



August 1, 2014

**Via Email**

U.S. Department of State  
2201 C Street, NW  
Washington, DC 20037  
BurmaPublicReport@state.gov

Re: Report on Responsible Investment in Myanmar

To Whom It May Concern:

TPG Holdings I, L.P. ("TPG Holdings"), on behalf of TPG Growth II, L.P. ("TPG Growth") and TPG Asia VI, L.P. ("TPG Asia"), hereby submits the enclosed Report on Responsible Investment in Myanmar (the "Report"), pursuant to the U.S. Department of the Treasury's Office of Foreign Assets Control General License No. 17, and the U.S. Department of State's "Reporting Requirements on Responsible Investment in Burma" issued on May 23, 2013. Through Apollo Towers, Myanmar Ltd. ("Apollo Towers"), a company organized in Myanmar and jointly owned by TPG Growth and Tillman Global Holdings, LLC ("Tillman"), TPG Growth is engaged in the construction and operation of telecommunications towers in Myanmar. Additionally, TPG Asia, together with Northstar Pacific Partners, has formed a company in Myanmar called Pacific Star Finance Limited ("Pacific Star") that intends to operate a micro-financing business within Myanmar. These activities may represent "new investment" in Myanmar as defined by 31 C.F.R. §537.311, and the aggregate investment exceeds \$500,000.

The enclosed initial Report covers the period through July 21, 2014.

The construction and operation of telecommunications towers in Myanmar by Apollo Towers and the micro-financing activities of Pacific Star in Myanmar are performed in accordance with the U.S. Department of Treasury, Office of Foreign Assets Control Burmese Sanctions Regulation General License No. 17, where required.



If you have any questions regarding this report, please contact Vanessa Chien, General Counsel Asia Pacific, TPG Capital, Limited, at +852 3515 8882 or [vhien@tpg.com](mailto:vhien@tpg.com).

Sincerely,

**TPG HOLDINGS I, L.P.**

By: TPG Holdings I-A, LLC,  
its general partner

By: *Ronald Cami*

Name: Ronald Cami

Title: Vice President

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**1. Name**

TPG Holdings I, L.P. (“TPG Holdings” or the “Submitter”), on behalf of TPG Growth II, L.P. (“TPG Growth”) and TPG Asia VI, L.P. (“TPG Asia”).

**2. Acknowledgement**

The Submitter understands that this report will be made public.

**TPG HOLDINGS I, L.P.**

By: TPG Holdings I-A, LLC,  
its general partner

By: 

Name: Ronald Cami

Title: Vice President

**3. Point of Contact**

Vanessa Chien  
General Counsel Asia Pacific  
TPG Capital, Limited  
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Hong Kong  
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**4. Overview of Operations in Burma**

**a. Name(s) of companies, including all subsidiaries, operating in Burma covered by this report.**

(i) TPG Growth has invested in Myanmar through Apollo Towers Myanmar Ltd. (“Apollo Towers”), which is a company organized under the laws of Myanmar and jointly owned by TPG Growth and Tillman Global Holdings, LLC (“Tillman”).

(ii) TPG Asia has invested in Myanmar through Pacific Star Finance Limited (“Pacific Star”), a company organized under the laws of Myanmar and jointly owned by TPG Asia and Northstar Pacific Partners.

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### b. Nature of business in Burma.

#### (i) Apollo Towers

Apollo Towers is engaged in the construction and operation of telecommunications towers in Myanmar. Apollo Towers' mission is to modernize the telecommunications infrastructure of Myanmar in conjunction with all licensed telecommunication operators in Myanmar to enable residents of Myanmar to benefit from low cost, high quality, reliable cellphone coverage and other advanced telecommunication services.

To modernize this infrastructure in Myanmar, Apollo Towers plans to construct and operate telecommunications towers throughout the country. It has begun construction on its first telecommunication tower in cooperation with both national and local regulating bodies, which include the Yangon City Development Committee, the Mandalay City Development Committee, the Naypyitaw City Development Committee, the Myanmar Investment Commission, the Myanmar ICT for Development Organization, and various ministries, and it has over 1,000 committed sites for additional telecommunications towers. Apollo Towers' initial anchor tenant will be Telenor Myanmar Limited ("Telenor"), a newly licensed provider of cellphone services in Myanmar that is part of the Norwegian Telenor Group.

#### (ii) Pacific Star

Pacific Star was not fully operational during the reporting period, but it intends to offer financial services within Myanmar as permitted by the provisions of the Myanmar Micro-Financing Enterprise Law of 30 November, 2011. As a micro-financing enterprise, Pacific Star intends to carry out some or all of the following activities:

- extending micro-credit, primarily to low-to-middle class business owners, small family businesses, and entrepreneurs resident in Myanmar, based on loan criteria to be determined, but which will include the submission of a business plan and interviews with the applicant;
- accepting deposits from a similar low-to-middle class customer base, in order to assist with successful capital management and business planning;
- remittance of money primarily within the country allowing customers to wire money to family, friends, and business associates in a secure manner;
- offering certain micro-insurance products and services targeted to this customer segment including, but not limited to, pension plans, financial planning, and consultancy services.

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**c. Location(s) of operation in Burma.**

(i) Apollo Towers

Please see the table below of locations of Apollo Towers' offices in Myanmar:

Yangon (Head Office)	Apollo Towers Myanmar Ltd. 3rd Floor Co-operative Business Centre Corner of Sayarsan Road & New University Avenue Bahan Township, Yangon, Myanmar
Mandalay	Apollo Towers Myanmar Ltd. Room No. D (508) Shwe Phyu Plaza Between 77th & 78th, between 32nd & 33rd Street Chan Aye Thar Zan Township Mandalay, Myanmar
Nay Pyi Taw	No. 464 Ngu War Street Tha Pyay Gone Quarter Nay Pyi Taw, Myanmar

In addition, Apollo Towers leases land access under long-term lease agreements with Myanmar citizens, and potentially with government bodies in the future, for the construction of telecommunications towers across Myanmar.

(ii) Pacific Star

Pacific Star's office in Myanmar is located at:

Yangon	Pacific Star Finance Limited 34 Inya Myaing Road Shwe Taung Gyar Ward-1 Bahan Township, Yangon, Myanmar
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**d. Approximate maximum number of employees in Burma during the reporting period (broken down by Burmese and non-Burmese employees).**

(i) Apollo Towers

During the reporting period, Apollo Towers had a maximum of 97 employees in Myanmar. Thirty-five employees of Apollo Towers are nationals of Myanmar and 62 are expatriates.

(ii) Pacific Star

During the reporting period, Pacific Star employed a maximum of three employees in Myanmar, all of whom are nationals of Myanmar.

**5. Human Rights, Worker Rights, Anti-Corruption, and Environmental Policies and Procedures: Provide a concise summary or copies of the following policies and procedures as they relate to the submitter's operations and supply chain in Burma.**

**a. Due diligence policies and procedures (including those related to risk and impact assessments) that address operational impacts on human rights, worker rights, and/or the environment in Burma.**

TPG affiliates, including Apollo Towers and Pacific Star, are subject to the Sustainability and Environmental, Social and Governance ("ESG") Program of the TPG family of funds ("TPG"), which supports TPG's long-standing emphasis on environmental, health, and safety practices in its due diligence and operations. Pursuant to the ESG Program, Apollo Towers and Pacific Star consider the sustainability and environmental impacts of their operations and assess those impacts on an annual basis.

In addition to the ESG Program, Apollo Towers enforces strict rules regarding employee safety, minimum age requirements, and appropriate working conditions.

**b. Policies and Procedures that address anti-corruption in Burma.**

(i) Apollo Towers

Apollo Towers maintains comprehensive anti-corruption policies and procedures that are set out in its Policy on International Business Conduct (the "PIBC"), which is designed to ensure full compliance with the FCPA and the U.K. Bribery Act and states Apollo Towers' zero tolerance for any business practice in violation of the PIBC. The PIBC expressly prohibits any violation of Myanmar law and any corruption or bribery, including both public and commercial bribery and indirect bribes made through third parties. Under the PIBC, Apollo Towers must maintain books, records, and accounts that detail and accurately reflect all transactions of the company, and any charitable or political contributions must be approved by the company. The PIBC also includes requirements for employee compliance training and discusses mechanisms for reporting violations. Every employee, contractor, business

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partner and consultant of Apollo Towers is subject to the PIBC and is required to sign a statement of compliance.

(ii) Pacific Star

Not applicable. The company is not yet operational and expects to adopt appropriate policies in due course.

**c. Policies and procedures that address community and stakeholder engagement in Burma.**

Not applicable.

**d. Policies and procedures that address hearing grievances from employee and local communities, including whether grievance processes provide access to remedies, and how employees and local communities in Burma are made aware of said processes.**

Not applicable.

**e. Global corporate social responsibility policies, including those that address human rights, sustainability, worker rights, anti-corruption and/or the environment.**

Apollo Towers and Pacific Star, as part of TPG, are subject to TPG's ESG Program, which requires consideration of environmental, health and safety practices in their due diligence, investment decisions, and operations. The broad set of sustainability issues covered by the ESG Program, which include social and governance issues, have material influence on TPG's assessments of risk, valuation, profitability, and opportunity across its portfolio. As part of the ESG Program, TPG incorporates sustainability and ESG considerations into its due diligence process and when making investment decisions. In addition, TPG portfolio companies engage in annual sustainability/ESG performance self-assessment and goal setting.

**f. Whether and the extent to which the policies and procedures described in Question 5.a through 5.d are applied to, required of, or otherwise communicated to related entities in Burma, including but not limited to subsidiaries, subcontractors and other business partners.**

(i) Apollo Towers

The policies and procedures of TPG described in Question 5 apply to companies affiliated with TPG, including Apollo Towers. The anti-corruption policies and procedures of Apollo Towers described in Question 5.b apply to every employee, contractor, business partner, and consultant of Apollo Towers. These policies and procedures are clearly communicated to Apollo Towers' local business partners, and regular training is provided to all employees.

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(ii) Pacific Star

The policies and procedures of TPG described in Question 5 apply to all companies affiliated with TPG, including Pacific Star.

**6. Arrangement with Security Service Providers: Provide the below information regarding any arrangements the submitter has with security service providers.**

**a. Name(s) of security service provider(s).**

(i) Apollo Towers

TPG Growth and Apollo Towers have not identified a need for private security for employees or assets of Apollo Towers and have not engaged any security service providers. It is expected that the telecommunications towers will be secured by alarm systems. In the situation that security becomes an issue in the future, TPG Growth and Apollo Towers may engage security providers for those telecommunication tower sites experiencing security issues.

(ii) Pacific Star

Not applicable.

**b. Duties and responsibilities of security service provider(s).**

Not applicable.

**c. Whether security service providers are signatories to the International Code of Conduct for Private Security Service Providers and/or whether they have been certified to any private security provider national or international standards.**

Not applicable.

**d. A concise summary of due diligence policies or practices for engaging and utilizing security services providers including those focused on human rights and anti-corruption, e.g., oversight policies and procedures and whether security service providers are subject to third-party auditing.**

Not applicable.

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**7. Property Acquisition: For any purchase, use or lease of land or other real property, or rights related thereto, by the submitter (including the submitter's subsidiaries) either (a) valued over \$500,000 or (b) larger than 30 acres of land or other real property, provide the information described below. For the purpose of this section, purchase, use, or lease of adjacent or otherwise related land or other real property shall be treated as a single transaction and must be reported where the cumulative value of the related transactions exceeds \$500,000 or is over 30 acres.**

**a. A concise summary of any policies or procedures used to ascertain land or other real property ownership, use rights, dislocation, resettlement, or other claims and an explanation of how those policies were implemented for each land purchase, use, or lease transaction.**

Not applicable.

**b. The city/state or province where the land or other real property was purchased, used, or leased.**

Not applicable.

**c. A concise summary of any policies or procedures, including grievance mechanisms, related to the dislocation or resettlement of people with respect to land or other real property and an explanation of how those policies were implemented for each land purchase, use, or lease transaction.**

Not applicable.

**d. Any financial/material arrangements made to compensate previous users/residents of such land or other real property (other than to the lessor/owner) of which the submitter is aware.**

Not applicable.

**e. Any information of which the submitter is aware related to any involuntary resettlement or dislocation of people on land that meets the criteria as specified in question 7.**

Not applicable.

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**8. Transparency: Report total payments made by submitter or on its behalf valued over \$10,000 during the reporting year to each Government of Burma entity and/or any sub-national or administrative governmental entity or non-state group that possesses or claims to possess governmental authority over the submitter's new investment activities in Burma.**

(i) Apollo Towers

During the reporting period, neither TPG Growth nor Apollo Towers made any payment, nor to their knowledge was any payment made on their behalf, valued over \$10,000 to any government entity in Myanmar. Subject to certain discretionary tax incentives granted by the Myanmar authorities under Section 27 of Chapter XII of the Foreign Investment Law of 2012 of Myanmar, certain taxes and customs duties are payable by Apollo Towers in Myanmar. Such taxes and duties include:

- Import/customs duties, if Apollo Towers imports certain goods through general trade rather than within the scope of its permit granted by the Myanmar Investment Commission;
- Commercial tax on all sales, as applicable;
- Domestic and international withholding taxes; and
- Payment of employee income tax.

(ii) Pacific Star

During the reporting period, neither TPG Asia nor Pacific Star made any payment, nor to their knowledge has any payment been made on their behalf, valued over \$10,000 to any government entity in Myanmar. However, to obtain a micro-finance license from the Ministry of Finance of Myanmar, Pacific Star was required to temporarily deposit \$200,000 paid-up capital with the Ministry of Finance that was returned to Pacific Star once Pacific Star's license was granted.