Project Summary Information

	Date of Document Preparation: 08/03/26
Project Name	Brookfield Catalytic Transition Fund
Project Number	P001127
AIIB member	Multi-country
Sector/Subsector	Multi-sector
Alignment with AIIB's thematic priorities	Green Infrastructure; Connectivity and Regional Cooperation; Technology-enabled Infrastructure; Private Capital Mobilization
Status of Financing	Under Preparation
Objective	The Project objective is to mobilize private capital to promote clean energy and decarbonization solutions in the Bank's developing members.
Project Description	The Project proposes USD50 million fund investment and a co-investment sleeve up to USD50 million in the Brookfield Catalytic Transition Fund ("CTF" or "the Fund"). Its targeted geographic capital allocations are 40-45% in South and Southeast Asia, 40-45% in Latin America, and 10-20% in Middle East and Eastern Europe. The Fund is targeting a total size of USD5 billion. The Fund will pursue investment opportunities through three primary themes, 1. Clean Energy: Target investments in renewable energy production and related technologies that support the expansion of clean energy capacity to the energy mix and the decarbonization of the power sector. 2. Sustainable Solutions: Support proven technologies that enable the scaling and deployment of viable low-carbon solutions and services that extend beyond power generation. 3. Business Transformation: Provide capital and solutions to businesses in emerging markets across various sectors, supporting their decarbonization efforts and transition to more sustainable business models.
Expected Results	Project result indicators include: • Private capital mobilized at fund level • GHG emission avoided • Renewable energy capacity installed and associated generation • Fund establishes climate strategy, process and implementation • Percentage of investments that can be considered as climate finance

	• Fund investments align to an internationally recognized pathway that is Paris Aligned (e.g., Article 9; SBTi, NGFS) • Fund Manager – number and percentage of female in senior management • Fund Manager – number and percentage of female employees • Number of portfolio companies showcasing technology solutions
Environmental and Social Category	FI
Environmental and Social Information	**Applicable Policy and Categorization.** AIIB's Environmental and Social Policy (ESP) applies to the Project. The Project is classified as FI, as the financing involves an equity fund investment by AIIB to expand CTF investments in clean energy and decarbonization solutions in Emerging Markets and Developing Economies (EMDEs). The financing will support investments undertaken by Brookfield Asset Management (BAM), and its underlying operating businesses. AIIB will delegate decision-making related to the use of its funds to BAM, provided that subprojects meet agreed conditions. This delegation may include the selection, screening, categorization, appraisal, approval, monitoring, and reporting of subprojects in accordance with AIIB's EESP requirements. Activities listed in AIIB's Environmental and Social Exclusion List (ESEL) will be excluded from the Project. No more than three Category A investments may be considered on a deal-by-deal basis provided they fully align with AIIB's ESP including applicable disclosure requirements. Hydropower subprojects will not be proposed under this Fund. AIIB will retain excuse rights where subprojects are not materially aligned with AIIB's ESP. **Environmental and Social Instruments.** CTF has established and maintains a comprehensive Environmental and Social Management System (ESMS) that applies across the full investment lifecycle, including due diligence, acquisition, development, construction, operation, decommissioning, and exit. CTF's ESMS is aligned with the IFC PS and provides a robust framework for the environmental and social (ES) management of subprojects under this Project. BAM has track record in implementing their ESMS across other funds. CTF is committed to updating its ESMS for compliance with AIIB's ESP and an overview of the updated ESMS will be disclosed prior to financing approval by AIIB. The updated ESMS will serve as the primary ES instrument for the Project. **Environmental and Social Aspects.** Potential environmental impacts in this clean energy and decarbonization focused Fund could arise depending on the nature of the assets at the subproject level. Typical environmental issues include, but are not limited to, generation of solid waste, wastewater, noise, and disturbance to nearby residents, water quality impacts and ecological impacts. Provisions for assessing and managing impacts from associated facilities will be included in the ESMS. The environmental impacts are expected to be project specific and manageable through CTF's ESMS which focuses on early integration of sustainability considerations into the project lifecycle. For assets in pre-construction or construction phase, CTF's ESMS requires the validation or preparation of Environmental and Social Impact Assessment (ESIA) instruments inclusive of detailed baselines studies. For operational assets, the sub-project develops an Environmental and Social Management Plan (ESMP) that is to be implemented on a forward basis. Each subproject is

	required to develop management systems for environmental risk management and establish a grievance redress mechanism/external communication mechanism. Potential social risks may be limited and mainly associated with construction and operational stages. These arise at the subproject level, including labor and working conditions risks, occupational and community health and safety risks, land acquisition and livelihood impacts, and stakeholder engagement challenges, particularly in projects involving large scale infrastructure development or industrial transformation. These risks are expected to be context specific and manageable through CTF's ESMS. In addition, BAM demonstrates strong gender related reporting at both the Fund and investment levels. The Bank continues to engage with Fund Manager to promote gender inclusion in sub projects. **Occupational Health and Safety (OHS), Labor and Working Conditions.** CTF's ESMS demonstrates that OHS management plans are in place covering their operations. OHS risks for subprojects are expected to be site-specific, primarily arising from construction and field operations. These risks will be mitigated through subproject-level mitigation measures, including safe work practices, use of personal protective equipment, and emergency preparedness. All eligible subprojects will be required to comply with the host countries' applicable labor laws and standards. **Stakeholder Engagement and Information Disclosure.** Stakeholder engagement is a core element of CTF's ESMS. Engagement is carried out at both internal and external levels, globally and at the operating business level. At the operating business level, engagement is undertaken with a wide range of stakeholders to identify, avoid, and mitigate potential adverse impacts. BAM publicly discloses its sustainability strategy, programs, and performance through an annual Brookfield Renewable Partner's Sustainability Report and Databook. An overview of CTF's ESMS and agreed Environmental and Social Action Plan (ESAP) will be disclosed by BAM and AIIB, prior to the first disbursement made by AIIB. In addition, BAM will disclose annual ES documentation during the preceding 12 months, including the name, location and sector of the Fund's portfolio companies supported by the Bank's financing, unless such disclosure is subject to the host country's regulatory requirements or market sensitivities. **Project Grievance Redress Mechanism (GRM) and Monitoring Arrangement.** Fund-level GRM is in place. BAM maintains a confidential global whistleblowing mechanism. Subprojects are required to establish grievance mechanisms accessible to workers and affected communities. BAM will submit an annual ES performance report for the Project's portfolio on an agreed format and schedule. The Bank will continue engaging with BAM on CTF's ESMS, ES Management processes, monitoring and reporting requirements to the Bank. Site visits to proposed subprojects will be conducted, as necessary, to identify and address any gaps in respect of subproject performance and ES compliance.
AIIB Proposed Commitment	USD100 million (including USD50 million fund investment and up to USD50 million co-investment sleeve)
Fund Manager	Brookfield Asset Management Ltd.
Estimated Date of first disbursement	Q4 2026

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Date of Concept Decision	06/01/26		
Date of Final Decision	08/05/26		
Estimated Date of Financing Approval	Q3 2026		

Independent Accountability Mechanism	The Project-affected People's Mechanism (PPM) has been established by the AIIB to provide an opportunity for an independent and impartial review of submissions from Project-affected people who believe they have been or are likely to be adversely affected by AIIB's failure to implement its ESP in situations when their concerns cannot be addressed satisfactorily through Project-level GRMs or AIIB Management's processes. Information on AIIB's PPM is available at: https://www.aiib.org/en/about-aiib/who-we-are/project-affected-peoples-mechanism/how-we-assist-you/index.html