

**Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852**

**Product name:** Brookfield Oaktree Wealth Solutions Alternative Funds S.A. SICAV - UCI Part II – Brookfield Infrastructure Income Fund<sup>1</sup> **Legal entity identifier:** 54930008ZBV8NZK18K93

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

## Environmental and/or social characteristics

<b>Did this financial product have a sustainable investment objective?</b>	
<p><span style="color: green;">●●</span> <input type="checkbox"/> <b>Yes</b></p> <p><input type="checkbox"/> It made <b>sustainable investments with an environmental objective</b>: ___%</p> <p style="margin-left: 20px;"><input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy</p> <p style="margin-left: 20px;"><input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</p> <p><input type="checkbox"/> It made <b>sustainable investments with a social objective</b>: ___%</p>	<p><span style="color: grey;">●</span> <span style="color: white;">●</span> <input checked="" type="checkbox"/> <b>No</b></p> <p><input type="checkbox"/> It <b>promoted Environmental/Social (E/S) characteristics</b> and while it did not have as its objective a sustainable investment, it had a proportion of ___% of sustainable investments</p> <p style="margin-left: 20px;"><input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy</p> <p style="margin-left: 20px;"><input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</p> <p style="margin-left: 20px;"><input type="checkbox"/> with a social objective</p> <p><input checked="" type="checkbox"/> It promoted E/S characteristics, but <b>did not make any sustainable investments</b></p>



**To what extent were the environmental and/or social characteristics promoted by this financial product met?**

The Fund promoted environmental and/or social characteristics:

<sup>1</sup>Brookfield Oaktree Wealth Solutions Alternative Funds S.A. SICAV - UCI Part II – Brookfield Infrastructure Income Fund invests the majority of its assets into interests in Brookfield Infrastructure Income Fund FCP-RAIF – BII FCP - I. References to the "Fund" in this document are references to both Brookfield Oaktree Wealth Solutions Alternative Funds S.A. SICAV - UCI Part II – Brookfield Infrastructure Income Fund and Brookfield Infrastructure Income Fund FCP-RAIF – BII FCP - I.

Certain of the Fund's investments (in whole or in part) seek to promote the following environmental and social characteristics. These are driven by Brookfield's core ESG principles, and are covered as part of initial and ongoing due diligence, having processes and procedures aimed at:

- Mitigating the impact of their operations on the environment and/or, where the opportunity allows, seeking to invest in businesses that the Manager believes will support the transition to net-zero.
- Ensuring the well-being and safety of employees.
- Upholding strong governance practices.

How were the Fund's promoted environmental and/or social characteristics met?

LFE European Asset Management S.à r.l., the alternative investment fund manager of the Fund, (the "**Manager**") believes that strong ESG management is an integral part of managing investments responsibly. Accordingly, the Manager integrates ESG considerations throughout its investment management process. During the reference period, each investment was subject to the review process set out in more detail in the Fund's Private Placement Memorandum (the "**Memorandum**"). The Manager believes that investments which are subject to this process contribute to the promotion of the Fund's environmental and/or social characteristics. By way of summary, each relevant investment made by the Fund is:

- Subject to the Fund's due diligence process (including Brookfield's ESG Due Diligence Protocol) to assist with the identification of any material ESG factors.
- Subject to the Fund's review process as set out in more detail in the Fund's Memorandum. By way of summary, each investment was the subject of a detailed memorandum which was presented to the Investment Committee which either (i) explained how the investment is in renewable power or other sectors or businesses that contribute to the transition to "net zero", contributed to continued generation and development of clean energy generation or (ii) explained why the investment is not and justify how and why the investment otherwise met the Fund's investment objective.
- Additionally, the Manager utilised negative screens as it contemplated potential investments for the Fund. The Fund did not invest in businesses and or make loans secured by assets whose primary business activities, involved controversial weapons, production and/or upstream exploration of fossil fuels, military weapons, or thermal coal\* without an associated decarbonisation plan.

\*Refers to mining, producing, transporting, storing, burning or producing electricity using thermal coal.

Sustainable Investments

As set out in further detail below, the Fund did not make any sustainable investments (as defined in Article 2(17) of Regulation (EU) 2019/2088 ("**SFDR**").

**How did the sustainability indicators perform?**

The below table sets out the performance of the Fund's sustainability indicators as at 31 December 2022.

Sustainability Indicator	Result
Proportion of investments that are aligned with the Fund's promoted environmental and social characteristics	100%
<b>Environmental Indicators</b>	

**Sustainability indicators** measure how the environmental or social characteristics promoted by the financial product are attained.

Equity: exposure to particular sectors/sub-sectors and measurement of our controlled business' carbon footprint on a scope 1 and scope 2 basis <sup>2</sup>	<p>Fossil Fuel Exposure: 44%</p> <p>Renewable Exposure: 48%</p> <p>Scope 1 Emissions: 44,000 (29,000 Midstream, 12,000 Utilities, 3,000 Renewable)</p> <p>Scope 2 Emissions: 38,000 (16,000 Midstream, 21,000 Utilities, 1,000 Renewable)</p>
Debt: exposure to fossil fuels and renewable energy sectors, and measurement of sponsor's greenhouse gas emissions on a scope 1 and scope 2 basis, by sector, on a commercially reasonable efforts basis	<p>Fossil Fuel Exposure: 100%</p> <p>Renewable Exposure: 0%</p> <p>Scope 1 and 2: 10,000 (Transport)<sup>3</sup></p>
<b>Social Indicators</b>	
Equity: striving to establish and maintain the highest health and safety standards with the aim of achieving the target of zero serious safety incidents	100%
Debt: engagement with sponsors to understand ongoing maintenance and implementation of the highest health and safety standards with the aim of achieving the target of zero serious safety incidents	100%
<b>Governance Indicators</b>	
Equity: achieve high levels of engagement on governance policies and strive to achieve zero material cybersecurity incidents	100%
Debt: achieve engagement on governance policies and strive to encourage borrowers to achieve zero material anti-bribery and corruption (ABC) incidents	100%

<sup>2</sup> Greenhouse gas emissions shown represent absolute emissions based on the Fund's equity share of the asset. These emissions are estimated and subject to change. Figures are rounded.

<sup>3</sup> The figures for Scope 1 and Scope 2 emissions represent the estimated total emissions of the borrowing companies during the reference period. Where such information was not directly available from borrowing companies, data gaps were addressed using estimates and proxy data. Figures are rounded.

*The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union criteria.*

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*

**...and compared to previous periods?**

Not applicable – this is the first reporting period during which the Fund’s sustainability indicators have been in effect.

**What were the**

***objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?***

Not applicable. The Fund did not make any sustainable investments (as that term is defined in the SFDR).

***How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?***

Not applicable. As noted above, the Fund did not make any sustainable investments (as that term is defined in the SFDR).

***How were the indicators for adverse impacts on sustainability factors taken into account?***

Not applicable. As noted above, the Fund did not make any sustainable investments (as that term is defined in the SFDR).

***Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:***

Not applicable. As noted above, the Fund did not make any sustainable investments (as that term is defined in the SFDR).

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.



## How did this financial product consider principal adverse impacts on sustainability factors?

Not applicable. The Fund's AIFM does not consider the principal adverse impacts of its investment decisions in relation to the Fund on sustainability factors within the meaning of Article 7 of the SFDR.



## What were the top investments of this financial product?

*This table shows all investments made by the Fund as at 31 December 2022. As at 31 December 2022 the Fund had only made 9 investments.*

Largest investments	Sector	% Assets <sup>4</sup>	Country
TerraForm Power	Renewable Power & Transition	22.6%	Global <sup>5</sup>
Inter Pipeline	Midstream	18.1%	Canada
Ontario Wind	Renewable Power & Transition	11.9%	Canada
Enercare	Utilities	12.2%	North America
Isagen	Renewable Power & Transition	10.2%	Columbia
AusNet	Utilities	8.0%	Australia
FirstEnergy Transmission	Utilities	6.0%	United States
Energos Infrastructure	Transport	5.6%	Global <sup>3</sup>
SGN	Utilities	5.4%	United Kingdom

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is:



<sup>4</sup> This shows 100% of investments held by the Fund (excluding cash).

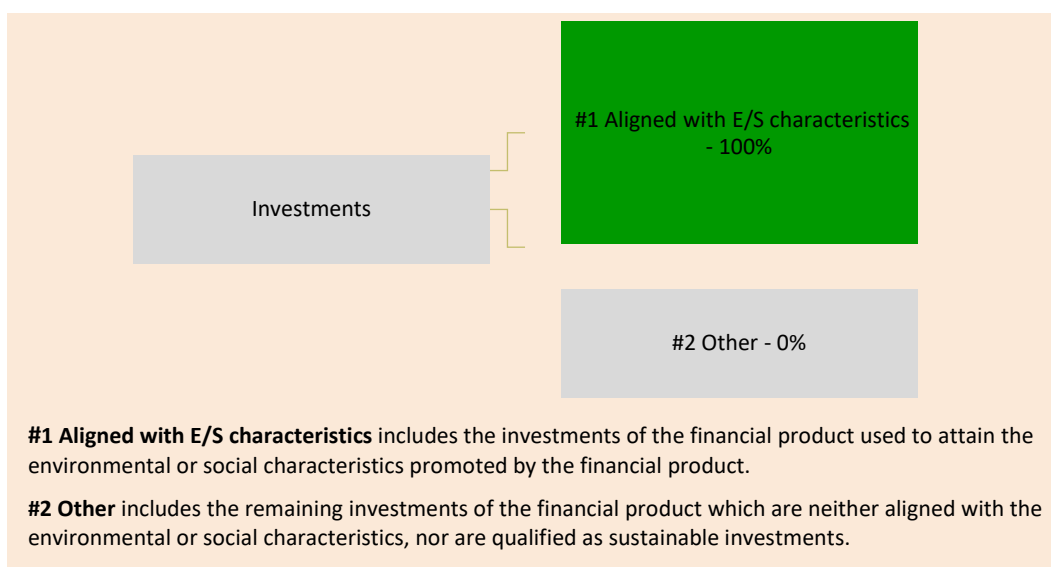
<sup>5</sup> For these purposes, references to "Global" investments are references to investments which have business operations in at least two jurisdictions.

## What was the proportion of sustainability-related investments?

### What was the asset allocation?

Please refer to the below diagram for a breakdown of the Fund's asset allocation over the reference period. All percentage figures represent a percentage of the net asset value of the Fund.

The Fund may utilize financial instruments such as forward contracts, options, warrants, swaps (including credit default swaps and total return swaps), caps, collars, floors and other derivatives to seek to hedge against fluctuations in the relative values of their assets as a result of changes in currency exchange rates, market interest rates and public security prices. Such investments are not included in the asset allocation diagram below.



**Asset allocation** describes the share of investments in specific assets.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

### In which economic sectors were the investments made?

- Transport
- Utilities
- Midstream
- Renewable Power & Transition

### To what extent were the sustainable investments with an environmental objective aligned with the EU Taxonomy?

#### Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy<sup>6</sup>?

For nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate friendly") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- Yes:
  - In fossil gas
  - In nuclear energy
- No

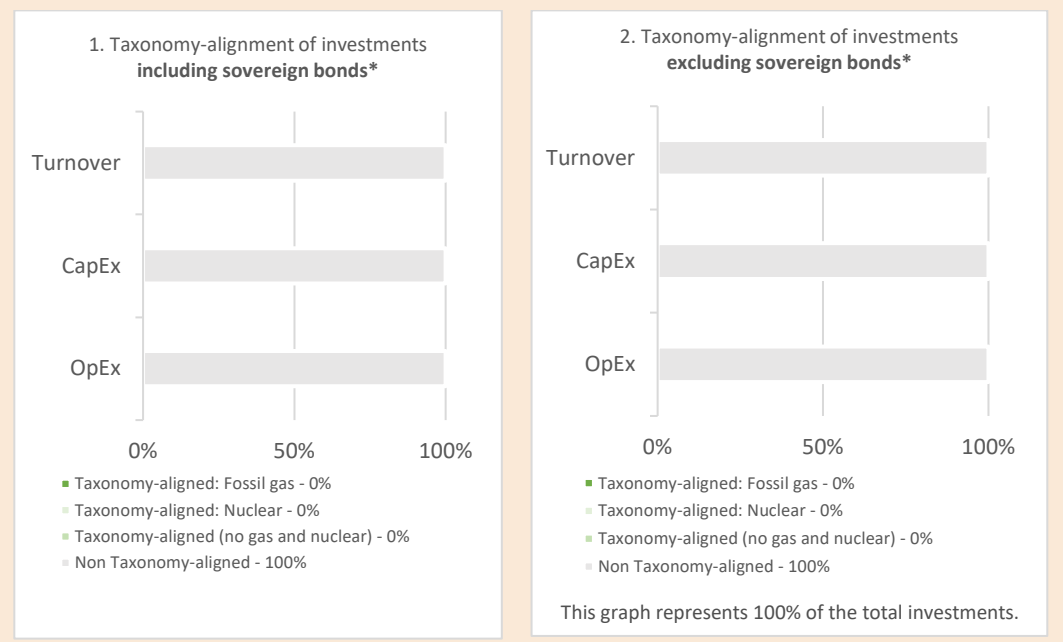
 are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.

reflecting the share of revenue from green activities of investee companies.

**capital expenditure** (CapEx) showing the green investments made by investee companies, e.g., for a transition to a green economy.

**operational expenditure** (OpEx) reflecting green operational activities of investee companies.

*The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.*



\* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.

**What was the share of investments made in transitional and enabling activities?**

Not applicable. As set out in the asset allocation chart above, the Fund did not make any investments which Brookfield has concluded qualified as environmentally sustainable under Article 3 of the EU Taxonomy. Accordingly, the share of investments in transitional and enabling activities was 0%

**How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

Not applicable. This is the Fund's first reporting period under the SFDR.

**What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?**

Not applicable. As noted above, the Fund did not make any sustainable investments (as that term is defined in the SFDR).



## What was the share of socially sustainable investments?

Not applicable. The Fund did not make any sustainable investments (as that term is defined in the SFDR), including socially sustainable investments. The share of socially sustainable investments in the Fund was therefore 0%.



## What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

Not applicable. The Fund did not make any "other" investments during the reference period.



## What actions have been taken to meet the environmental and/or social characteristics during the reference period?

The Manager took the following actions with respect to the investments held by the Fund during the reference period:

- Applied the Fund's due diligence process (including Brookfield's ESG Due Diligence Protocol) to assist with the identification of any material ESG factors.
- Applied the Fund's negative screen.
- Applied the Fund's review process as set out in more detail in the Fund's Memorandum. By way of summary, each investment was the subject of a detailed memorandum which was presented to the Investment Committee which either (i) explained how the investment is in renewable power or other sectors or businesses that contribute to the transition to "net zero", contributed to continued generation and development of clean energy generation or (ii) explained why the investment is not and justify how and why the investment otherwise met the Fund's investment objective.
- Assessed the Fund's sustainability indicators.



## How did this financial product perform compared to the reference benchmark?

Not applicable – the Fund has not designated a reference benchmark for the purposes of determining whether the Fund's investments are aligned with the environmental and/or social characteristics that it promotes.

### ● **How does the reference benchmark differ from a broad market index?**

Not applicable.

### ● **How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?**

Not applicable.

### ● **How did this financial product perform compared with the reference benchmark?**

Not applicable.

### ● **How did this financial product perform compared with the broad market index?**

Not applicable.



**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.