Brookfield Global Infrastructure Advisor Limited

Annual report and financial statements

Registered number 04527558
Year ended 31 December 2021

Contents

Directors' report

The Directors present their annual report on the affairs of Brookfield Global Infrastructure Advisor Limited (the "Company"), registered number 04527558, together with the audited financial statements, for the year ended 31 December 2021. The Company has chosen to include certain matters in its Strategic report that would otherwise be required to be disclosed in this Directors' report. The strategic report can be found on page 3.

Principal activity

The principal activity of the Company is to provide asset advisory services to other members of the Brookfield Group.

Future developments

The Directors do not anticipate any significant future developments in the business.

Financial risk management

The Directors determine that sufficient cash resources are available to properly address liquidity and credit risks.

Directors

Set out below are the Directors who held office during the year and up to the date of this report, except as noted:

R Rank
J Flatt
P Elder
C Teskey
P Sim (appointed 19 March 2022)

None of the Directors who held office at the end of the year or subsequently held any interests in group undertakings in the register of Directors' interests.

Going concern

In preparing these financial statements the Directors have considered the uncertainty posed by the ongoing global coronavirus pandemic. Having assessed the Company's past results, which show that the Company has continued to perform consistently despite the pandemic, and in addition to the removal of restrictions in the UK and return to global travel, the Directors are confident that the coronavirus pandemic will not have a material impact on the Company.

Through making enquiries and assessing the Company's forecasts, the Directors have considered the liquidity and capitalisation within the Company to determine whether it has access to adequate liquidity to continue in operational existence for the foreseeable future. The Directors have a reasonable expectation that the liquidity available through the Company's cash resources and amounts held on deposit at Brookfield International Holdings Inc., in addition to future forecast revenue, provide sufficient resources to cover all committed expenses for the foreseeable future and meet its financial obligations as they fall due. As such, the Directors are satisfied that it is appropriate to continue to adopt the going concern basis in preparing the financial statements.

Disclosure of information to the auditor

The Directors who held office at the date of approval of this Directors' report confirm that:

- so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and
- each Director has taken all the steps that they ought to have taken as a Director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Auditor

Deloitte LLP have expressed their willingness to continue in office. A resolution for the re-appointment of Deloitte LLP as auditor of the Company will be proposed at the meeting of the directors.

By order of the Board

P Elder
Director

Level 25, 1 Canada Square
London
E14 5AA
27 April 2022

Strategic report

Results and dividends

The results for the year ended 31 December 2021 are set out on page 15. The Company made a profit of $69.4 million for the year (*2020: $91.2 million*). The Directors paid $163.0 million in dividends during 2021 (*2020:$87 million).* The Directors do not propose any further dividends. The Company has net assets of $88.3 million (*2020: $179.8 million*).

The key performance indicators of the business include the revenues and profits reported in the statement of comprehensive income.

The Company earned $332.3 million of fees in the year *(2020: $288.4 million)* from other companies in the Brookfield Group to which it provided services, and incurred administrative costs of $249.1 million *(2020: $174.5 million)* in providing these services, most of which relate to management fee expenses.

The Company is authorised by the Financial Conduct Authority (FCA) in order to undertake certain regulated activities and is subject to FCA imposed capital requirements.

The Company's functional and presentational currency is US Dollars, reflecting the currency that mainly influences the sales price for the services provided and in which receipts from operating activities are retained.

Political and charitable contributions

The Company made no political or charitable donations during the current or preceding year.

Principal risk and uncertainties

The principal risk and uncertainty which could have a material impact on the Company's long-term performance is the inability to meet its cash flow requirements.

The impact of the global coronavirus pandemic created some uncertainties. However, given the passage of time since the first outbreak, the removal of restrictions in the UK, and a return to global travel, the level of uncertainty caused by the pandemic has now decreased significantly. Throughout the pandemic, the Company has performed consistently, which the Directors expect to continue. Therefore, the Directors do not consider there to be a material risk to the Company.

The Directors have considered the potential impact of the Russia/Ukraine conflict on the Company's long-term performance. The Directors consider that there is not expected to be a material risk to the Company, but will continue to monitor the situation.

Financial risk management objectives and policies

The main financial risks arising from the Company's activities are liquidity risks and credit risks (note 14).

With regards to cash flow and liquidity risk, sufficient cash resources are available to ensure payments are met as they fall due.

The Company principally transacts with related parties, owned by the same ultimate parent, and therefore the risk of default is considered to be low.

Future developments

The Company is expected to continue to generate positive cash flows on its own account for the foreseeable future.

Events after the balance sheet date

There were no significant events after the end of the reporting period up to the date that the financial statements were approved and authorised by the Board of Directors and there are no material events requiring adjustment or disclosure to the financial statements.

Strategic report *(continued)*

SECTION 172(1) STATEMENT ON BEHALF OF BROOKFIELD GLOBAL INFRASTRUCTURE ADVISOR LIMITED FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

Overview

The Company is an indirect subsidiary of Brookfield Asset Management Inc. ("Brookfield"), a premier global alternative asset manager with approximately US$690 billion of assets under management across a broad portfolio of renewable power and transition, infrastructure, private equity, real estate and credit.

Section 172 of the Companies Act 2006 (the "Act") requires the directors of a company to act in a way they consider, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole. In doing this, section 172 requires each director to have regard, among other matters, to:

(a) the likely consequences of any decision in the long term;

(b) the interest of the company's employees;

(c) the need to foster the company's business relationship with suppliers, customers and others;

(d) the impact of the company's operations on the community and the environment;

(e) the desirability of the company maintaining a reputation for high standards of business conduct; and

(f) the need to act fairly as between members of the company.

Each Director gave careful consideration to the factors set out above in discharging their duty under section 172(1) of the Act having regard to their principal obligation to the members as a whole.

The following Section 172(1) statement is made on behalf of the Company in compliance with the Act.

Consequences of any long-term decision

We focus on value creation and capital preservation, investing in high-quality assets and businesses within our areas of expertise. We then manage these assets and businesses proactively and finance them conservatively - with the goal of generating stable, predictable and growing cash flows for our investors. Our investment activities are anchored by a set of core tenets that guide our decision-making and determine how we measure success:

Business Principles	Operate our business and conduct our relationships with integrity
	Attract and retain high-calibre individuals who will grow with us over the long term
	Ensure employees think and act like owners in all their decisions
	Treat our investor and shareholder capital like it's our own
	Embed strong Environmental, Social and Governance ("ESG") practices throughout the Company's operations to help us ensure that our business model is sustainable
Investment Approach	Acquire high-quality assets and businesses
	Invest on a value basis, with the goal of maximizing return on capital
	Enhance the value of investments through our operating expertise

Strategic report *(continued)*

	Build sustainable cash flows to provide certainty, reduce risk and lower our cost of capital
Our Paths to Success	Evaluate total return on capital over the long-term
	Encourage calculated risks, measuring them against potential returns
	Sacrifice short-term profit, if necessary, to achieve long-term capital appreciation
	Seek profitability rather than growth, as size does not necessarily add value

Employees

We foster a positive work environment based on respect for human rights, valuing diversity, and zero tolerance for workplace discrimination, violence, or harassment.

We recognize that our people drive our success. Developing our employees and ensuring their continued engagement is one of our top priorities. We aim to create an environment that is built on strong relationships and conducive to developing our workforce, and where individuals from diverse backgrounds can thrive. In 2021, we continued to work on ensuring that our talent attraction and retention efforts and our diversity, equity and inclusion efforts are in line with best practices.

Our approach to diversity, equity and inclusion has been deliberate and is integrated into our human capital development processes and initiatives. Specifically, over the last five years, Brookfield has more than doubled its employee population in the asset management business and during this period, it also increased its female representation at the most senior levels of the organization by 140%; female representation among managing partners/managing directors increased from 7% to 19%, and among senior vice presidents from 15% to 33%.

Having a diverse workforce reinforces our culture of collaboration and strengthens our ability to develop team members and maintain an engaged workforce. We seek to foster a diverse and inclusive workplace by ensuring our leaders understand their role in creating an inclusive environment and by maintaining a focus on disciplined talent management processes that seek to mitigate the impact of unconscious bias. We believe that these priorities are foundational to our success in enhancing diversity and inclusion within our workplace, where career advancement is directly tied to performance and to alignment with our values of making decisions with intense collaboration and a long-term focus.

We support philanthropy and volunteerism by our employees. We encourage employees to participate in Brookfield's Employee Engagement Groups ("BEEG") which are voluntary, employee- led groups that foster an inclusive workplace, provide volunteer opportunities and help develop future leaders. BEEG in the UK includes Brookfield Cares, the European Diversity Group and Brookfield Women's Network ("BWN").

Brookfield Cares supports a culture of charitable giving and volunteerism amongst colleagues and business partners, with a focus on four areas: homelessness, youth and education, healthcare, and the environment. In 2021, Brookfield Cares supported charitable initiatives including various fundraising initiatives.

BWN is a network which fosters a learning and networking community of women in various roles and at all levels across Brookfield's business groups through a wide variety of events and initiatives.

Business Relationship with Suppliers, Customers and Others

Our approach to addressing modern slavery is designed to be commensurate with the risks we face, which vary based on jurisdiction, industry and sector. In 2021, we expanded our U.K. modern slavery and human trafficking policy to a global modern slavery policy that covers all Brookfield entities and provides guidance on measures to prevent and detect modern slavery. In addition, we have several other policies and procedures that provide guidance on the identification of modern slavery risks and the steps to be taken to mitigate these risks. These include our Code of Conduct, Vendor Management Guidelines, ESG Due Diligence Guidelines, ABC Program, Anti Money Laundering Program and Whistleblowing Program. Our portfolio companies' senior management teams are each responsible for identifying and managing the modern slavery and human rights risks for their individual businesses.

Strategic report *(continued)*

Employees in certain jurisdictions and functions receive modern slavery training as part of the onboarding process and access ongoing training, as necessary. In particular, we regularly train employees involved in higher-risk functions, such as procurement.

We also encourage employees, suppliers and business partners to report concerns in accordance with our Whistleblowing Policy. We are cognizant of the fact that the risks of modern slavery and human trafficking are complex and evolving, and we will continue our efforts on addressing these risks in our business.

Community and Environment

Our business philosophy is based on our conviction that acting responsibly towards our stakeholders is foundational to operating a productive, profitable and sustainable business, and that value creation and sustainable development are complementary goals. This view has been underpinned by what we have learned throughout Brookfield's 100+ year heritage as owner and operator of long-term assets, many of which form the backbone of the global economy. Our long-term focus lends itself to implementing robust ESG programs throughout our asset management business and underlying operations, which has always been a key priority for us.

ESG Governance

Brookfield's Board of Directors, through its Governance and Nominating Committee, has ultimate oversight of Brookfield's ESG strategy and receives regular updates on the Company's ESG initiatives throughout the year. Each aspect of ESG is overseen by select senior executives from Brookfield and each of our business groups, who are charged with driving ESG initiatives based on our business imperatives, industry developments and best practices, in each case supported by asset management professionals from each of these constituencies.

ESG Integration into the Investment Process

We integrate ESG into our investment process. During the initial due diligence phase of an investment, we proactively identify material ESG risks and opportunities relevant to the particular asset. We leverage our investment and operating expertise and utilize industry-specific guidelines that incorporate Sustainability Accounting Standards Board guidance. In addition, we are developing a climate change risk assessment framework, driven by our alignment with the Task Force on Climate-related Financial Disclosures ("TCFD") and our commitment to net zero. This risk assessment provides a methodology for evaluating and monitoring climate change risks and opportunities—both for physical as well as transition risks. We also have added a separate human rights and modern slavery risk assessment to our due diligence process with the objective of mitigating the risks of modern slavery and human rights violations for potential investments, including supply chains. Where required, we perform deeper due diligence, working with internal experts and third-party consultants as needed.

All investments made by Brookfield must be approved by the applicable Investment Committee, which makes its decision based on a set of predetermined criteria. To facilitate this, investment teams outline for the Committee the merits of the transaction and material risks, mitigants and significant opportunities for improvement, including those related to ESG, such as bribery and corruption risks, health and safety risks, and environmental and social risks.

As part of each acquisition, investment teams create a tailored integration plan that includes, among other things, material ESG-related matters for review or execution. Brookfield looks to advance ESG initiatives and improve ESG performance to drive long-term value creation, as well as to manage any associated risks. We have witnessed and continue to see a strong correlation between managing these considerations and enhancing investment returns. It is the responsibility of the management teams within each portfolio company to manage ESG risks and opportunities through the investment's life cycle, supported by the applicable Brookfield investment team. The combination of having local accountability and expertise in tandem with Brookfield's investment and operating capabilities is important when managing a wide range of asset types across jurisdictions.

When preparing an asset for divestiture, we create robust business plans outlining potential value creation deriving from all different factors, including ESG considerations. We also prepare both qualitative and quantitative data that summarize the ESG performance of the investment and provide a holistic understanding of how Brookfield has managed the investment during the period of our ownership.

Commitment to Net Zero

We support the goal of net zero greenhouse gas ("GHG") emissions by 2050 or sooner. We believe that the transition to net zero represents an enormous investment opportunity which is estimated at \$3.5–\$5.0 trillion annually and will require

Strategic report *(continued)*

large economic adjustments and potential rewiring of virtually every industry. We are committed to doing our part to support the global decarbonization effort.

To formalize our support, in March 2021, Brookfield became a signatory to the Net Zero Asset Managers ("NZAM") initiative. As part of joining this initiative, Brookfield will (i) work on decarbonization goals, consistent with an ambition to reach net-zero emissions by 2050 or sooner across all its assets under management; (ii) set an interim target of a specific proportion of its assets to be managed in line with net zero, with targeted emissions reduction by 2030; and (iii) review this interim target at least every five years, with a view to increasing the proportion of AUM covered until 100% of assets are included. As an initial step, Brookfield is working on creating a consistent GHG emissions inventory across all its portfolio companies and it is in the process of setting an interim target that outlines the proportion of assets to be managed in line with net zero by 2030. The latest GHG emissions information for our asset management business is available in our 2020 ESG report.

The Company has also reported its carbon dioxide emissions and energy consumed in its Directors Report in accordance with The Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018.

In 2021, we became supporters of the TCFD, and many of the above-mentioned initiatives also relate to our continued effort to align with the TCFD recommendations. This applies to embedding climate change considerations into our strategy through our net-zero commitment, our sustainable financing efforts and the launch of Brookfield's inaugural transition fund. In addition, in 2021 Brookfield also undertook a climate risk assessment to better understand the potential physical and transition risks, as well as opportunities, across all its businesses. We are leveraging those results to identify ways to improve our approach to climate change mitigation and adaptation and continue to integrate these considerations into our business and investment strategies. We are targeting to publish TCFD disclosure for the 2022 fiscal year in 2023.

The pandemic placed high demands on our employees, requiring close coordination across the organization and increased communication. Over this period, our experience reinforced for us what we consider to be the core strengths of Brookfield: adhering to a business model that supports resilience, keeping a long-term perspective— especially during periods of uncertainty and volatility—maintaining a collaborative corporate culture, and putting our assets and resources to good use for the community. It will likely take years to understand the full extent of the pandemic's global impact; however, we believe that we have emerged more resilient, more flexible and, in some ways, more connected than ever.

Governance and Business conduct

Proxy Voting Guidelines

In 2021, Brookfield formally established Proxy Voting Guidelines, which apply when Brookfield votes proxies for its own accounts and those of its clients. These guidelines ensure that we vote in our investors' best interests, in accordance with any applicable proxy voting agreements and consistent with the investment mandate. While our public securities holdings are modest relative to our assets under management, we considered it important to formally record the variety of ESG factors that we assess in determining whether voting a proxy is in the client's best interests, including gender equality, board diversity, ecology and sustainability, climate change, ethics, human rights, and data security and privacy. As part of our Proxy Voting Guidelines, Brookfield has created a Proxy Voting Committee that comprises senior executives across Brookfield and oversees proxy voting across our holdings.

ESG Regulation

We aim to uphold strong governance practices, and we actively monitor proposed and evolving ESG legislation, regulation and market practices in all jurisdictions in which we operate. This includes, for example, the EU Sustainable Finance Disclosure Regulation and EU Taxonomy Regulation as well as the newly announced International Sustainability Standards Board. We seek to continuously improve and refine our processes by actively participating in the development and implementation of new industry standards and best practices.

Data Privacy and Cybersecurity

Data privacy and cybersecurity remain key ESG focus areas for us. In 2022, we undertook initiatives to further enhance our data protection and threat-intelligence capabilities, and we worked on improving our processes for third-party risk management. We review and update our cybersecurity program annually and conduct regular external-party assessments of our program maturity based on the NIST Cybersecurity Framework. The results of the NIST Cybersecurity Maturity Assessment conducted in 2021 validated the strength of our program. Finally, in addition to continued mandatory cybersecurity education for all employees, we enhanced our phishing simulations to include social engineering.

Strategic report *(continued)*

ESG Affiliations and Partnerships

Finally, we continue to align our business practices with leading frameworks for responsible investing and are an active participant in industry forums and other organizations. We are a signatory to the United Nations-supported Principles for Responsible Investment ("PRI"), which reinforces our ongoing commitment to responsible investment and ESG best practices. As a participant in organizations like the PRI, the TCFD and NZAM, we are committed to ongoing engagement and stewardship and the promotion of leading ESG practices—both with our portfolio companies and with the broader asset management industry—that are designed to enhance the value of our assets and businesses. In addition, through our membership in these organizations and other industry forums, we remain actively involved in discussions aimed at advancing ESG awareness across private and public markets and enhance our reporting and protocols in line with evolving best practices.

Acting fairly as between members of the Company

While the Company has only one member, our corporate governance practices, member rights and compensation are designed to maintain public trust and promote the long-term interests of our stakeholders.

Strategic report *(continued)*

UK GHG emissions and energy use data for period 1 January 2021 – 31 December 2021

This report covers UK operations only as required by The Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 and The Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018; the latter commonly referred to as Streamlined Energy & Carbon Reporting ("SECR") for non-quoted large companies.

The Company's greenhouse gas emissions, reportable under SECR in financial year ended 31 December 2021 was 10 tonnes CO2e (2020: 9.1 tonnes CO2e) under 'location-based' reporting methodology. Location-based reporting does not take into account the electricity supply contracts a company has and instead uses a national carbon emissions factor for electricity. The Company's energy consumption reportable under SECR in financial year ended 31 December 2021 was 43,553 kWh (2020: 38,019 kWh).

The reporting period is 1 January to 31 December 2021.

Energy Consumption
(kWh)

Fuel	2021	2020
Natural gas for heating	2,709	7,507
Electricity	40,844	30,512
Diesel	-	-
Petrol	-	-
Energy Use	**43,553**	**38,019**

Greenhouse gas emissions
(tCO2e)

Scope	Emissions Source	2021	2020
1	Stationary fuel natural gas	0.5	1.4
2	Purchased electricity	8.7	7.1
3	Transmission and distribution losses associated with electricity use	0.8	0.6
3	Business travel in employee-owned vehicles where Company is responsible for purchasing the fuel	-	-
Total Emissions (Scope 1, Scope 2, and Scope 3)		10	9.1

Intensity ratio (19 FTEs) (2020: 14 FTEs)
tCO2e per FTE

Intensity Ratio	2021	2020
Reporting Boundary / by full time employees (location – based) (Scope 1, Scope 2, and Scope 3)	**0.52**	**0.65**

Strategic report *(continued)*

Boundary, Methodology and Exclusions

An 'operational control' approach has been used to define the Greenhouse Gas emissions boundary.
An operational control approach to GHG emissions boundary is where an organisation has operational control over an operation if it, or one of its subsidiaries, has the full authority to introduce and implement its operating policies at the operation. This approach captures emissions associated with the operation of the office space occupied.

The Company has used the GHG Protocol Corporate Accounting and Reporting Standard (Revised Edition) as the method to quantify and report greenhouse gas emissions. This information was collected and reported in line with the methodology set out in the UK Government's Environmental Reporting Guidelines, 2019. Emissions have been calculated using the latest conversion factors provided by the UK Government. There are no material omissions from the mandatory reporting scope.

Energy Efficiency Initiatives

The Company already benefits from in-built energy efficient measures such as LED lighting and as a result, no specific measures were implemented during the reporting year. In addition, all electricity is procured from REGO backed renewable sources. The Company will continue to review measures it has in place to ensure it reduces its energy consumption and carbon emissions.

Approved by the Board and signed on its behalf by:

P Elder
Director

Level 25, 1 Canada Square
LondonE14 5AA

27 April 2022

Directors' responsibilities statement

The Directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the United Kingdom. Under Company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, International Accounting Standard 1 requires that Directors:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- make an assessment of the Company's ability to continue as a going concern.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent auditor's report to the members of Brookfield Global Infrastructure Advisor Limited

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Brookfield Global Infrastructure Advisor Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 December and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom adopted international accounting standards; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the statement of comprehensive income;
- the statement of financial position;
- the statement of changes in equity;
- the cash flow statement; and
- the related notes 1 to 18.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom adopted international accounting standards.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Independent auditor's report to the members of Brookfield Global Infrastructure Advisor Limited

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the company's industry and its control environment, and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory frameworks that the company operates in, and identified thekey laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included International Financial Reporting Standards, UK Companies Act, FCA regulations, Anti Money Laundering regulations, employee regulations, and tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty.

We discussed among the audit engagement team including relevant internal specialists such as share option valuation specialists regarding the opportunities and incentives that may exist within the organisatio for fraud and how and where fraud might occur in the financial statements.
As a result of performing the above, we identified the greatest potential for fraud in the following areas, and our specific procedures performed to address them are described below:

- Completeness of management fee income: there is an inherent risk that the revenue has been incorrectly recorded and is not inclusive of all management recharges. We have tested the completeness of revenue by tracing transactions from a reciprocal population to underlying support to ensure they were recognised appropriately.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.
In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material

Independent auditor's report to the members of Brookfield Global Infrastructure Advisor Limited

misstatement due to fraud;
- enquiring of management and in-house legal counsel concerning actual and potential litigation and claims, andinstances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:
- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.

Matters on which we are required to report by exception
Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:
- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

Use of our report
This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Andy Siddorns

Andy Siddorns (Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
London, United Kingdom
27 April 2022

Statement of comprehensive income

For the year ended 31 December 2021

	Notes	2021	2020
		$	$
Revenue	5	**332,250,679**	**288,352,852**
Administrative expenses		**(249,140,124)**	**(174,501,015)**
Operating profit	6	**83,110,555**	**113,851,837**
Interest income		**11,389**	**666,010**
Foreign exchange gains/(losses)		**196,884**	**(457,456)**
Profit before tax		**83,318,828**	**114,060,391**
Tax expense on profit on ordinary activities	9	**(13,883,477)**	**(22,842,538)**
Total comprehensive income for the year		**69,435,351**	**91,217,853**

All results relate to continuing operations.

There were no items of other comprehensive income other than the profit for the year and consequently no separate statement of other comprehensive income is presented.

The statement of comprehensive income should be read in conjunction with the notes to the financial statements on pages 19 to 34.

Statement of financial position

As at 31 December 2021

	Notes	2021 $	2020 $
Non-current assets			
Deferred tax asset	9	3,382,882	1,095,421
Total non-current assets		3,382,882	1,095,421
Current assets			
Cash and cash equivalents		134,477,637	200,905,670
Trade and other receivables	10	83,784,864	76,873,440
Total current assets		218,262,501	277,779,110
Total assets		221,645,383	278,874,531
Current liabilities			
Trade and other payables	11	(95,093,558)	(58,037,377)
Corporation tax liabilities		(38,246,697)	(41,074,859)
Total liabilities		(133,340,255)	(99,112,236)
Net assets		88,305,128	179,762,295
Equity			
Share capital	16	1	1
Retained earnings		88,305,127	179,762,294
Total shareholder's equity		88,305,128	179,762,295

The statement of financial position should be read in conjunction with the notes to the financial statements on pages 19 to 34.

The financial statements of Brookfield Global Infrastructure Advisor Limited, registered number 04527558, were approved and authorised for issue by the Board of Directors on 25 April 2022 and were signed on its behalf by:

P Elder
Director

Statement of changes in equity
For the year ended 31 December 2021

	Share capital	Retained earnings	Total
	$	$	$
As at 1 January 2020	**1**	**173,097,854**	**173,097,855**
Total comprehensive income for the year	-	91,217,853	91,217,853
Share-based compensation	-	2,446,587	2,446,587
Dividends	-	(87,000,000)	(87,000,000)
As at 1 January 2021	**1**	**179,762,294**	**179,762,295**
Total comprehensive income for the year	-	69,435,351	69,435,351
Share-based compensation	-	2,107,482	2,107,482
Dividends	-	(163,000,000)	(163,000,000)
As at 31 December 2021	**1**	**88,305,127**	**88,305,128**

The statement of changes in equity should be read in conjunction with the notes to the financial statements on pages 19 to 34.

In the year, there were dividends paid of $163,000,000 per share *(2020: 87,000,000)*.

Statement of cash flows
For the year ended 31 December 2021

	Year ended 31 December 2021	Year ended31 December 2020
	$	$
Cash flows from operating activities		
Operating profit for the year	83,110,555	113,851,837
Adjustments for:		
Foreign exchange (losses)/ gains	196,884	(457,456)
Share-based payments	2,247,379	2,446,587
Operating cash flows before changes in working capital	**85,554,818**	**115,840,968**
Decrease/ (Increase) in trade receivables	(7,051,321)	14,245,777
(Decrease)/ Increase in trade payables	37,056,181	(33,747,557)
Tax paid	(18,999,101)	(11,346,593)
Net cash from operating activities	**96,560,578**	**84,992,596**
Financing activities		
Dividcnds paid	(163,000,000)	(87,000,000)
Net cash used in financing activities	**(163,000,000)**	**(87,000,000)**
Investing activities		
Interest income received	11,389	666,010
Net cash from investing activities	**11,389**	**666,010**
Net decrease in cash and cash equivalents	**(66,428,033)**	**(1,341,395)**
Cash and cash equivalents at beginning of year	200,905,670	202,247,064
Cash and cash equivalents at end of year	**134,477,637**	**200,905,670**

The statement of cash flows should be read in conjunction with the notes to the financial statements on pages 19 to 34.

Notes to the financial statements

1. General information

Brookfield Global Infrastructure Advisor Limited is a private company, limited by shares, and registered in England and Wales. The address of its registered office is Level 25, 1 Canada Square, London, E14 5AA. The principal activity of the Company is to provide asset advisory services to other members of the Brookfield Group.

2. Adoption of new and revised standards

At the date of authorisation of these financial statements, the following Standards and Interpretations which have not been applied in these financial statements were in issue but not yet effective and in some cases had not been adopted by the UK.

		Effective for periods beginning on or after
IAS 1 (amendments)	Amendments to the classification of liabilities as current or non-current and to the disclosure of accounting policies	1 January 2023 *
IFRS 17 (including amendments)	Insurance Contracts	1 January 2023 *
IFRS 17 (including amendments)	Insurance Contracts	1 January 2023 [*]
Amendments to IAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023 [*]
Amendments to IAS 8	Definition of Accounting Estimates	1 January 2023 [*]
Amendments to IAS 1 and IFRS Practice Statement 2)	Disclosure of Accounting Policies	1 January 2023 [*]
Amendments to IFRS 3, IAS 16, IAS 37 and Annual Improvements 2018-2020	Amendments to: • Business Combinations • Property Plant & Equipment • Provisions, Contingent Liabilities & Contingent Assets • First-time Adoption of IFRS • Financial Instruments • Leases • Agriculture	1 January 2022 [**]
Amendments to IAS 1	Classification of Liabilities as Current or Non-Current	1 January 2023 [***]
IAS 8 (amendments)	Amendments to the definition of accounting estimates	1 January 2023 *

[*subject to UK/EU endorsement]
[**subject to UK endorsement]
[***exposure draft published proposing deferral of effective date to 2024, and subject to UK/EU endorsement]

The directors do not expect that the adoption of the Standards listed above will have a material impact on the financial statements of the company aside from additional disclosures.

The amendments to IAS 1 affect only the presentation of liabilities as current or non-current in the consolidated balance

Notes to the financial statements (continued)

2. Adoption of new and revised standards *(continued)*

sheets and not the amount or timing of recognition of any asset, liability, income or expenses, or the information disclosed about those items. The amendments clarify that the classification of liabilities as current or non-current is based on rights that are in existence at the end of the reporting period, specify that classification is unaffected by expectations about whether the Company will exercise its right to defer settlement of a liability, explain that rights are in existence if covenants are complied with at the end of the reporting period, and introduce a definition of 'settlement' to make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services. The amendments are applied retrospectively for annual periods beginning on or after January 1, 2023, with early application permitted. An exposure draft was published proposing deferral of the effective date to January 1, 2024 in November 2021. The Company is in the process of determining the impact of the amendments on its financial statements.

The Company had also applied the following amendments for the first time during the annual reporting period presented in these financial statements:

Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 Interest Rate Benchmark Reform – Phase 2 (issued on 27 August 2020)

The Company adopted Interest Rate Benchmark Reform – Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 ("Phase 2 Amendments"), issued by the IASB in August 2020 as of January 1, 2021, its mandatory effective date. The Phase 2 Amendments provide additional guidance to address issues that will arise during the transition of benchmark interest rates. The Phase 2 Amendments primarily relate to the modification of financial instruments, allowing for prospective application of the applicable benchmark interest rate and continued application of hedge accounting, providing an exception such that changes in the formal designation and documentation of hedge accounting relationships that are needed to reflect the changes required by IBOR reform do not result in the discontinuation of hedge accounting or the designation of new hedging relationships.

It is currently expected that Secured Overnight Financing Rate ("SOFR") will replace US$ LIBOR effective June 30, 2023 for those tenors used by the Company, but effective December 31, 2021 for certain tenors not used by the Company. The Company is progressing through its transition plan to address the impact and effect required changes as a result of amendments to the contractual terms of US$ LIBOR referenced floating-rate borrowings, interest rate swaps, interest rate caps, and to update hedge designations. The adoption is not expected to have a significant impact on the Company's financial reporting.

Sterling Overnight Index Average ("SONIA") replaced £ LIBOR effective December 31, 2021, and Euro Short-term Rate ("€STR") was published as an alternative to EURIBOR during 2021, though EURIBOR remains available for Euro lending.

The Company has addressed the impact and effected the changes required as a result of amendments to the contractual terms of £ LIBOR referenced floating-rate borrowings, interest rate swaps, interest rate caps, and to update hedge designations. The adoption did not have a significant impact on the Company's financial reporting.

Amendments to IFRS 16 Leases: Covid-19- Related Rent Concessions beyond 30 June 2021 (issued on 31 March 2021)

The Company adopted COVID-19 Related Rent Concessions beyond June 30 2021, Amendment to IFRS 16 – Leases ("2021 IFRS 16 Amendment") as of January 1, 2021 in advance of its April 1, 2021 mandatory effective date. The 2021 IFRS 16 Amendment provides the company as lessee only with an extension to the scope of the exemption from assessing whether rent concessions related to COVID-19 meeting certain conditions are lease modifications. Such qualifying rent concessions are accounted for as if they are not lease modifications, generally resulting in the effects of rent abatements being recognized as variable lease payments. The Company has applied the practical expedient to all such qualifying rent concessions. The adoption of the 2021 IFRS 16 Amendment did not have a material impact on the results of the company.

Notes to the financial statements (continued)

3. Significant accounting policies

Basis of preparation

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the United Kingdom.

The financial statements have been prepared under the historical convention and are expressed in US dollars, which is the functional currency of the Company. The principal accounting policies are set out below, and unless otherwise stated, have been applied consistently in the current year and prior period, where applicable, presented in these financial statements.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 4.

Going concern

In preparing these financial statements the Directors have considered the uncertainty posed by the ongoing global coronavirus pandemic. Having assessed the Company's past results, which show that the Company has continued to perform consistently despite the pandemic, and in addition to the removal of restrictions in the UK and return to global travel, the Directors are confident that the coronavirus pandemic will not have a material impact on the Company.

Through making enquiries and assessing the Company's forecasts, the Directors have considered the liquidity and capitalisation within the Company to determine whether it has access to adequate liquidity to continue in operational existence for the foreseeable future. The Directors have a reasonable expectation that the liquidity available through the Company's cash resources and amounts held on deposit at Brookfield International Holdings Inc., in addition to future forecast revenue, provide sufficient resources to cover all committed expenses for the foreseeable future and meet its financial obligations as they fall due. As such, the Directors are satisfied that it is appropriate to continue to adopt the going concern basis in preparing the financial statements.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales-related taxes. Management fees received under management agreements are recognised according to the agreements on an accruals basis.

The Company recognises revenue from management fee income. Revenue from management fee income is recognised in the accounting period in which control of the services are passed to the customer, which is when the service is rendered. For management fee contracts, revenue is recognised based on the actual service provided to the end of the reporting period because the customer receives and uses the benefits simultaneously.

Certain management fee contracts may contain multiple elements of services, but given the integrated nature of the management fee services provided by the Company to its customers, the Company has assessed that the elements of service are not distinct and as such comprise a single series performance obligation.

Consideration under the residual profit element of management fees is variable depending on the performance of the share price of Brookfield Infrastructure Partners L.P. However, within the reporting period it is not considered that a constraint of variable consideration is required because it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur.

Foreign currencies

In preparing the financial statements, transactions in currencies other than the Company's functional currency (foreign currencies) are recognised at the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing at that date. Exchange differences are recognised in profit or loss in the period in which they arise.

Notes to the financial statements (continued)

3. Significant accounting policies *(continued)*

Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

Financial instruments

Financial assets and financial liabilities are recognised in the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument.

Financial assets

All financial assets are recognised and derecognised on a trade date where the purchase or sale of a financial asset is under a contract whose terms require delivery of the financial asset within the timeframe established by the market concerned, and are initially measured at fair value, plus transaction costs, except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value.

Financial assets are classified into the following specified categories: financial assets 'at fair value through profit or loss' (FVTPL), 'held-to-maturity' investments, 'available-for-sale' (AFS) financial assets and 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Loans and receivables

Trade receivables, loans, and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment. The effective interest method is a method of calculating the amortised cost of a financial asset or liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial asset or liability, or, where appropriate, a shorter period.

Impairment of financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at each balance sheet date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

Financial liabilities

Financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs. Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

Taxation

The tax expense represents the sum of the tax currently payable and deferred tax. Current tax and deferred tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Current tax

The tax currently payable is based on taxable profit for the period. Taxable profit differs from net profit as reported in the statement of total comprehensive income because it excludes items of income or expense that are taxable or deductible in other periods and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

Notes to the financial statements (continued)

3. Significant accounting policies *(continued)*

Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax laws and rates that have been enacted at the balance sheet date. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited in other comprehensive income, in which case the deferred tax is also dealt with in other comprehensive income. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Share-based payments

The Company issues share-based awards to certain employees. The cost of equity-settled share-based transactions, comprised of share options, restricted shares and escrowed shares, is determined as the fair value of the award on the grant date using a fair value model. The fair value of equity-settled share-based transactions is expensed on a straight-line basis over the vesting period associated with each award tranche. The cost of cash-settled share-based transactions, comprised of Deferred Share Units ("DSUs"), is measured as the fair value at the grant date, and expensed on a proportionate basis consistent with the vesting features over the vesting period with the recognition of a corresponding liability. The liability is recorded within accruals and measured at each reporting date at fair value with changes in fair value recognised in profit or loss for the year.

The Company's employees have been entitled to receive remuneration from the ultimate parent company in the form of share-based payments within the scope of IFRS 2 in previous years. These represent a mix of both equity and cash settled schemes as disclosed in note 12.

4. Critical accounting estimates and key sources of estimation uncertainty

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, revenues, expenses and the accompanying disclosures. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The Directors do not consider there to be any critical accounting judgements or key sources of estimation uncertainty.

5 Revenue

Revenue is generated in the form of management fees for the provision of services in the normal course of business.

6 Operating profit

Fees payable to the Company's auditor in respect of the audit of the Company's financial statements amounted to \$25,643 for the year ended 31 December 2021 (*2020: \$21,764*) in addition to \$10,372 for the FCA CASS audit fees (*2020: \$9,373*). There are no other non-audit fees to disclose.

Foreign exchange movements are disclosed in the statement of total comprehensive income.

Notes to the financial statements (continued)

7 Staff numbers and costs

The average number of persons employed by the Company (including Directors) during the year was 19 *(2020: 14)*.

	2021	2020
Admin	2	1
Investment	17	13
	19	14

The aggregate payroll costs of these persons were as follows:

	Year ended 31 Dec 2021 $	Year ended 31 Dec 2020 $
Wages and salaries	**10,874,951**	10,285,379
Share-based compensation	**2,247,379**	2,696,283
Social security costs	**1,501,806**	1,481,014
Pension costs	**432,651**	381,122
	15,056,787	14,843,798

8 Remuneration of Directors

None of the Directors received remuneration for their services as Directors to this Company in the year ended 31 December 2021 *(2020: $nil)*.

9 Tax on profit on ordinary activities

(a) Recognised in the statement of comprehensive income

	Year ended 31 Dec 2021 $	Year ended 31 Dec 2020 $
Current tax expense:		
Amounts payable in respect of the current year	**16,199,158**	22,075,758
Adjustments in respect of prior year	**(28,220)**	(770,399)
Total current tax charge in the statement of comprehensive income	**16,170,938**	21,305,359
Deferred tax recovery:		
Origination and reversal of temporary differences	**(2,287,461)**	1,537,179
Adjustments in respect of prior years	**-**	-
Total deferred tax recovery in the statement of comprehensive income	**(2,287,461)**	1,537,179
Total tax charge in the statement of comprehensive income	**13,883,477**	22,842,538

Notes to the financial statements (continued)

9. Tax on profit on ordinary activities *(continued)*

(b) Reconciliation of effective tax rate

	Year ended 31 Dec 2021 $	Year ended 31 Dec 2020 $
Profit before taxation	**83,318,828**	114,060,391
Tax using the UK rate of corporation tax of 19% (2020: 19 %)	**15,830,577**	21,671,474
Non-deductible expenses	**479**	-
Effect of changes in tax rates	**(345,923)**	-
Difference between current and deferred taxes	**(465,969)**	(309,718)
Share-based compensation adjustment	**(1,107,468)**	2,251,181
Adjustments in respect of prior periods	**(28,220)**	(770,399)
Total current tax charge in the statement of comprehensive income	**13,883,477**	22,842,538

	Deferred tax asset $
As at 1 January 2020	**2,632,601**
Deferred tax expense	(1,537,179)
As at 1 January 2021	**1,095,421**
Deferred tax recovery	2,287,461
As at 31 December 2021	**3,382,882**

The Company has recognised a deferred tax asset of $3,382,882 (*2020 $1,095,421*) related to future tax deductions related to the option and share-based schemes available to employees.

The corporate tax rate is set to increase from 19% to 25% with effect from April 1, 2023.

Notes to the financial statements *(continued)*

10. Trade and other receivables

	2021	2020
	$	$
Management fees owed by related parties	74,741,937	63,330,254
Other receivables owed by related parties	9,042,926	13,543,186
	83,784,864	76,873,440

All amounts owed by related parties are non-interest bearing and repayable on demand. All amounts owed by related parties are within terms and payment is expected by the due date, and therefore no provision for doubtful debts has been made at 31 December 2021 (2020: $nil). The Directors consider that the carrying amount of trade and other receivables approximates to their fair value.

11. Trade and other payables

	2021	2020
	$	$
Amounts owed to related parties	90,140,251	54,886,107
Accruals	4,953,307	3,151,271
	95,093,558	58,037,378

Trade and other payables comprise amounts outstanding for ongoing costs of the business. No interest is charged on the amounts owed to related parties and there is no fixed repayment date. The Directors consider that the carrying amount of trade and other payables approximates to their fair value. All trade and other payables are for amounts payable which are expected to be settled within the next 12 months. Taxes payable relate to amounts payable to other group companies for tax losses surrendered to the Company under group relief.

12. Share based payments

The Company issues share options of the ultimate parent company to certain employees and operates equity-settled and cash-settled share-based schemes. The award types are as follows:

Management Share Option Plan

Options issued under Brookfield Asset Management Inc's Management Share Option Plan ("MSOP") vest over a period of up to five years, expire 10 years after the grant date and are settled through issuance of Class A shares of Brookfield Asset Management Inc. ("Class A shares"). The exercise price is equal to the market price at date of grant.

Notes to the financial statements *(continued)*

12. Share based payments *(continued)*

2021

	Number Outstanding	*Weighted-Average exercise Price per share (USD)*
Balance at 1 January 2021	**351,766**	**26.92**
Employee joined the Company during the year	**36,298**	**30.29**
Granted during the year	**62,450**	**43.43**
Exercised during the year	**(6.325)**	**25.10**
Cancelled/forfeited during the year	**(7,481)**	**38.61**
Balance at 31 December 2021	**436,708**	**29.39**
Exercisable at 31 December 2021	**263,155**	**24.79**

2020

	Number Outstanding	*Weighted-Average exercise Price per share (USD)*
Balance at 1 January 2020	474,296	25.09
Employee joined the Company during the year	-	-
Granted during the year	39,897	45.03
Exercised during the year	(5,917)	23.60
Cancelled/forfeited during the year	(156,510)	26.11
Balance at 31 December 2020	351,766	26.92
Exercisable at 31 December 2020	181,151	23.78

The options outstanding at 31 December 2021 had a weighted average exercise price of $29.39 (2020 – $26.92), and a weighted average remaining contractual life of 6.0 years (2020 – 6.5 years). During the year, 62,450 options were granted on 22 February 2021. The aggregate of the estimated fair values of those options granted is $580,384 (2020 – $293,057). The inputs into the Black-Scholes model used to value the employee stock options are as follows.

Notes to the financial statements *(continued)*

12. Share based payments *(continued)*

	31 December 2021	31 December 2020
Weighted-average assumptions:		
Expected volatility	**24.4%**	17.0%
Risk-free interest rate	**1.0%**	1.4%
Expected dividend	**1.7%**	1.5%
Expected life (in years)	**7.5 years**	7.5 years
Weighted-average exercise price	**43.43**	45.21
Weighted-average grant date share price	**43.43**	45.21

Expected volatility was determined by calculating the historical volatility of the ultimate parent company's share price over the previous 7.5 years. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions, and behavioural considerations. The share-based payment expense and reserve are recorded as follows:

	2021 USD	2020 USD
Share-based payment expense	**412,695**	320,941
Share-based payment reserve	**3,163,903**	2,751,207

Escrowed Stock Plan

The Escrowed Stock Plan (the "ES Plan") provides executives with indirect ownership of Class A shares of Brookfield Asset Management Inc.. Under the ES Plan, executives are granted common shares (the "ES Shares") in one or more private companies that own Class A shares. The Class A shares are purchased on the open market with the purchase cost funded by Brookfield Asset Management Inc.. The ES shares generally vest over five years and must be held to the fifth anniversary of the grant date. At a date no more than ten years from the grant date, all outstanding ES shares will be exchanged for Class A shares issued by Brookfield Asset Management Inc. based on the market value of Class A shares at the time of the exchange. The number of Class A shares issued on exchange will be less than the Class A shares purchased under the ES Plan resulting in a net reduction in the number of Class A shares issued by Brookfield Asset Management Inc..

Notes to the financial statements *(continued)*

12. Share based payments *(continued)*

2021

	Number Outstanding	*Weighted-Average exercise Price per share (USD)*
Balance at 1 January 2021	**1,379,813**	**30.10**
Granted during the year	**124,500**	**43.43**
Exercised during the year	-	-
Cancelled/forfeited during the year	-	-
Balance at 31 December 2021	**1,504,313**	**31.20**
Exercisable at 31 December 2021	-	-

2020

	Number Outstanding	*Weighted-Average exercise Price per share (USD)*
Balance at 1 January 2020	1,445,250	28.82
Granted during the year	234,563	45.21
Exercised during the year	-	-
Cancelled/forfeited during the year	(300,000)	35.77
Balance at 31 December 2020	1,379,813	30.10
Exercisable at 31 December 2020	-	-

The ES Shares outstanding at 31 December 2021 had a weighted average exercise price of $31.20 (2020 – $30.10), and a weighted average remaining contractual life of 6.7 years (2020 – 7.5 years). During 2021, 124,500 (2020 – 234,563) ES shares were granted. The aggregate of the estimated fair values of those ES shares granted is $1,157,051 (2020 – $1,722,943). The inputs into the Black-Scholes model used to value the ES shares are as follows.

Notes to the financial statements *(continued)*

12. Share based payments *(continued)*

	31 December 2021	31 December 2020
Weighted-average assumptions:		
Expected volatility	**24.4%**	17.0%
Risk-free interest rate	**1.0%**	1.4%
Expected dividend	**1.7%**	1.5%
Expected life (in years)	**7.5 years**	7.5 years
Weighted-average exercise price	**43.43**	45.21
Weighted-average grant date share price	**43.43**	45.21

Expected volatility was determined by calculating the historical volatility of the ultimate parent company's share price over the previous 7.5 years. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions, and behavioural considerations. The share-based payment expense and reserve are recorded as follows:

	2021 USD	2020 USD
Share-based payment expense	**1,619,580**	1,830,399
Share-based payment reserve	**7,271,469**	5,651,889

Restricted Stock Plan

The Restricted Stock Plan awards executives with Class A shares purchased on the open market ("Restricted Shares"). Under the Restricted Stock Plan, Restricted Shares awarded vest over a period of up to five years, except for Restricted Shares awarded in lieu of a cash bonus, which may vest immediately. Vested and unvested Restricted Shares are subject to a hold period of up to five years. Holders of Restricted Shares are entitled to vote Restricted Shares and to receive associated dividends. Employee compensation expense for the Restricted Stock Plan is charged against income over the vesting period. No exercise price is applicable.

During 2021, the Brookfield Asset Management Inc. granted 4,880 (2020 – nil) Restricted Shares pursuant to the terms and conditions of the Restricted Stock Plan, resulting in the recognition of $75,207 (2020 – $43,043) of compensation expense.

	Number Outstanding (2021)	*Number Outstanding (2020)*
Balance at 1 January	**34,177**	34,177
Granted during the year	**4,880**	-
Employee joined the Company during the year	**6,676**	-
Cancelled/forfeited during the year	-	-
Balance at 31 December	**45,733**	34,177

Notes to the financial statements *(continued)*

12. Share based payments *(continued)*

Deferred Share Unit Plan

The Deferred Share Unit Plan provides for the issuance of DSUs. Under this plan, qualifying employees receive varying percentages of their annual incentive bonus in the form of DSUs. The DSUs vest over periods of up to five years. Participants are not allowed to convert DSUs into cash until retirement or cessation of employment. The value of the DSUs, when converted to cash, will be equivalent to the market value of the common share at the time the conversion takes place. The fair value of the vested DSUs as at December 31, 2021 was $442,019 (2020 – $302,122), based on the traded price of the ultimate parent company's common share of $60.38 (2020 – $41.27). For the year ended December 31, 2021, employee compensation expense totaled $139,897 (2020 – $20,034).

The change in the number of DSUs during 2021 and 2020 was as follows:

	Number Outstanding (2021)	*Number Outstanding (2020)*
Balance at 1 January	**7,321**	7,321
Granted during the year	-	-
Exercised and cancelled during the year	-	-
Balance at 31 December	**7.321**	7,321
	======	======

13. Financial Instruments

Categories of financial instruments

The following table summarises the fair values of the financial assets and liabilities recorded in the Company's financial statements.

	2021	**2020**
	$	**$**
Financial assets – loans and receivables		
Cash and cash equivalents	134,477,637	200,905,670
Trade and other receivables	83,784,864	76,873,439
	218,262,501	**277,779,109**
Financial liabilities measured at amortised cost		
Trade and other payables	90,140,251	54,886,106
Accruals	4,953,307	3,151,271
	95,093,558	**58,037,377**

Notes to the financial statements *(continued)*

14. Financial risk management

Capital risk management

The Company manages its capital to ensure that it will be able to continue as a going concern whilst maximising the return to stakeholders through the recharge of costs incurred to another company within the ultimate parent group. Since this is transacting with a related party, the risk that payment of recharges will not be made is minimised. Managed capital includes $88.3 million of shareholders' equity as outlined on the statement of financial position (page 16).

Externally imposed capital requirement

The Company is regulated by the FCA and as such is subject to its minimum capital requirements.

Financial risk management objectives

The Company is ultimately controlled by the Brookfield Asset Management Inc. group. The use of financial derivatives is governed by the group's policies approved by the Board of Directors, which provide written principles on interest rate risk and the use of financial derivatives. Compliance with policies is reviewed by the internal auditor on a quarterly basis. The group does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

Market risk

The Company's costs are principally denominated in pounds sterling and costs therefore vary with movements in foreign exchange rates. Exposures to exchange rate fluctuations arise but are not considered significant. Exchange rate movements are monitored within the Brookfield Group.

Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company only transacts with related parties, owned by the same ultimate parent, and therefore the credit quality of financial assets is strong. Other than with related parties, the Company does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. Credit risk with respect to balances at bank is limited because Barclays is a reputable bank with a short term rating of P-1 and long term rating of A1 (source: Moody's), and other amounts are held within a related party bank being Brookfield.

Liquidity risk

Liquidity risk is the risk that the Company is not able to meet its financial obligations as they fall due or can do so only at an excessive cost. Liquidity risk arises from the mismatch in the cash flows generated from assets and liabilities.

The Directors do not consider the exposure to liquidity risk to be material to the Company as it has sufficient cash reserves to meet obligations as they fall due.

Notes to the financial statements *(continued)*

15 Related party transactions

During the year, the Company entered into the following transactions with the following related parties:

Related Party	Value of transaction revenue/(expense) 2021 $	Amounts owed by/(to) related parties 2021 $	Value of transaction revenue/(expense) 2020 $	Amounts owed by/(to) related parties 2020 $
Brookfield Infrastructure Group (Spain) S.L.	(1,656,765)	(114,510)	(1,459,089)	(267,346)
Brookfield Americas Infrastructure Fund	2,883,490	(487,213)	4,660,389	(1,294,803)
Brookfield Infrastructure Fund II	14,247,935	2,222,379	16,537,408	1,673,616
Brookfield Infrastructure Fund III	32,115,014	(2,363,342)	38,648,926	(1,381,947)
Brookfield Asset Management Private Institutional Capital Advisor (Canada) LP	-	-	-	12,995,157
Brookfield Infrastructure Fund IV	78,277,767	630,687	86,617,798	21,375,961
Brookfield Super-Core Infrastructure Partners	11,038,560	3,407,716	6,092,703	1,095,630
Brookfield Infrastructure Partners	189,520,657	66,016,373	134,910,673	39,106,187
Brookfield Infrastructure Debt Fund	2,107,582	383,698	842,683	13,858
BHAL Global Corporate Limited	(16,170,938)	(36,559,034)	(22,075,732)	(41,074,859)
Brookfield Global Asset Management Limited	(19,094,673)	34,781	(15,773,708)	(801,413)
Brookfield Asset Management Barbados Inc. (Colombia)	(2,561,441)	(752,703)	(1,467,164)	(419,292)
Brookfield Asset Management Chile Limitada			(304,480)	
Brookfield Asset Management (Asia) Limited	-	-	(82,672)	(54,769)
Brookfield Private Capital (UK) Limited	(6,699,918)	(872,417)	(7,889,200)	(2,015,583)
Brookfield Manager (DIFC) Limited	-	-	(4,258,600)	-
Brookfield Japan K.K	(799,641)	(224,620)	(898,738)	206,280
Brookfield Global Renewable Energy Advisor Ltd	(18,225,748)	(4,584,620)	-	-
Brookfield Korea Limited	(1,296,597)	(1,276,823)	-	-
BIP UK Holdings Limited	-	13,857	-	-
Brookfield Finance I (UK) PL	-	(1,687,663)	-	-
Brookfield Infrastructure Group Mexico SA DE CV	-	-	80,011	-
Brookfield Infrastructure Group Peru S.A.C	(3,064,589)	(776,284)	(2,974,714)	(766,176)
Brookfield Infrastructure Debt Fund II	2,059,673	2,059,673	-	-
Brookfield Infrastructure Group (Australia) Pty Limited	(34,513,459)	(20,279,678)	(13,024,977)	(3,756,105)
Brookfield Infrastructure Group Corporation	(154,408,803)	(57,990,492)	(122,601,864)	(43,911,685)
Brookfield Advisors (Hong Kong) Limited	(165,544)	(35,947)	(82,176)	(10,707)
Brookfield Investment Consulting (Shanghai) Co.			(376,158)	

Notes to the financial statements *(continued)*

15 Related party transactions *(continued)*

Amounts owed by related parties are non-interest bearing trading balances and are unsecured.

The named related parties above are related parties of the Company, since they are also subsidiaries of the ultimate controlling entity Brookfield Asset Management Inc. The nature of the related party transactions primarily relate to management fees and expenses incurred in relation to the parties above. Such transactions are at arm's length.

16 Share capital

	2021	2020
	$	$
Allotted, called up and fully paid:		
Ordinary shares of $1 each (2020: £1 each)	1	1

17 Ultimate parent undertaking and parent undertaking of larger group of which the Company is a member

The immediate parent company is BHAL Global Corporate Limited. The address of its registered office is Level 25, 1 Canada Square, London, England, E14 5AA. The ultimate parent and ultimate controlling party is Brookfield Asset Management Inc., a company incorporated in Canada.

The smallest and largest group in which the results of the Company are consolidated is that headed by Brookfield Asset Management Inc, incorporated in Canada. The consolidated financial statements of Brookfield Asset Management Inc. are available to the public and may be obtained from its registered office at Brookfield Place, Suite 300, 181 Bay Street, Toronto, ON M5J 2T3.

18 Subsequent events

There were no significant events after the end of the reporting period up to the date that the financial statements were approved and authorised by the Board of Directors and there are no material events requiring adjustment or disclosure to the financial statements.