferences related to their role to further their professional growth.

We believe our culture of apprenticeship also helps to ensure our employees feel connected to the greater Firm as they learn, grow and develop by partnering with their colleagues. For example, through Jump Start, one of our formal mentoring programs, our junior employees are matched with a mentor and senior sponsor to create opportunities for connectivity and personal development.

# INVESTING IN OUR COMMUNITIES

Beyond the impact we seek to make through our invested capital, we also give time and resources to causes that align with our DEI priorities, and that our employees and network of Limited Partners and portfolio companies support and dedicate time to helping the firm to act as an accelerant and multiplier of their efforts.

WE STRIVE TO INVEST IN OUR LOCAL COMMUNITIES AND ENGAGE OUR EMPLOYEES AND OTHER STAKEHOLDERS IN MAKING MEANINGFUL CONTRIBUTIONS, WHETHER THROUGH CHARITABLE DONATIONS OR VOLUNTEER TIME. THE FIRM HOSTS A WIDE RANGE OF VOLUNTEERING OPPORTUNITIES, INCLUDING SERVING MEALS AT LOCAL SHELTERS, MENTORING LOCAL STUDENTS, AND BUILDING AND COORDINATING DELIVERY OF CARE PACKAGES TO U.S. TROOPS.



MADE GRANTS AND DONATIONS TO OVER 300 NON-PROFIT ORGANIZATIONS DOING WORK RELATED TO TPG EMPLOYEE AFFINITY GROUPS' GOALS, RESPONDING TO GLOBAL CRISES, AND THROUGH TPG'S CHARITABLE GIVING MATCHING BENEFIT

Note: Data shown for July 1, 2022 - June 30, 2023.

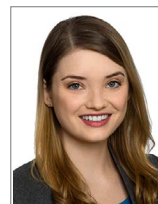
# Y ANALYTICS TEAM

Y ANALYTICS COMPRISES A DEDICATED GROUP OF EXPERIENCED ESG PERFORMANCE AND CONSULTING PROFESSIONALS



**Maryanne Hancock**  
CEO, Y Analytics  
Partner, TPG

Maryanne has served numerous impact- and ESG-related advisory roles (e.g., IFC's Principles for Impact Management original development board, OPIC's Supercommittee on Impact Measurement, Harvard's Impact Weighted Accounts Initiative Advisory Board, etc.) as well as multiple speaking engagements on these topics for the World Bank/IFC, GIIN, EMPEA, Atlantic's Power of Purpose & Ideas Festival, and others. She is also a Senior Partner Emerita of McKinsey & Company, having spent ~20 years serving clients across a range of industries and holding numerous leadership roles including in the social sector practice and as a co-chair of McKinsey's global partner election committee. She holds a JD from Harvard Law School, magna cum laude.



**Liz Stiverson**  
Global Head of ESG

Liz leads TPG's firm-and portfolio-level ESG strategy and programs at Y Analytics. Before joining Y Analytics, she spent seven years serving as Chief of Staff to TPG's CEOs and Executive Office, and she also plays a founding leadership role in TPG NEXT, the firm's initiative to seed, support and scale diverse investors and entrepreneurs. Prior to TPG, Liz worked for BCG, where her work included research and operational change for charter school networks and metropolitan school districts. She holds a BA with Honors from Yale University and an MBA from The Wharton School of the University of Pennsylvania.



**Ritu Kumar**  
Sustainability and ESG for  
Emerging Markets

Ritu has deep expertise in environmental economics, with more than 25 years of global ESG and sustainability experience, including successful development and delivery of climate change initiatives, resource efficiency, value creation through enhanced ESG practices, compliance monitoring, and private sector capacity building. Ritu has spent several years with the UN Industrial Development Organisation, the private equity firm Actis and the UK development finance institute (CDC Group) where she established and led the ESG function. She has served on the Board and investment committee of the Global Climate Partnership Fund, advisory board of Marks & Spencer as well as several ESG Committees of private companies. She has a master's degree in economics from the London School of Economics and Delhi School of Economics.



**Semiray Kasoolu**  
Impact Solutions

Semi's background is in helping governments, international organizations, and investors translate evidence-based research into more effective economic policies and capital allocation decisions. Prior to joining Y Analytics, Semi was a Research Manager at the Growth Lab at the Center for International Development at Harvard University, where she managed research projects focused on achieving sustainable and inclusive growth in a number of countries. Her areas of research focus include labor market frictions and women's economic inclusion in the Middle East. Semi holds a B.S. in Economics and Accounting from Saint Peter's University and a MPA in International Development from the Harvard Kennedy School.

THE Y ANALYTICS TEAM ALSO INCLUDES A TALENTED GROUP OF ANALYSTS AND ASSOCIATES FOCUSED ON SUSTAINABILITY PERFORMANCE ANALYSIS, IMPACT ASSESSMENT AND RESEARCH INTERPRETATION. THESE TEAM MEMBERS HAVE BACKGROUNDS IN ECONOMICS, INTERNATIONAL DEVELOPMENT, CONSULTING AND FINANCE ACROSS PRIVATE COMPANIES, NON-PROFITS, AND THE PUBLIC SECTOR; MANY ALSO HAVE EXPERIENCE WORKING IN DEVELOPING COUNTRIES.

# FIRM-LEVEL ESG REPORTING

## SASB MATERIAL FACTORS

A set of material ESG performance factors for Asset Managers is set forth by SASB. TPG internally evaluates its ESG performance on an ongoing basis using these factors to assess opportunities for improvement. This report describes examples of our related achievements and initiatives.

## MATERIAL ESG FACTORS

Asset Management & Custody Activities

# APPENDIX

	ENVIRONMENT	SOCIAL & HUMAN CAPITAL	LEADERSHIP & GOVERNANCE
INDUSTRY-SPECIFIC FACTORS		<ul style="list-style-type: none"> <li>Employee Engagement, Diversity &amp; Inclusion</li> <li>Product Design &amp; Lifecycle Management</li> <li>Selling Practices &amp; Product Labeling</li> </ul>	<ul style="list-style-type: none"> <li>ESG Governance Management &amp; Disclosure</li> </ul>
INDUSTRY-AGNOSTIC FACTORS	<ul style="list-style-type: none"> <li>Greenhouse Gas Emissions</li> <li>Climate Change Physical Transition / Regulatory Impacts</li> </ul>		<ul style="list-style-type: none"> <li>Business Ethics</li> <li>Systemic Risk Management</li> </ul>

Note: Our SASB+ Material ESG Performance Factors & Metrics are anchored on the limited set of financially material, subsector-specific metrics from the Value Reporting Foundation's Sustainability Accounting Standards Board (SASB) Standards.

# INDEX OF TCFD DISCLOSURES

## GOVERNANCE

*Disclose the organization's governance around climate-related risks and opportunities.*

### **a. Describe the board's oversight of climate-related risks and opportunities.**

Accountability for TPG's Environmental, Social and Governance performance is shared across our firm, and its oversight ultimately resides with our executive leadership, including internal TPG Inc. Directors. Our ESG leadership regularly reports to TPG's executive leadership on our ESG activities and progress, including climate-related risks and opportunities, and in May 2022, an overview of climate-related investment objectives and current and anticipated climate-related regulation was presented to the TPG Inc. Board.

### **b. Describe management's role in assessing and managing climate-related risks and opportunities.**

TPG's internal Management Committee includes the CEO of TPG's dedicated ESG and impact capability, Y Analytics, and TPG's President serves on the Y Analytics Board of Directors. In our investing activity, our Investment Committee

and investing teams work together with our ESG leadership and subject matter experts represented on our ESG Strategy Council to integrate consideration of climate-related risks and opportunities in our investment decisions and long-term portfolio management.

## STRATEGY

*Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning where such information is material.*

### **a. Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.**

We believe that the most material climate-related risks and opportunities TPG faces relate to our investing activity.

Our climate strategy includes the consideration of financially material risks posed by climate change in our global investing activity, including financed emissions and physical and transition-related risks in our portfolio, as well as the development of investment themes and pools of capital to address the challenges of global climate change.

### **b. Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.**

Our fund investors, stockholders, regulators and other stakeholders are increasingly focused on ESG matters, including climate.

In all of our investing activity, we have established and continue to build processes and tools to help us to identify, assess, and manage financially material climate risks. At the investment level, this may include support to measure and implement strategies to reduce carbon emissions; operating support to respond to business trends related to climate change that require capital expenditures, product or service redesigns, and changes to operations and supply chains to meet changing customer expectations; or infrastructure investment to prepare for the physical effects of climate change.

TPG's impact investing platform is designed to identify investment opportunities which deliver measurable societal benefits, including addressing climate change-related risks and opportunities. We expect to continue to seek to grow this platform, including its climate-dedicated assets.

### **c. Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.**

TPG's ESG and Impact leadership and climate investment teams lead ongoing analysis of climate-related research and global macro developments to continue to update and inform the strategy described above. The reach of our dedicated ESG capability, Y Analytics, enables access to and integration of these findings across our investing strategies and operations.

TPG's investments are currently concentrated in sectors with relatively low greenhouse gas emissions profiles; as of the date of this Report, less than approximately 1% of our global AUM is currently directly invested in fossil fuel companies, with no direct investments in coal. While we believe that the geographic distribution of our portfolio inherently limits TPG's physical climate risk, some physical risk is inherent in the companies in our portfolio.

## RISK MANAGEMENT

*Disclose how the organization identifies, assesses and manages climate-related risks.*

### **a. Describe the organization's processes for identifying and assessing climate-related risks.**

### **b. Describe the organization's processes for managing climate-related risks.**

In our investing activity, TPG uses a financial materiality framework to identify and assess climate-related risks. Depending on a number of factors, including the geography and sub-sector of an investment's operations, this may include changes to regulations or stakeholder expectations for emissions and associated reporting, and investments that must meet new requirements or prepare for the physical effects of climate change. Our firm's estimate-driven processes to assess greenhouse gas emissions and physical and transition risk in our portfolio are designed to enable TPG to segment and prioritize its engagement with

invested companies where these factors may be most material. For investments where emissions or physical risk are deemed material based on our portfolio segmentation, our partnership on progress can include advisory and facilitated third party support on additional assessment, decarbonization, and steps to strengthen climate resilience.

**c. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.**

TPG's firm-wide risk management processes include climate and ESG matters, including Enterprise Risk Management and Internal Audit; in our firm operations, we believe TPG maintains a relatively small office footprint, and business continuity planning processes include the consideration of potential physical climate risks in the locations of our offices.

**METRICS AND TARGETS**

*Disclose how the organization identifies, assesses, and manages climate-related risks.*

**a. Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.**

TPG measures and reports our firm's operational GHG emissions annually, including Scope 1, Scope 2, and selected categories of Scope 3.

We evaluate climate risk in our portfolio through data requested from our portfolio companies

annually, including Scopes 1, 2 and 3 GHG emissions; public and internal climate targets; and integration of climate risks in strategic planning. We also conduct an annual top-down, estimate-based assessment of our portfolio companies' GHG emissions, which this year included our full private equity portfolio and most of our real estate and public equity portfolios, as well as a qualitative scenario-based assessment of physical and transition climate risk, which included our full private equity portfolio and most of our real estate portfolio.

**b. Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks.**

In 2022, TPG publicly reported operational emissions of 12,587 metric tons CO2 equivalent, including Scope 1, Scope 2, and Scope 3 categories 6 and 7.

**c. Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.**

TPG intends to continue to consider financially material climate-related risks and opportunities in our investing activity and development; support our portfolio in developing relevant climate-related measurement, reporting, and operational management capabilities; and report our firm's operational emissions and reduction efforts.

# OPERATIONAL EMISSIONS VERIFICATION



**STATEMENT OF GHG EMISSIONS VERIFICATION**  
9 May 2023

**Scope**

ERC Evolution ("ERCE") was appointed by **TPG Global LLC** ("TPG") to conduct a verification of TPG's Greenhouse Gas ("GHG") Inventory for the period 1<sup>st</sup> January 2022 to 31<sup>st</sup> December 2022.

TPG's management was responsible for preparing the GHG Inventory, and for maintaining effective internal controls over the data and information disclosed. ERCE's responsibility was to carry out an assurance engagement on the GHG inventory in accordance with our contract with TPG. Ultimately, the GHG inventory has been approved by, and remains the responsibility of TPG. ERCE is responsible for expressing an opinion on the GHG statement based on the verification.

**Methodology**

ERCE conducted its review to a limited level of assurance, in accordance with the procedures recommended in GHG Protocol entitled "The GHG Protocol: A corporate reporting and accounting standard" (Revised edition, 30 Mar 2004) and the principles of ISO 14064-3:2019, entitled "Part 3: Specification with guidance for the verification and validation of greenhouse gas statement".

**Conclusion**

As detailed in our report entitled "P6226-B-001-v02-GHG Verification Report" dated 9<sup>th</sup> May 2023, ERCE has verified at the limited level of assurance the GHG inventory provided by TPG. In its opinion dated 9<sup>th</sup> May 2023, ERCE found no evidence to indicate that the data and information in our statement were not fairly stated.

Paul Chernik  
General Manger, Director  
ERC Evolution Ltd.

ERC Evolution, 6th Floor Stephenson House, 2 Cherry Orchard Road, Croydon, United Kingdom, CR0 6BA  
www.erc-evolution.energy | +44 (0) 20 8256 1150  
Registered Company: ERC Evolution Ltd, 13138565 Registered Address: Eastbourne House, 7 Saxbys Lane, Lingfield, Surrey, RH17 6DN

# TPG INC. BOARD OF DIRECTORS BOARD DIVERSITY MATRIX

## TPG INC. BOARD OF DIRECTORS

In compliance with NASDAQ's Board Diversity Rule, the table below provides information regarding our director's diversity information. The information presented below is based on voluntary self-identification responses we received from each director. Each of the categories listed in the table below has the meaning as it is used in Nasdaq Rule 5605(f).

Total Number of Directors	14			
	FEMALE	MALE	NON-BINARY	DID NOT DISCLOSE GENDER
<b>PART I: GENDER IDENTITY</b>				
Directors	4	10	0	0
<b>PART II: DEMOGRAPHIC BACKGROUND</b>				
African American or Black	0	1	0	0
Alaskan Native or Native American	0	0	0	0
Asian	0	1	0	0
Hispanic or Latinx	1	1	0	0
Native Hawaiian or Pacific Islander	0	0	0	0
White	2	7	0	0
Tow or More Races or Ethnicities	1	0	0	0
LGBTQ+	--	--		
Did not Disclose demographic background	--	--		

## OVERVIEW OF TPG EMPLOYEE BENEFITS

Full-time TPG employees and their eligible dependents have access to comprehensive benefits, which we recognize as an important part of supporting our global teams' and their families' overall wellness and success.

INSURANCE	<ul style="list-style-type: none"> <li>Health insurance, including medical and prescription drug coverage, dental coverage, vision coverage and flexible spending accounts</li> <li>Life and disability insurance, including TPG-paid life and AD&amp;D insurance, supplemental life insurance access, long-term disability insurance, and short-term disability insurance</li> </ul>
WELLNESS	<ul style="list-style-type: none"> <li>Free flu vaccines</li> <li>Free COVID vaccines and COVID testing</li> <li>Concierge and telehealth resources to help employees navigate and resolve healthcare questions including finding providers, estimating costs, reviewing and reprocessing billing</li> <li>Mental health support, including Employee Assistance Program resources to access in-person support, remote live support, and on-demand resources                             <ul style="list-style-type: none"> <li>On-demand access to premium subscription content to help lower stress and anxiety, improve focus, and get more restful sleep</li> <li>Onsite catered lunch, snacks and beverages</li> </ul> </li> <li>Guided access to exceptional cancer treatment for TPG employees and their family members, including expedited appointment scheduling, help managing medical records, and local and regional facility recommendations</li> </ul>
FAMILY	<ul style="list-style-type: none"> <li>Gender-neutral parental leave, applicable to families welcoming children through birth, adoption and foster care, including:                             <ul style="list-style-type: none"> <li>18 weeks paid for primary caregivers</li> <li>4 weeks for non-primary caregivers</li> <li>4 weeks of any caregivers' leave can be taken intermittently over the first year of a new child's life</li> </ul> </li> <li>Financial assistance for adoption, surrogacy, and egg freezing</li> </ul>
TIME-OFF	<ul style="list-style-type: none"> <li>Paid time off, including at least 11 firm holidays; vacation, personal and sick days; bereavement leave; and for jury duty service and voting in local, state and federal elections</li> </ul>
CONTRIBUTION	<ul style="list-style-type: none"> <li>401(k) program access, including TPG matching contributions and discretionary profitsharing contributions</li> <li>Charitable giving matching up to an annual cap for funds donated to guideline-qualifying nonprofit organizations per employee per year</li> </ul>

# ADDITIONAL TPG POLICIES

TPG maintains a range of policies which support our employees and firm risk management and governance. These include:

- Equal Employment Opportunity for all employees and applicants without regard to race, religion, color, sex, gender identity and expression, sexual orientation, pregnancy, national origin, ancestry, citizenship status, uniform service member and veteran status, marital status, age, disability, or any other category protected by applicable Federal, State, and local laws.
- Concern Reporting, Non-Retaliation and Whistleblower policies protecting any employee who, in good faith, voices concerns, seeks advice, participates in investigations, or reports alleged violations of laws, regulations, or policies; including processes for reporting complaints; receipt of employee complaints; scope of matters covered; treatment of complaints; and reporting and retention of complaints, including to government agencies.
- Prohibition of Harassment in Employment maintaining merit-based personnel processes that are applied without discrimination and a work environment that supports and respects all of our colleagues, applicants, and clients regardless of race, color, religion, sex, sexual

orientation, gender identity, marital status, age, disability, national origin, citizenship, or other protected characteristics.

- Vendor Anti-Discrimination policy applicable to any company or individual that provides a product or service to TPG and sets an expectation that such vendor will share and embrace our commitment to equal employment opportunities, non-discrimination and anti-harassment while conducting business with and/or on behalf of TPG.
- Code of Conduct and Ethics covering compliance with laws, rules and regulations; conflicts of interest; confidential and proprietary information; corporate opportunities; inside information and securities trading; fair competition and dealings; protection and proper use of company assets; accurate and timely public disclosure; raising questions or concerns; reporting to a governmental agency; and non-retaliation.
- Anti-Bribery and Anti-Corruption prohibiting bribery, kickbacks or corruption of any kind, including through gifts or entertainment.
- Business Selection policy addressing the allocation of investment opportunities
- Proxy voting designed to help ensure that proxies are voted in the best interests of our clients, in accordance with the Firm's fiduciary duties and Rule 206(4)-6 under the Adviser's Act. All votes are cast on a case-by-case basis, taking into consideration the contractual obligations under the relevant advisory agreements or

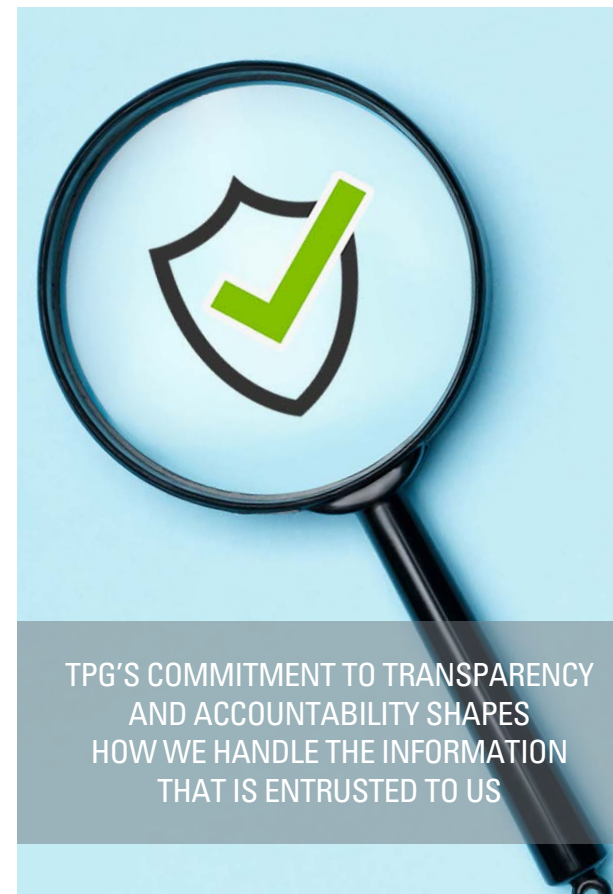
comparable documents, and all other relevant facts and circumstances at the time of the vote.

- Portfolio Company Compensation addressing reporting and restrictions on compensation received by TPG affiliates from TPG portfolio companies
- Anti-Money Laundering, Know-Your Customer, and investor and vendor due diligence policies.
- Advertising Policies which ensure compliance with Advisers Act Rules and related SEC requirements; external communications which fall within the definition of these policies are reviewed by relevant leadership before being undertaken.

## FOSTERING TRANSPARENCY & ACCOUNTABILITY

TPG maintains policies prohibiting Insider Trading, and requiring compliance with Regulation Fair Disclosure. In addition, the Firm also maintains region-specific policies where appropriate, which are designed to promote and comply with local laws, regulations and standards for the Firm and our employees. There were no covered employees with a record of investment-related investigations or other regulatory proceedings disclosed in 2022, and TPG did not sustain any monetary losses in the

reporting period as a result of legal proceedings associated with its marketing and communications to customers. TPG also did not sustain any monetary losses as a result of any adverse rulings in legal proceedings associated with fraud, insider trading, anti-trust, anticompetitive behavior, market manipulation, malpractice, or other related financial industry laws or regulations during the period covered in this report during 2022.



TPG'S COMMITMENT TO TRANSPARENCY  
AND ACCOUNTABILITY SHAPES  
HOW WE HANDLE THE INFORMATION  
THAT IS ENTRUSTED TO US



## ESG PRIVACY AND CYBERSECURITY PRACTICES

TPG's commitment to transparency and accountability shapes how we handle the information that is entrusted to us.

At TPG, we work hard to protect the privacy, confidentiality, and security of our stakeholders' personal information. We maintain a comprehensive privacy and cybersecurity program that includes administrative, technical, and physical safeguards designed to ensure that personal information is handled responsibly and safely, and in compliance with global privacy and data security laws that apply to us.

Our privacy program is built on longstanding globally-recognized principles, including:

- **Transparency and Fairness:** Accurately and comprehensively explaining our information practices, providing individuals with clear notice, to the extent applicable, and handling personal information in an ethical and respectful manner
- **Purpose Limitation:** Collecting personal information only for limited and specified purposes, and not using the information in ways that are inconsistent with those purposes
- **Data Minimization:** Collecting only that information which is necessary to fulfill the purpose for which it was collected, and avoiding the collection of excessive personal information
- **Data Quality Working:** to ensure the personal information we process is accurate, up-to-date, and relevant to the purposes for which we collect it

- **Security:** Implementing safeguards designed to protect the information entrusted to us against loss or unauthorized access, destruction, use, modification, or disclosure
- **Individual Choice:** Providing individuals with choices about how we use their personal information in accordance with our legal obligations

## TRANSPARENCY AND CHOICE

Pursuant to applicable laws and regulations there are individuals who are entitled to know what personal information we collect, how we use it, with whom we share it, and what choices they may have with respect to our processing. Our privacy policies explain why and how we collect and use personal information in connection with our business activities. These include privacy policies directed to investors in our funds and other stakeholders, which provide specific information about our privacy practices with respect to information obtained from such individuals.

We seek to use personal information in a way that is fair and respectful of individuals' choices. Each of our privacy policies describe the choices available to applicable individuals regarding how we handle their personal information, and how they may contact us to exercise those choices in accordance with applicable law.

## GOVERNANCE AND ACCOUNTABILITY

TPG has designed our privacy program in furtherance of legal requirements applicable to us,

which include applicable state and federal privacy laws in the U.S, as well as data protection laws applicable to us in the UK, EU, DIFC and Asia.

We continually seek to enhance our information governance framework as part of our commitment to protecting privacy, including through our internal policies designed to implement compliance; processes for honoring data subject rights in accordance with applicable law; privacy impact assessments designed to help us identify and manage privacy risk in accordance with applicable law; vendor risk management that involves diligence, contracting and ongoing monitoring of third parties who process personal information on our behalf; and cross border data transfer risk assessment processes and remediation in accordance with applicable law. In addition, we provide periodic training and education on our data privacy obligations to TPG employees to help reinforce the importance of handling personal information in compliance with applicable laws and firm policies.

## SECURITY

Ensuring the security of our systems and data is a core TPG commitment. We recognize that a cybersecurity event can strike anyone and have a dedicated team focused on preventing, detecting, responding to, and recovering from cybersecurity risk. Our program is grounded in the industry standard US NIST Cybersecurity Framework.

As directed in our "Cybersecurity Governance Policy," TPG has a dedicated Cybersecurity

Team led by the Senior Director of Cybersecurity. This team is responsible for cybersecurity, data protection, and incident response operations from a tactical perspective. The Senior Director of Cybersecurity reports at least quarterly directly to TPG's Operational Risk Committee and at least annually to TPG's Enterprise Risk Committee, with briefings to TPG's Board of Directors as appropriate, including a report to the Audit Committee at least once per calendar year.

TPG's Cybersecurity team includes individuals dedicated to incident detection and response. This team is responsible for identifying threats that can impact TPG and designing controls to mitigate vulnerabilities before they are exploited and to detect and neutralize any threats that do materialize.

We appreciate the evolving nature of cyber threats. All TPG employees and contractors with access to the TPG network receive annual training on data security best practices as well as applicable cybersecurity policies. Likewise, every year, TPG engages a third party to conduct penetration testing. In addition, TPG's Internal Audit team engages independent third parties to conduct annual testing on the cybersecurity program. Any risks identified through these assessments are addressed according to the "Cybersecurity Governance Policy." Every week, TPG performs vulnerability scans of its systems, and we address any vulnerabilities identified in accordance with our "Vulnerability Management Process." TPG also performs annual cybersecurity security assessments of our key vendors to help protect TPG data when it leaves our network.

# LEGAL NOTICE

This ESG Annual Report (the "Report") is provided by TPG Inc. (together with its subsidiaries, "TPG") for informational purposes only and is solely intended to describe certain of the ESG process and strategies of TPG and the funds managed or controlled by TPG (the "Funds"), including certain private equity and real estate assets in which such Funds have investments. This Report should not be relied upon for any other purpose.

The Report does not summarize investment performance. Nothing contained herein constitutes investment, legal, tax, or other advice nor is it to be relied on in making an investment or other decision. This Report does not constitute an offer to sell, or the solicitation of an offer to buy, any security, product, or service, including interests in any Fund.

The information in this Report is only as current as the date indicated and may be superseded and become incorrect by subsequent market events or for other reasons. TPG disclaims any duty or obligation to update the statements or information herein.

## PROPRIETARY AND THIRD-PARTY INFORMATION

Certain information and data provided in this Report is based on TPG proprietary knowledge and data. Portfolio companies may provide proprietary market data to TPG. Such proprietary market data may be used by TPG to evaluate market trends as well as to underwrite potential and existing investments. Additionally, certain information contained in this Report has been obtained from portfolio companies and/or sources outside TPG, such as press releases, reports, websites, and/or articles, which in certain cases have not been updated through the date hereof. While TPG currently believes that such information is reliable for purposes used herein, the information may not be accurate and is subject to change, and also reflects TPG's opinion and assumptions as to whether the amount, nature and quality of the data is sufficient only for the applicable conclusion used in this Report. No representations are made as to the accuracy

or completeness thereof and none of TPG, its Funds, nor any of their affiliates takes any responsibility for, and has not independently verified, any such information.

## INVESTMENTS

The selected investment examples, case studies and/or transaction summaries presented or referred to herein may not be representative of all transactions of a given type or of investments generally and are intended to be illustrative of the types of investments that have been made or may be made or considered by a Fund in employing such Fund's investment strategies. It should not be assumed that comparable investments will be made or considered in the future or that the success of ESG initiatives implemented by TPG or its portfolio companies will reflect past practices or outcomes or is in any way guaranteed. Certain investment examples described herein may be owned by investment vehicles managed by TPG and by certain other third-party equity partners, and in connection therewith TPG may own less than a majority of the equity securities of such investment, or such ownership may change over time.

While this Report should not be used to make any investment decisions, prospective investors should be aware that an investment in a Fund is speculative and involves a high degree of risk. There can be no assurance that a Fund will achieve comparable results, implement its investment strategy, achieve its objectives or avoid substantial losses or that any expected returns will be met. A Fund's performance may be volatile. An investment should only be considered by sophisticated investors who can afford to lose all or a substantial amount of their investment. A Fund's fees and expenses may offset or exceed its profits. There can be no assurances that TPG's investment objectives for any Fund will be achieved or that its investment programs will be successful. Past performance is not a guarantee of future results.

## ESG

The ESG or impact goals, targets and initiatives outlined in this Report are purely voluntary, are not binding on investment or voting decisions and/or TPG's management of investments and

do not constitute a guarantee, promise or commitment regarding actual or potential positive impacts or outcomes associated with investments made by TPG Funds. TPG has established, and may in the future establish, certain ESG or impact goals, targets and initiatives, including but not limited to those relating to diversity, equity and inclusion and greenhouse gas emissions reductions. Those statements, and any other statements regarding our future direction and intent represent goals and objectives only. Further, statistics and metrics relating to ESG matters are estimates and may be based on assumptions or developing standards (including TPG's internal standards and policies). Any ESG or impact goals, targets or initiatives referenced in any information, reporting or disclosures published by TPG are not being promoted and do not bind any investment decisions made in respect of, or stewardship of, any TPG Funds for the purposes of Article 8 of Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector. Any measures implemented in respect of such ESG or impact goals, targets or initiatives may not be immediately applicable to the investments of any TPG Funds and any implementation can be overridden or ignored at the sole discretion of TPG and without any notice.

The United Nations Sustainable Development Goals ("SDGs") are aspirational in nature. The analysis involved in determining whether and how certain initiatives may contribute to the SDGs is inherently subjective and dependent on a number of factors. There can be no assurance that reasonable parties will agree on a decision as to whether certain projects or investments contribute to a particular SDG. Accordingly, investors should not place undue reliance on TPG's application of the SDGs, as such application is subject to change at any time and in TPG's sole discretion.

Similarly, there can be no assurance that TPG's ESG policies and procedures as described in this Report will continue; such policies and procedures could change, even materially. TPG is permitted to determine in its discretion that it is not feasible or practical to implement or complete certain of its ESG initiatives based on cost, timing or other considerations. Statements about ESG initiatives or practices related to portfolio companies do not apply in every instance and depend on factors including, but not limited to, the relevance or implementation status of an ESG initiative to or within the portfolio company; the nature and/

or extent of investment in, ownership of or, control or influence exercised by TPG with respect to the portfolio company; and other factors as determined by investment teams, corporate groups, asset management teams, portfolio operations teams, companies, investments, and/or businesses on a case-by-case basis. ESG factors are only some of the many factors TPG considers in making an investment, and there is no guarantee that TPG will make investments in companies that create positive ESG impact or that consideration of ESG factors will enhance long-term value and financial returns for limited partners. To the extent TPG engages with portfolio companies on ESG-related practices and potential enhancements thereto, there is no guarantee that such engagements will improve the financial or ESG performance of the investment. In addition, the act of selecting and evaluating material ESG factors is subjective by nature, and there is no guarantee that the criteria utilized or judgment exercised by TPG will reflect the beliefs or values, internal policies or preferred practices of investors, other asset managers or with market trends.

## FORWARD-LOOKING STATEMENTS

This Report contains certain forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended, and Section 27A of the Securities Act of 1933, as amended. Certain information contained in this Report constitutes "forward-looking statements," which you can identify by the use of words such as "may," "will," "should," "seek," "expect," "anticipate," "project," "estimate," "intend," "continue," "target," "plan," "believe," "strive," "could," "would," "approximate," the negatives thereof, other variations thereon, or comparable words. Furthermore, any projections or other estimates in this Report, including estimates of returns or performance, are "forward-looking statements" and are based upon certain assumptions that may change. More broadly, statements that do not relate strictly to historical or current facts are based on current expectations, estimates, projections, opinions, or beliefs of TPG and its affiliates or its sources of information as of the date of this Report. Due to various known and unknown risks, assumptions, and uncertainties related to the forward-looking statements in this report, including those described under the section entitled "Risk Factors" in TPG's Annual Report on Form 10-K for the year ended December 31,

2022 ("Form 10-K"), as such factors may be updated from time to time in our periodic filings with the United States Securities and Exchange Commission ("SEC"), which are available on the SEC's website at [www.sec.gov](http://www.sec.gov), actual events or results or actual performance could differ materially and adversely from those expressly or implicitly reflected, or contemplated, in such forward-looking statements. Accordingly, investors should not place undue reliance on forward-looking statements as a prediction of actual results or actual performance. TPG has based these forward-looking statements on current expectations and assumptions about future events, taking into account information currently known by TPG. These expectations and assumptions are inherently subject to significant business, economic, competitive, regulatory and other risks and uncertainties; actual events are difficult to project and often depend upon factors that are beyond the control of TPG and its affiliates. Additional risks of which TPG is not currently aware could cause actual results to differ. In addition, unless the context otherwise requires, the words "include," "includes," "including," and other words of similar import are meant to be illustrative rather than restrictive.

#### REPRESENTATIONS AND WARRANTIES

TPG makes no representation or warranty, express or implied, with respect to the accuracy, reasonableness, or completeness of any of the information contained herein, including without limitation, information obtained from the portfolio companies or other third parties. Some of the information contained herein has been prepared and compiled by portfolio companies and has not necessarily been independently verified or assured by TPG or any other third party. This Report may contain links to other internet sites or references to third parties. Such links or references are not incorporated by reference to this Report and we can provide no assurance as to their accuracy. The use or inclusion of the information is also not intended to represent endorsements of any products or services. TPG does not accept any responsibility for the content of such information and does not guarantee the accuracy, adequacy, or completeness of such information.

#### CALCULATIONS AND STATISTICS; MATERIALITY

##### AND TRENDS

All calculations and statistics are in part dependent on the use of estimates and assumptions based on historical levels and projections and are therefore subject to change. This Report has not been externally assured or verified by an independent third party.

The inclusion of information or the absence of information in this Report should not be construed to represent TPG's belief regarding the materiality or financial impact of that information under U.S. securities laws. For a discussion of information that is material to TPG, please see the TPG's filings with the SEC, including its Annual Report on 10-K and Quarterly Reports on Form 10-Q. There can be no assurances that any of the trends described herein will continue or will not reverse. Past events and trends do not imply, predict or guarantee, and are not necessarily indicative of, future events or results.