UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-K

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934.**

For the fiscal year ended December 31, 2021

or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934.**

For the transition period from to .

Oaktree Capital Group, LLC

(Exact name of registrant as specified in its charter)

Commission File Number 001-35500

Delaware	**26-0174894**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification Number)

333 South Grand Avenue, 28th Floor
Los Angeles, CA 90071
Telephone: (213) 830-6300
(Address, zip code, and telephone number, including area code, of registrant's principal executive offices)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
6.625% Series A preferred units	OAK-PA	New York Stock Exchange
6.550% Series B preferred units	OAK-PB	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☐ No ☒

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 and 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter periods that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (§229.405 of this chapter) is not contained herein and will not be contained, to the best of the registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. ☒

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act:

Large Accelerated Filer	☐	Accelerated Filer	☐
Non-accelerated Filer	☒	Smaller Reporting Company	☐
		Emerging Growth Company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of March 9, 2022, there were 99,136,620 Class A units and 60,779,626 Class B units of the registrant outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

None

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FORWARD-LOOKING STATEMENTS

This annual report contains forward-looking statements within the meaning of Section 27A of the U.S. Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the U.S. Securities Exchange Act of 1934, as amended (the "Exchange Act"), which reflect our current views with respect to, among other things, our future results of operations and financial performance. In some cases, you can identify forward-looking statements by words such as "anticipate," "approximately," "believe," "continue," "could," "estimate," "expect," "intend," "may," "outlook," "plan," "potential," "predict," "seek," "should," "will" and "would" or the negative version of these words or other comparable or similar words. These statements identify prospective information. Important factors could cause actual results to differ, possibly materially, from those indicated in these statements. Forward-looking statements are based on our beliefs, assumptions and expectations of our future performance, taking into account all information currently available to us. Such forward-looking statements are subject to risks and uncertainties and assumptions relating to our operations, financial results, financial condition, business prospects, growth strategy and liquidity.

In addition to factors identified elsewhere in this annual report, the following factors, among others, could cause actual results to differ materially from forward-looking statements and information or historical performance: course and severity of the novel coronavirus (including any subsequent variants, "COVID-19") pandemic and its direct and indirect business impacts; the ability of OCG to retain and hire key personnel; the continued availability of capital and financing; the business, economic and political conditions in the markets in which OCG operates; changes in OCG's anticipated revenue and income, which are inherently volatile; changes in the value of OCG's investments; the termination or amendment (including fee amendments) of certain service or sub-advisory agreements that generate revenues for OCG that are between OCG and its subsidiaries on the one hand and certain affiliates of OCG on the other hand; the pace of OCG's raising of new funds; changes in assets under management; the timing and receipt of, and impact of taxes on, carried interest; distributions from and liquidation of OCG's existing funds; the amount and timing of distributions on OCG's preferred units; changes in OCG's operating or other expenses; the degree to which OCG encounters competition; and general political, economic and market conditions.

Any forward-looking statements and information speak only as of the date of this annual report or as of the date they were made, and except as required by law, OCG does not undertake any obligation to update forward-looking statements and information. For a more detailed discussion of these factors, also see the information under the captions "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" in this annual report, and in each case any material updates to these factors contained in any of OCG's future filings.

As for the forward-looking statements and information that relate to future financial results and other projections, actual results will be different due to the inherent uncertainties of estimates, forecasts and projections and may be better or worse than projected and such differences could be material. Given these uncertainties, you should not place any reliance on these forward-looking statements and information.

This annual report and its contents do not constitute and should not be construed as (a) a recommendation to buy, (b) an offer to buy or solicitation of an offer to buy, (c) an offer to sell or (d) advice in relation to, any securities of OCG or securities of any Oaktree investment fund.

Risk Factor Summary

We are providing the following summary of the risk factors contained in this annual report to enhance the readability and accessibility of our risk factor disclosures. We encourage you to carefully review the full risk factors contained in this annual report in their entirety for additional information regarding the material factors that make an investment in our preferred units speculative or risky. These risks and uncertainties include, but are not limited to, the following:

- Oaktree may alter the terms under which it or we do business when Oaktree or we deem it appropriate;
- Our business could be materially harmed by conditions in the global financial markets and economies;
- The COVID-19 pandemic may adversely affect us;
- If we were unable to raise capital from investors, it would adversely affect our financial condition;
- We depend on OCM to advise our funds and support our operations;
- Our revenues are volatile due to the nature and structure of our business;
- Conflicts of interest or inter-fund governance matters could cause reputational harm to us;
- The investment management business is intensely competitive, and poor performance of our funds could adversely affect our ability to raise capital for future funds;
- We may not be able to maintain our current fee structure as a result of industry pressure from clients to reduce fees, which could have an adverse effect on our profit margins and results of operations;
- We often pursue investment opportunities that involve business, regulatory, legal or other complexities;
- Extensive regulation and/or legal and regulatory changes, as well as regulatory compliance failures and negative publicity surrounding the financial industry in general, could adversely affect us;
- The replacement of LIBOR may adversely affect our credit arrangements and our collateralized loan obligation transactions;
- SEC rules barring so-called “bad actors” from relying on Rule 506 of Regulation D in private placements could materially adversely affect our business, financial condition and results of operations;
- Failure to comply with, or changes to, “pay to play” regulations could adversely affect our business;
- Failure to maintain the security of our information and technology networks could have a material adverse effect on us;
- Interruption of our information technology, communications systems or data services could disrupt our business, result in losses and/or limit our growth;
- We are subject to substantial litigation risks and may face significant liabilities and damage to our professional reputation as a result;
- Employee misconduct could harm us;
- The United Kingdom’s exit from the European Union could adversely affect us;
- The historical returns attributable to our funds should not be considered indicative of future results;
- Certain of our funds make investments in distressed businesses that involve significant risks and potential liabilities;
- Certain of our funds may be subject to risks arising from potential control group liability;
- Poor investment performance during periods of adverse market conditions may result in relatively high levels of investor redemptions, which can adversely impact the affected funds;

- Valuation methodologies for certain assets in our funds can be subject to significant subjectivity, and the values of assets established pursuant to the methodologies may never be realized;
- Our funds make investments in companies that are based outside the United States, which exposes us to additional risks;
- We have made and expect to continue to make significant investments in our current and future funds, and we may lose money on some or all of our investments;
- Our funds often invest in companies that are highly leveraged, a fact that may increase the risk of loss;
- The use of leverage by our funds could have a material adverse effect on us;
- Changes in the debt financing markets and higher interest rates may negatively impact our funds and their portfolio companies;
- Our funds are subject to risks in using agents and third-party service providers;
- The market price of our preferred units could be adversely affected by various factors;
- If we fail to maintain effective internal controls over our financial reporting in the future, the accuracy and timing of our financial reporting may be adversely affected;
- Distributions on the preferred units are discretionary and non-cumulative;
- We have an indirect economic interest in only a portion of the earnings and cash flows of the Oaktree Operating Group, which may negatively impact our ability to pay distributions on our preferred units;
- If we or any of our private funds were deemed an investment company under the Investment Company Act, applicable restrictions could make it impractical for us to continue our business or such funds;
- Our operating agreement contains provisions that substantially limit remedies available to our preferred unitholders for actions that might otherwise result in liability for our officers and/or directors;
- Our ability to make distributions to holders of any series of preferred units may be limited;
- If the amount of distributions on the preferred units is greater than our gross ordinary income, then the amount that a holder of preferred units would receive upon liquidation may be less than the preferred unit liquidation value;
- Holders of preferred units who are U.S. taxpayers should anticipate the need to file annually a request for an extension of the due date of their income tax return, and may be required to file amended income tax returns;
- An investment in preferred units will give rise to UBTI to certain tax-exempt holders;
- Non-U.S. holders face unique U.S. tax issues from owning preferred units that may result in adverse tax consequences to them;
- Holders of preferred units may be subject to state and local taxes and return filing requirements as a result of investing in our preferred units;
- Amounts distributed in respect of the preferred units could be treated as “guaranteed payments” for U.S. federal income tax purposes; and
- Holders of preferred units who do not hold the units through the record date for a distribution may be allocated gross ordinary income even though no distribution is received.

MARKET AND INDUSTRY DATA

This annual report includes market and industry data and forecasts that are derived from independent reports, publicly available information, various industry publications, other published industry sources and our internal data, estimates and forecasts. Independent reports, industry publications and other published industry sources generally indicate that the information contained therein was obtained from sources believed to be reliable. We have not commissioned, nor are we affiliated with, any of the sources cited herein.

Our internal data, estimates and forecasts are based upon information obtained from investors in our funds, partners, trade and business organizations, and other contacts in the markets in which we operate and our management's understanding of industry conditions.

In this annual report, unless the context otherwise requires:

"Oaktree" refers to (i) Oaktree Capital Group, LLC and, where applicable, its subsidiaries and affiliates prior to October 1, 2019 and (ii) the Oaktree Operating Group and, where applicable, their respective subsidiaries and affiliates after September 30, 2019.

"OCG," "Company," "we," "us," "our" or "our company" refers to Oaktree Capital Group, LLC and, where applicable, its subsidiaries and affiliates, including, as the context requires, affiliated Oaktree Operating Group members after September 30, 2019.

"OCM" refers to Oaktree Capital Management, L.P. and, where applicable, its subsidiaries and affiliates. OCM is one of the Oaktree Operating Group entities and acts as the U.S. registered investment adviser to most of the Oaktree funds. Subsequent to September 30, 2019, OCM is no longer our indirect subsidiary.

"Oaktree Operating Group," or "Operating Group," refers collectively to the entities that either (i) act as or control the general partners and investment advisers of the Oaktree funds or (ii) hold interests in other entities or investments generating income for Oaktree.

"OCGH" refers to Oaktree Capital Group Holdings, L.P., a Delaware limited partnership, which holds an interest in the Oaktree Operating Group and all of our Class B units.

"OCGH unitholders" refers collectively to Oaktree senior executives, current and former employees and their respective transferees who hold interests in the Oaktree Operating Group through OCGH.

"assets under management," or "AUM," generally refers to the assets Oaktree manages and equals the NAV (as defined below) of the assets Oaktree manages, the leverage on which management fees are charged, the undrawn capital that Oaktree is entitled to call from investors in the funds pursuant to their capital commitments, investment proceeds held in trust for use in investment activities and Oaktree's pro rata portion of AUM managed by DoubleLine Capital LP and its affiliates ("DoubleLine"), in which Oaktree holds a minority ownership interest. For Oaktree's collateralized loan obligation vehicles ("CLOs"), AUM represents the aggregate par value of collateral assets and principal cash; for Oaktree's BDCs, gross assets (including assets acquired with leverage), net of cash; for Oaktree's special purpose acquisition companies ("SPACs"), the proceeds of any initial public offering held in trust for use in a business combination; and for DoubleLine funds, NAV. Oaktree's AUM amounts include AUM for which Oaktree charges no management fees. Oaktree's definition of AUM is not based on any definition contained in our operating agreement or the agreements governing the funds that Oaktree manages. Oaktree's calculation of AUM and the AUM-related metric described below may not be directly comparable to the AUM metrics of other investment managers.

"incentive-creating assets under management," or "incentive-creating AUM," refers to the AUM that may eventually produce incentive income, as more fully described in "Management's Discussion and Analysis of Financial Condition and Results of Operations—Operating Metrics".

"Class A units" refer to the common units of OCG designated as Class A units.

"common units" or "common unitholders" refer to the Class A common units of OCG or Class A common unitholders, respectively, unless otherwise specified.

"consolidated funds" refers to the funds and CLOs that we are required to consolidate as of the applicable reporting date.

“funds” refers to investment funds and, where applicable, CLOs and separate accounts that are managed by Oaktree or its subsidiaries.

“Intermediate Holding Companies” collectively refers to the subsidiaries wholly owned by us.

“net asset value,” or “NAV,” refers to the value of all the assets of a fund (including cash and accrued interest and dividends) less all liabilities of the fund (including accrued expenses and any reserves established by us, in our discretion, for contingent liabilities) without reduction for accrued incentives (fund level) because they are reflected in the partners’ capital of the fund.

“preferred units” or “preferred unitholders” refer to the Series A and Series B preferred units of OCG or Series A and Series B preferred unitholders, respectively, unless otherwise specified.

“senior executives” refers collectively to Howard S. Marks, Bruce A. Karsh, Jay S. Wintrob, John B. Frank and Sheldon M. Stone.

Part I.

Item 1. Business

Overview

Oaktree is a leading global alternative investment management firm with expertise in investing in credit, real assets, private equity, and listed equities. Oaktree's mission is to deliver superior investment results with risk under control and to conduct its business with the highest integrity. Oaktree emphasizes an opportunistic, value-oriented and risk-controlled approach to its investments. Over the last three decades, Oaktree has developed a large and growing client base through its ability to identify and capitalize on opportunities for attractive investment returns in less efficient markets.

Oaktree was formed in 1995 by a group of individuals who had been investing together since the mid-1980s. Oaktree's founders were pioneers in the management of high yield bonds, convertible securities and distressed debt. From those roots Oaktree has developed a diversified mix of specialized credit- and equity-oriented strategies. Oaktree operates according to a unifying investment philosophy, which consists of six tenets-risk control, consistency, market inefficiency, specialization, bottom-up analysis and disavowal of market timing-and is complemented by a set of core business principles that articulate our commitment to excellence in investing, commonality of interests with clients, a collaborative and cooperative culture, a disciplined, opportunistic approach to the expansion of products, and responsible actions with our stakeholders and society at large.

Brookfield Merger

On March 13, 2019, Oaktree, Brookfield Asset Management Inc., a corporation incorporated under the laws of the Province of Ontario ("Brookfield"), Berlin Merger Sub, LLC, a Delaware limited liability company ("Merger Sub") and a wholly-owned subsidiary of Brookfield, Oslo Holdings LLC, a Delaware limited liability company ("SellerCo") and a wholly-owned subsidiary of Oaktree Capital Group Holdings, L.P. ("OCGH"), and Oslo Holdings Merger Sub LLC, a Delaware limited liability company and a wholly-owned subsidiary of Oaktree ("Seller MergerCo") entered into an agreement and plan of merger (the "Merger Agreement"). Pursuant to the terms and conditions set forth in the Merger Agreement, on September 30, 2019, (i) Merger Sub merged with and into Oaktree (the "Merger"), with Oaktree continuing as the surviving entity, and (ii) immediately following the Merger, SellerCo merged with and into Seller MergerCo (the "Subsequent Merger" and together with the Merger, the "Mergers"), with Seller MergerCo continuing as the surviving entity.

Upon the completion of the Mergers on September 30, 2019, Brookfield acquired 61.2% of Oaktree's business in a stock and cash transaction. The remaining 38.8% of the business at that time continued to be owned by OCGH, whose unitholders consist primarily of Oaktree's founders and certain other members of management and current and former employees. As part of the Merger, Brookfield acquired all outstanding vested OCG Class A units for, at the election of OCG Class A unitholders, either $49.00 in cash or 1.0770 Class A shares of Brookfield per OCG Class A unit (subject to pro-ration to ensure that no more than fifty percent (50%) of the aggregate merger consideration is paid in the form of cash or stock), in each case, without interest and subject to any applicable withholding taxes. In addition, as part of the Subsequent Merger the founders, senior management, and current and former employee-unitholders of OCGH sold 20% of their OCGH units to Brookfield for the same consideration as the OCG Class A unitholders received in the merger.

Restructuring Transaction

On the closing date of the Mergers, we and certain other entities entered into a Restructuring Agreement (the "Restructuring") pursuant to which our direct and indirect ownership of general partner and limited partner interests in certain Oaktree Operating Group entities were transferred to newly-formed, indirect subsidiaries of Brookfield as of October 1, 2019. As a result, on October 1, 2019, four of the six Oaktree Operating Group entities were no longer our indirect subsidiaries. Accordingly, subsequent to that date, our consolidated financial statements reflect our indirect economic interest in only two of the Oaktree Operating Group entities: (i) Oaktree Capital I, L.P. ("Oaktree Capital I"), which acts as or controls the general partner of certain Oaktree funds and which holds a majority of Oaktree's investments in its funds and (ii) Oaktree Capital Management (Cayman), L.P. ("OCM Cayman"), which represents Oaktree's non-U.S. fee business. As of October 1, 2019, our consolidated financial statements no longer reflect any economic interests in the remaining four Oaktree Operating Group entities: (i) Oaktree Capital II, L.P. ("Oaktree Capital II"), which acts as or controls the general partner of certain Oaktree funds and which includes Oaktree's investments in certain funds and other businesses, including Oaktree's investment in DoubleLine Capital, L.P., (ii) Oaktree Capital Management, L.P. ("OCM"), an entity that serves as the U.S. registered investment adviser to most of the Oaktree funds, (iii) Oaktree Investment Holdings, L.P. ("Oaktree Investment Holdings"), which holds certain corporate investments in other entities and (iv) Oaktree AIF Investments, L.P.

("Oaktree AIF"), which primarily holds interests in certain Oaktree fund investments for regulatory and structuring purposes. Please see "Business-Organizational Structure" below for a diagram of our organizational structure after the Restructuring.

Prior to the Restructuring on October 1, 2019, our consolidated operating results included substantially all of the revenues and expenses of the Oaktree Operating Group and related consolidated funds and investment vehicles. Subsequent to the Restructuring, our consolidated operating results reflect only Oaktree Capital I and OCM Cayman and related consolidated funds and investment vehicles. Since the deconsolidation of the remaining four Oaktree Operating Group entities was not required to be presented on a retrospective basis, our results of operations for the year ended December 31, 2019 reflect a full year of activities for Oaktree Capital I and OCM Cayman and related funds and investment vehicles and only nine months of activities for the remaining four Oaktree Operating Group entities and related funds and investment vehicles and, as a result, are not directly comparable to prior periods. Our results of operations for the years ended December 31, 2020 and 2021 only reflect activities for Oaktree Capital I and OCM Cayman and related funds and investment vehicles and do not include any activity for the remaining four Oaktree Operating Group entities and related funds and investment vehicles and, as a result, are not directly comparable to prior periods.

As a result of the Restructuring, references to "Oaktree" in this annual report will generally refer to the collective business of the Oaktree Operating Group, of which we are a component.

Structure and Operation of Our Business

Our business is comprised of one segment, our investment management business, which consists of the investment management services that Oaktree provides to its clients, of which we are a component.

Subsequent to the Restructuring we operate our business, in part, with service or subadvisory agreements that cover investment management and other supporting services either provided to, or provided by, OCM acting in its capacity as the investment manager of Oaktree funds. Generally, our employees directly provide investment management and administrative support for our non-U.S. fee-based operations, while providing investment management, marketing and administrative services to OCM. We receive fees from OCM for providing these services and pay fees to OCM based on the cost of administrative services it provides to us, including portions of certain of our executive officers' compensation.

In addition to such fee-based income as described in the preceding paragraph, our revenue includes the incentive income generated by certain funds that OCM manages of which we act as general partners, the investment income earned from the investments we make in Oaktree funds, third-party funds and other companies and management fees for funds where we act as the investment manager rather than OCM. The management fees that we receive are based on the contractual terms of the relevant fund and are typically calculated as a fixed percentage of gross assets or NAV of the particular fund. Incentive income represents our share (up to 20%) of the investors' profits in most of the closed-end and evergreen funds. Investment income generally reflects the investment return on a mark-to-market basis and our equity participation on the amounts that we invest in Oaktree and third-party funds, as well as in collateralized loan obligation vehicles ("CLOs") and other companies.

Structure of Funds

Closed-end Funds

Oaktree's closed-end funds are typically structured as limited partnerships that have a 10- or 11-year term and have a specified period during which clients can subscribe for limited partnership interests in the fund. Once a client is admitted as a limited partner, that client is required to contribute capital when called by us as the general partner, and generally cannot withdraw its investment. These closed-end funds have an investment period that generally ranges from three to five years, during which Oaktree is permitted to call the committed capital of those funds to make investments. As closed-end funds liquidate their investments, Oaktree typically distributes the proceeds to the clients, although during the investment period Oaktree has the ability to retain or recall such proceeds to make additional investments. Once a fund has committed to invest approximately 80% of its capital, Oaktree typically raises a new fund in the same strategy, generally ensuring that it always has capital to invest in new opportunities. Oaktree may also provide discretionary management services for clients within its closed-end fund strategies through a separate account or through a limited partnership or limited liability company managed by Oaktree with the client as the sole limited partner or sole non-managing member (a "fund-of-one").

Oaktree's closed-end funds also include special purpose acquisition companies managed by Oaktree and CLOs for which it serves as collateral manager. CLOs are structured finance vehicles in which Oaktree makes an investment and for which it is entitled to earn management fees. Investors in CLOs are generally unable to redeem their interests until the CLO liquidates, is called or otherwise terminates.

Open-end Funds

Oaktree's commingled open-end funds are typically structured as limited partnerships that are designed to admit clients as new limited partners (or accept additional capital from existing limited partners) on an ongoing basis during the fund's life. Clients in commingled open-end funds typically contribute all of their committed capital upon being admitted to the fund. These funds do not have an investment period and do not distribute proceeds of realized investments to clients. Oaktree is permitted to commit the fund's capital (including realized proceeds) to new investments at any time during the fund's life. Clients in commingled open-end funds generally have the right to withdraw their capital from the fund on a monthly basis (with prior written notice of up to 90 days).

Oaktree also provides discretionary management services for clients through separate accounts within the open-end fund strategies. Clients establish accounts with Oaktree by depositing funds or securities into accounts maintained by qualified independent custodians and granting Oaktree discretionary authority to invest such funds pursuant to their investment needs and objectives, as stated in an investment management agreement. Separate account clients generally may terminate Oaktree's services at any time by providing us with prior notice of 30 days or less.

Evergreen Funds

Oaktree's evergreen funds invest in marketable securities, private debt and equity, and in certain cases on a long or short basis. As with open-end funds, commingled evergreen funds are designed to accept new capital on an ongoing basis and generally do not distribute proceeds of realized investments to clients. Oaktree also provides discretionary management services for clients through separate accounts or funds-of-one within its evergreen fund strategies. Clients in evergreen funds are generally subject to a lock-up, which restricts their ability to withdraw their entire capital for a certain period of time after their initial subscription. Evergreen funds include business development companies ("BDCs").

Management Fees

Oaktree receives management fees monthly or quarterly based on annual fee rates for our investment advisory services. The contractual terms of those management fees generally vary by fund structure. For closed-end funds, the management fee rate is generally applied against committed capital, contributed capital, or cost basis during the fund's investment period and the lesser of aggregate contributed capital or cost basis of assets in the liquidation period. For those closed-end funds for which management fees are based on committed capital, Oaktree may elect to delay the start of the fund's investment period and thus its full management fees, in which case Oaktree earns management fees based on contributed capital until it elects to start the fund's investment period. Oaktree's right to receive management fees typically ends after 10 or 11 years from either the initial closing date or the start of the investment period, even if assets remain in the fund. In the case of CLOs, the management fee is based on the aggregate par value of collateral assets and principal cash, as defined in the applicable CLO indentures, and a portion of the management fees is dependent on the sufficiency of the particular vehicle's cash flow. For open-end funds, the management fee is generally based on the NAV of the fund or account. Evergreen funds typically pay management fees based on NAV, invested assets or contributions, and Oaktree's BDCs pay management fees based on gross assets (including assets acquired with leverage), net of cash.

In the case of certain open-end funds, Oaktree has the potential to earn performance-based fees, typically in reference to a relevant benchmark index or hurdle rate, which are classified as management fees. Management fees also include the quarterly incentive fees on investment income Oaktree earns from our BDCs and certain evergreen fund accounts, which are generally recurring in nature. In a number of strategies, Oaktree affords certain investors in the funds or clients of separate accounts more favorable economic terms than other investors in the same investment strategy, including with respect to management and performance-based fees, generally based on the aggregate size of commitments of such investor or client, as applicable, to one or more funds or accounts managed by Oaktree.

Prior to the Restructuring, our consolidated operating results included management fees earned by OCM and OCM Cayman. Subsequent to the Restructuring, our consolidated operating results include management fees earned directly from the Oaktree funds where we act as investment manager rather than OCM and sub-advisory fees paid to us by OCM as compensation for services rendered by us in support of Oaktree's investment management business. Sub-advisory fees are received monthly, quarterly or periodically, generally based on an allocation of profits or cost plus a profit margin.

Incentive Income

We have the potential to earn incentive income from most of the closed-end funds managed by Oaktree in our capacity as the general partner of those funds. Substantially all of such funds follow the European-style waterfall, by which we receive incentive income only after the fund first distributes all contributed capital plus an annual preferred return, typically 8%. Once this occurs, we generally receive as incentive income 80% of all distributions otherwise attributable to our investors, and those investors receive the remaining 20% until we have received, as incentive income, 20% of all such distributions in excess of the contributed capital from the inception of the fund. Thereafter, all such future distributions attributable to our investors are distributed 80% to those investors and 20% to us as incentive income. As a result, we generally receive incentive income, if any, in the latter part of a fund's life, although earlier in a fund's term we may receive tax-related distributions, which we recognize as incentive income, to cover our allocable share of income taxes until we are otherwise entitled to payment of incentive income.

We may also earn incentive income from certain evergreen funds on an annual basis, up to 20% of the year's profits, subject to either a high-water mark or hurdle rate. The high-water mark refers to the highest historical NAV attributable to a limited partner's account when either incentive income has been earned or the capital was contributed.

Investment Income

We earn investment income from our corporate investments in funds and companies, with Oaktree-managed funds constituting the majority of our corporate investments. Our investments in Oaktree-managed funds generally fall into one of four categories: general partner interests in commingled funds or funds-of-one, investments in CLOs, seed capital for new investment strategies prior to third-party capital raising, and corporate cash management. In the case of general partner interests in our closed-end or evergreen funds, we typically invest the greater of 2.5% of committed capital or $20 million in each fund, not to exceed $100 million per fund. For CLOs, we generally invest up to 10% of the CLO's total par value. We may also invest in certain third-party managed funds or companies for strategic or financial purposes.

Investment Approach

As a component of Oaktree, we adhere to Oaktree's goal of excellence in investing. This means achieving attractive investment returns without commensurate risk, an imbalance which can only be achieved in markets that are not "efficient." Although Oaktree strives for superior returns, its first priority is that its actions produce consistency, protection of capital and outperformance in bad times. At its core, Oaktree is a contrarian, value-oriented investor focused on buying securities and companies at prices below their intrinsic value and selling or exiting those investments when they become fairly or fully valued. Oaktree believes it can do this best by investing in markets where specialization and superior analysis can offer an investing edge.

In Oaktree's investing activities, it adheres to the following fundamental tenets:

- *Focus on Risk-Adjusted Returns*. Oaktree's primary goal is not simply to achieve superior investment performance, but to do so with less-than-commensurate risk. Oaktree believes that the best long-term records are built more through the avoidance of losses in bad times than the achievement of superior relative returns in good times. Thus, rather than merely searching for prospective profits, Oaktree places the highest priority on preventing losses. It is Oaktree's overriding belief that, especially in the opportunistic markets in which it works, "if we avoid the losers, the winners will take care of themselves."
- *Emphasis on Consistency*. Oaktree believes that a superior record is best built on a high batting average, rather than a mix of brilliant successes and dismal failures. Oscillating between top-quartile results in good years and bottom-quartile results in bad years is not acceptable.
- *The Importance of Market Inefficiency*. Oaktree feels skill and hard work can lead to a "knowledge advantage," and thus to potentially superior investment results, but not in the most efficient markets where larger numbers of participants have roughly equal access to information. Therefore, Oaktree only invests in less efficient markets in which dispassionate application of skill and effort should pay off for Oaktree clients.
- *Focus on Fundamental Analysis*. Oaktree believes consistently excellent performance can only be achieved through superior knowledge of companies and their securities, not from macro-forecasting. Therefore, Oaktree employs a bottom-up approach to investing, based on proprietary, company-specific research. Oaktree's investment professionals have developed a deep and thorough understanding of a wide number of companies and industries, providing Oaktree with a significant institutional knowledge

base. Oaktree uses overall portfolio structuring as a defensive tool to help it avoid dangerous concentration, rather than as an aggressive weapon expected to enable it to hold more of the things that do best.

- *Disavowal of Market Timing*. Oaktree does not believe in the predictive ability required to correctly time markets. However, concern about the market climate may cause Oaktree to tilt toward more defensive investments, increase selectivity or act more deliberately. In our open-end and evergreen funds, Oaktree keeps portfolios fully invested whenever attractively priced assets can be bought.
- *Specialization*. Oaktree offers a broad array of specialized investment strategies. It believes this offers the surest path to the results Oaktree, and its clients, seek. Clients interested in a single investment strategy can limit themselves to the risk exposure of that particular strategy, while clients interested in more than one investment strategy can combine investments in Oaktree funds to achieve their desired mix. Oaktree also provides clients both commingled and customized solutions with one-stop access to the breadth of its credit platform through its Multi-Strategy Credit strategy, which invests in a number of Oaktree liquid and illiquid credit strategies. Oaktree's focus on specific strategies has allowed it to build investment teams with extensive experience and expertise. At the same time, Oaktree teams access and leverage each other's expertise, affording Oaktree both the benefits of specialization and the strengths of a larger organization.

Asset Classes and Investment Strategies

Oaktree manages investments in a number of strategies across four asset classes: Credit, Private Equity, Real Assets and Listed Equities. The diversity of Oaktree's investment strategies allows it to meet a wide range of investor needs suited for different market environments globally and, for certain strategies, targeted regions, while providing Oaktree with a long-term diversified revenue base.

Oaktree adds new products when it identifies a market with potential for attractive returns that it believes can be exploited in a risk-controlled fashion, and where it has access to the investment talent capable of producing the results it seeks. Because of the high priority Oaktree places on assuring that these requirements are met, it prefers that new products represent "step-outs" from its current investment strategies into highly related fields that are managed by people with whom it has had extensive first-hand experience or for whom it can validate qualifications. When adding new products, Oaktree considers it far more important to avoid mistakes than to capture every opportunity.

Oaktree's asset classes are described below. We act as general partner or adviser for, and make investments in, funds that are within all four assets classes although we may not have an interest in a specific strategy group within each Oaktree asset class.

Credit

Oaktree's credit strategies invest in both liquid and illiquid instruments, sourced directly from borrowers and via public markets. Oaktree focuses primarily on rated and non-rated debt of sub-investment grade issuers in developed and emerging markets, and it invests in an array of high yield bonds, convertible securities, leveraged loans, structured credit instruments, distressed debt and private debt. While varied in investment objective and risk-return profile, each of Oaktree's credit strategies is grounded in its unifying investment philosophy, placing primary emphasis on risk control and consistency.

Within the credit asset class, Oaktree's strategies are: Opportunistic Credit, High Yield Bonds, Senior Loans, Private Credit, Multi-Strategy Credit, Emerging Markets Debt, Convertible Securities, Structured Credit and Investment Grade Solutions.

Private Equity

Oaktree's private equity strategies focus on a broad range of regions and market sectors, and they combine traditional private equity and special situation opportunities. Using a flexible and opportunistic approach, Oaktree invests in companies it believes to be undervalued. Oaktree seeks to enhance value through key strategic and tactical initiatives, including rightsizing capital structures, streamlining operations, improving core businesses, and creating new platforms for growth. Oaktree teams leverage deep sector knowledge and extensive proprietary networks to gain superior access to deal flow, and they reflect Oaktree's emphasis on risk control and downside protection.

Within the private equity asset class, Oaktree's strategies are: Corporate Private Equity and Special Situations.

Real Assets

Oaktree's real assets platform capitalizes on Oaktree's global footprint, multi-disciplinary capabilities, extensive network of industry experts, and key relationships with operating partners. Oaktree adheres to its investment philosophy, emphasizing the purchase of assets – or liens on assets – where it believes the relationship between risk and return is asymmetrical and where it believes relationships and a knowledge advantage can make a significant positive impact on its ability to successfully source, purchase, manage and exit investments.

Within the real assets asset class, Oaktree's strategies are: Real Estate and Infrastructure.

Listed Equities

Oaktree's listed equities strategies seek to invest in undervalued stocks in specific regions. By coupling fundamental analysis with in-depth country and industry knowledge, Oaktree looks to uncover stocks trading at a discount to their intrinsic value. Oaktree believes our superior knowledge allows us to identify attractive investment opportunities while limiting downside risk.

Within the listed equities asset class, Oaktree's strategies are: Emerging Market Equities and Value Equities.

Investment Performance

Oaktree's investment professionals have generated impressive investment performance through multiple market cycles. Oaktree's long term investment performance track record of positive gross and net IRRs reflects, among many factors, Oaktree's practice of sizing funds in proportion to our view of the supply of potential attractive investment opportunities. Information regarding Oaktree's most significant and longest-managed closed-end funds is shown below, as of or for the year ended December 31, 2021.

			Since Inception through December 31, 2021		
			IRR Since Inception [1]		
($ in millions)	Strategy Inception	Assets Under Management [2]	Gross	Net	Gross Multiple of Drawn Capital [3]
Credit:					
Opportunistic Credit	1988	$38,533	21.9%	15.9%	1.7x
Private Credit					
European Private Debt	2013	2,452	14.2%	10.1%	1.3x
Direct Lending	2001	4,683	13.0%	8.7%	1.4x
Emerging Markets Debt	2012	1,436	11.5%	7.4%	1.2x
Private Equity:					
Corporate Private Equity					
European Principal	1999	6,527	12.0%	7.7%	1.8x
Power Opportunities	1995	3,089	35.1%	27.4%	2.7x
Special Situations	1994	5,697	13.2%	9.4%	1.7x
Real Assets:					
Real Estate Opportunities	1994	8,523	15.3%	11.7%	1.7x
Real Estate Debt	2010	4,511	14.1%	9.7%	1.3x
Real Estate Income	2016	761	15.5%	11.8%	1.7x
Infrastructure	2014	2,122	31.6%	26.4%	1.7x
Subtotal		78,334			
Other[4]		9,595			
Total		$87,929			

(1) The internal rate of return ("IRR") is the annualized implied discount rate calculated from a series of cash flows. It is the return that equates the present value of all capital invested in an investment to the present value of all returns of capital, or the discount rate that will provide a net present value of all cash flows equal to zero. Fund-level IRRs are calculated based upon the actual timing of cash contributions/distributions to investors and the residual value of such investor's capital accounts at the end of the applicable period being measured. Gross IRRs reflect returns before allocation of management fees, expenses and any incentive allocation to the fund's general partner. To the extent material, gross returns include certain transaction, advisory, directors or other ancillary fees ("fee income") paid directly to us in connection with the funds' activities (Oaktree credits all such fee income back to the respective fund(s) so that the funds' investors share pro rata in the fee income's economic benefit). Net IRRs reflect returns to non-affiliated investors after allocation of management fees, expenses and any incentive allocation to the fund's GP. The strategy inception and performance track record includes funds managed at Trust Company of the West by the portfolio managers and other senior investment professionals that joined Oaktree at its inception in 1995.

(2) Assets Under Management as of December 31, 2021. All figures are based on the conversion of amounts or cash flows from EUR to USD using the foreign exchange spot rate of 1.14 as of December 31, 2021.

(3) Gross multiple of drawn capital is calculated as drawn capital plus gross income and, if applicable, fee income before fees and expenses divided by drawn capital.

(4) This includes our closed-end Senior Loan funds, CLOs and certain separate accounts and co-investments.

Performance of Oaktree's open-end funds is in part measured in relation to applicable benchmark returns. Oaktree's emphasis on risk control and credit selection has generally led to outperformance in challenging markets and over full market cycles. Information regarding Oaktree's open-end funds, together with relevant benchmark data, is set forth below as of or for the periods ended December 31, 2021.

			Since Inception through December 31, 2021		
			Annualized Rates of Return [1]		
($ in millions)	Strategy Inception	Assets Under Management	Gross	Net	Relevant Benchmark
Credit:					
High Yield Bonds					
U.S. High Yield Bonds	1986	$14,505	8.9%	8.3%	8.0%
Global High Yield Bonds	2010	1,288	6.7%	6.2%	6.5%
Multi-Asset Credit					
Global Credit [2]	2017	8,012	5.4%	4.8%	5.1%
Investment Grade Solutions					
Investment Grade Solutions [3]	Various	3,430	nm	nm	nm
Convertible Securities					
High Income Convertibles	1989	1,171	10.6%	9.8%	7.9%
Global ex-U.S. Convertibles	1994	601	7.9%	7.3%	5.2%
Senior Loans					
European Senior Loans	2009	1,073	6.4%	5.9%	6.7%
U.S. Senior Loans	2008	586	5.4%	4.9%	5.0%
Structured Credit					
Structured Credit [3]	Various	1,342	nm	nm	nm
Listed Equities:					
Emerging Markets Equities					
Emerging Markets Equities	2011	7,059	4.4%	3.6%	3.1%
Subtotal		39,067			
Other[4]		425			
Total		$39,492			

(1) Returns represent time-weighted rates of return, including reinvestment of income, net of commissions and transaction costs. The returns for Relevant Benchmarks are presented on a gross basis. The strategy inception and performance track record includes funds managed at Trust Company of the West by the portfolio managers and others senior investment professionals that joined Oaktree at its inception in 1995.
(2) The performance measures reflect Global Credit Cayman Fund as the representative account for the Global Credit strategy.
(3) Includes individual accounts across various strategies with different investment mandates. As such, a combined performance measure is not considered meaningful ("nm").
(4) Includes certain European High Yield Bonds and U.S. Convertible accounts.

Information regarding Oaktree's most significant Evergreen funds is shown below, as of or for the year ended December 31, 2021.

			Since Inception through December 31, 2021 Annualized Rates of Return [1]	
($ in millions)	**Strategy Inception**	**Assets Under Management**	**Gross**	**Net**
Credit:				
Private Credit				
Direct Lending [2]	2012	$5,979	9.4%	7.1%
Emerging Markets Debt				
Emerging Markets Debt [3]	2015	1,293	9.2%	7.0%
Opportunistic Credit				
Value Opportunities	2007	1,204	10.4%	6.6%
Real Assets:				
Real Estate				
Real Estate Income [4]	2018	1,888	21.2%	18.0%
Listed Equities:				
Value/Other Equities				
Value Equities [5]	2012	613	19.2%	13.9%
Subtotal		10,977		
Other[6]		448		
Total		$11,425		

(1) Returns represent time-weighted rates of return.
(2) AUM includes institutional evergreen accounts, Oaktree's publicly traded BDCs and Oaktree's non-traded BDCs. The rates of return reflect the performance of a composite of certain evergreen accounts and exclude Oaktree's publicly-traded BDCs.
(3) AUM includes the Emerging Markets Debt Total Return and Emerging Markets Opportunities strategies. The rates of return reflect the performance of a composite of accounts for the Emerging Markets Debt Total Return strategy, including a single account with a December 2014 inception date.
(4) AUM includes assets sub-advised by Oaktree for a non-traded REIT. The rates of return reflect the performance of certain evergreen accounts and exclude a non-traded REIT managed or sub-advised by Oaktree.
(5) AUM includes performance of a proprietary fund with an initial capital commitment of $25 million since its inception in May 2012.
(6) Includes certain Real Estate and Multi-Strategy Credit accounts.

Assets Under Management

Oaktree's assets under management increased $17.7 billion, or 11.9%, to $165.7 billion as of December 31, 2021 from $148.0 billion as of December 31, 2020, primarily driven by $14.1 billion of closed-end fund capital commitments, $13.5 billion of market value appreciation and foreign currency translation, and $5.5 billion of net inflows from open-end funds, partially offset by $13.2 billion of distributions from closed-end funds. The $14.1 billion of capital commitments to closed-end funds over the last twelve months included $2.6 billion to Oaktree Opportunities Fund XI, $2.2 billion for Oaktree Real Estate Debt Fund III, $2.0 billion to our CLOs, $1.7 billion to Oaktree Real Estate Opportunities Fund VIII and $1.4 billion to Oaktree Power Opportunities Fund VI.

	As of December 31,	
	2021	2020
	(in millions)	
Assets Under Management:		
Closed-end funds	$ 87,929	$ 77,054
Open-end funds	39,492	33,338
Evergreen funds	11,425	10,376
DoubleLine [1]	26,836	27,235
Total	$ 165,682	$ 148,003

(1) DoubleLine AUM reflects our pro-rata portion (based on our 20% ownership stake) of DoubleLine's total AUM.

The following table details the change in Oaktree's AUM during the years ended December 31, 2021 and 2020.

	Year ended December 31,	
	2021	2020
	(in millions)	
Beginning balance	**$ 148,003**	**$ 124,710**
Closed-end funds:		
Capital commitments/other [1]	14,070	21,028
Distributions for a realization event/other [2]	(13,196)	(7,073)
Change in uncalled capital commitments for funds entering or in liquidation [3]	(659)	(320)
Change in market value, foreign-currency translation, and transfers, net [4]	11,487	5,405
Change in applicable leverage	(825)	(49)
Open-end funds:		
Contributions	10,083	7,906
Redemptions	(4,630)	(4,937)
Change in market value and foreign-currency translation [4]	700	2,981
Evergreen funds:		
Contributions or new capital commitments [5]	996	1,115
Redemptions or distributions/other [6]	(1,308)	(1,052)
Change in market value and foreign-currency translation [4]	1,360	843
DoubleLine:		
Net change in DoubleLine	(399)	(2,554)
Ending balance	**$ 165,682**	**$ 148,003**

(1) These amounts include capital commitments, as well as the aggregate par value of collateral assets and principal cash related to new CLO formations.
(2) These amounts include distributions for a realization event, tax-related distributions, reductions in the par value of collateral assets and principal cash resulting from the repayment of debt as return of principal by CLOs, and recallable distributions at the end of the investment period.
(3) The change in uncalled capital commitments generally reflects declines attributable to funds entering their liquidation periods, as well as capital contributions to funds in their liquidation periods for deferred purchase obligations or other reasons.
(4) The change in market value reflects the change in NAV of our funds, less management fees and other fund expenses, as well as changes in the aggregate par value of collateral assets and principal cash held by CLOs and other levered funds. The twelve months ended December 31, 2021 figures include the impact of transferring $450 million related to Oaktree Acquisition Corp I and II to closed-end funds from evergreen funds in the three months ended March 31, 2021.
(5) These amounts include contributions and capital commitments, and for Oaktree's publicly-traded BDCs, issuances of equity or debt capital.
(6) These amounts include redemptions and distributions, and for Oaktree's publicly-traded BDCs, dividends, repurchases of equity capital or repayment of debt.

Marketing and Client Relations

Client relationships are fundamental to Oaktree's business and by extension, to our business. Oaktree believes its success is a byproduct of the success of Oaktree fund investors and thus always strive to achieve superior returns with risk under control, to charge fair and transparent management fees, and to conduct itself with the highest levels of professionalism and integrity.

Oaktree has developed a loyal following among many of the world's most significant institutional investors, and believes that their loyalty, as well as the loyalty of Oaktree's other investors, results from Oaktree's superior investment record, its reputation for integrity, and the fairness and transparency of its fee structures.

We benefit from Oaktree's extensive in-house global Marketing and Client Relations groups, which are dedicated to relationship management, sales and client service in the Americas, Asia/Pacific, Europe and the Middle East. This relationship management, sales and client service team is augmented by product specialists and dedicated support staff across the areas of due diligence services, product management and marketing programming.

Human Capital

We are a values-driven firm that seeks to demonstrate integrity in all that we do. We strive to maintain a work environment that fosters integrity, professionalism, excellence, candor and collegiality among our employees. Because our people are our most important asset, we are committed to cultivating an environment that is inclusive and honors diversity of thought. Providing training and career development opportunities and emphasizing strong support for our local communities through philanthropic initiatives are essential to our culture.

We consider our labor relations to be good. As of December 31, 2021, OCM had 781 employees and we had 275 employees.

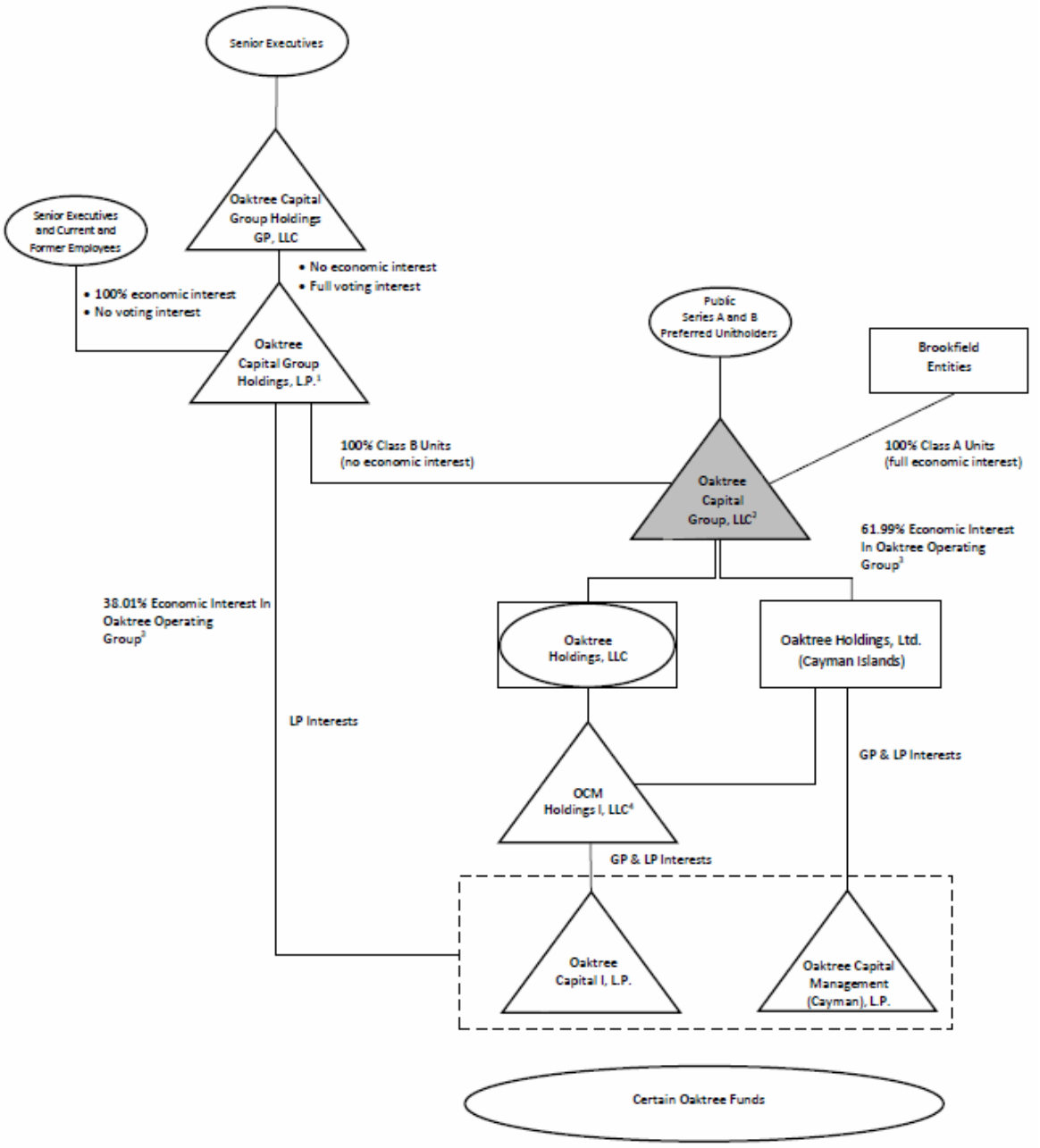
Competition

Oaktree and, by extension, we compete with many other firms in every aspect of our business, including raising funds, seeking investments and hiring and retaining professionals. Many of Oaktree's competitors are substantially larger than Oaktree and have considerably greater financial, technical and marketing resources. Certain of these competitors periodically raise significant amounts of capital in investment strategies that are similar to Oaktree's investment strategies. Some of these competitors also may have a lower cost of capital and access to funding sources that are not available to Oaktree, which may create further competitive disadvantages for us with respect to investment opportunities. In addition, some of these competitors may have higher risk tolerances or make different risk assessments than Oaktree does, allowing them to consider a wider variety of investments and establish broader networks of business relationships. In short, Oaktree and we operate in a highly competitive business and many of our competitors may be better positioned than we are to take advantage of opportunities in the marketplace. For additional information regarding the competitive risks that Oaktree and we face, please see "Risk Factors—Risks Relating to Our Business—The investment management business is intensely competitive."

Organizational Structure

Oaktree Capital Group, LLC is a Delaware limited liability company that was formed on April 13, 2007. We are owned by our common and preferred unitholders. Oaktree's operations are conducted through a group of operating entities collectively referred to as the "Oaktree Operating Group." Prior to the Restructuring, we had an indirect economic interest in each of the members of the Oaktree Operating Group; however, after the Restructuring, we have an indirect economic interest in only two of the six Oaktree Operating Group members. Please see "Business-Restructuring Transaction" above for more details on which Oaktree Operating Group members remain our indirect subsidiaries and which Oaktree Operating Group members are no longer our indirect subsidiaries after the Restructuring. OCGH has a direct economic interest in all of the Oaktree Operating Group members. The interests in the Oaktree Operating Group are referred to as the "Oaktree Operating Group units." An Oaktree Operating Group unit is not a separate legal interest but represents one limited partnership interest in each of the Oaktree Operating Group entities.

The diagram below depicts our organizational structure as of December 31, 2021.



(1) Holds 100% of the Class B units, which represents 86% of the total combined voting power of our outstanding Class A and Class B units. The Class B units have no economic interest in us. The general partner of Oaktree Capital Group Holdings, L.P. is Oaktree Capital Group Holdings GP, LLC, which is controlled by our senior executives.

(2) Oaktree Capital Group, LLC is the public registrant and the issuer of the Series A and Series B preferred units listed on the NYSE. It also holds, directly or indirectly, the preferred mirror units issued by Oaktree Capital I, L.P.

(3) The percent economic interest in Oaktree Operating Group represents the aggregate number of Oaktree Operating Group units held, directly or indirectly, as a percentage of the total number of Oaktree Operating Group units outstanding. As of December 31, 2021, there were 159,919,875 Oaktree Operating Group Units outstanding.

(4) Two additional entities, not reflected in this diagram, owns less than 1% interest in OCM Holdings I, LLC.

Regulatory Matters and Compliance

Oaktree's business, as well as the financial services industry in general, is subject to extensive regulation in the United States and elsewhere. Our indirect subsidiaries, Oaktree Capital Management (UK) LLP, Oaktree Capital Management (Europe) LLP and Oaktree Capital Management (International) Limited, are authorized and regulated by the U.K. Financial Conduct Authority ("FCA") as an investment manager in the United Kingdom. The U.K. Financial Services and Markets Act 2000 ("FSMA") and rules promulgated thereunder govern all aspects of the U.K. investment business, including sales, research and trading practices, the provision of investment advice, the use and safekeeping of client funds and securities, regulatory capital, recordkeeping, margin practices and procedures, the approval standards for individuals, anti-money laundering, periodic reporting, and settlement procedures. Similarly, we have a number of other non-U.S. subsidiaries that are regulated by the applicable regulators in their respective jurisdictions.

Our affiliated entity OCM, who provides certain services to us, is registered as an investment adviser with the U.S. Securities and Exchange Commission ("SEC"). Registered investment advisers are subject to the requirements and regulations of the U.S. Investment Advisers Act of 1940, as amended (the "Advisers Act"). These requirements relate to, among other things, fiduciary duties to clients, maintaining an effective compliance program, solicitation agreements, conflicts of interest, recordkeeping and reporting, disclosure, limitations on agency cross and principal transactions between an adviser and advisory clients and general anti-fraud prohibitions. In addition, OCM is registered as a commodity pool operator and a commodity trading adviser with the U.S. Commodity Futures Trading Commission ("CFTC"). Registered commodity pool operators and commodity trading advisers are each subject to the requirements and regulations of the U.S. Commodity Exchange Act, as amended (the "Commodity Exchange Act"). These requirements relate to, among other things, maintaining an effective compliance program, recordkeeping and reporting, disclosure, business conduct, and general anti-fraud prohibitions. In addition, as a registered commodity pool operator and a commodity trading adviser with the CFTC, OCM is also required to be a member of the National Futures Association (the "NFA"), a self-regulatory organization for the U.S. derivatives industry. The NFA also promulgates and enforces rules governing the conduct of, and examines the activities of, its member firms.

One of OCM's indirect subsidiaries, OCM Investments, LLC, is registered as a broker-dealer with the SEC and in all 50 states, the District of Columbia and Puerto Rico, and is a member of the U.S. Financial Industry Regulatory Authority ("FINRA"). As a broker-dealer, this entity is subject to regulation and oversight by the SEC and state securities regulators. In addition, FINRA, a self-regulatory organization that is subject to oversight by the SEC, promulgates and enforces rules governing the conduct of, and examines the activities of, its member firms. Due to the limited authority granted to OCM Investments, LLC in its capacity as a broker-dealer, it is not required to comply with certain regulations covering trade practices among broker-dealers and the use and safekeeping of customers' funds and securities. As a registered broker-dealer and member of a self-regulatory organization, OCM Investments, LLC, however, is subject to the SEC's uniform net capital rule. Rule 15c3-1 of the Exchange Act specifies the minimum level of net capital a broker-dealer must maintain and also requires that a significant part of a broker-dealer's assets be kept in relatively liquid form. The SEC and FINRA impose rules that require notification when net capital falls below certain predefined criteria, limit the ratio of subordinated debt to equity in the regulatory capital composition of a broker-dealer and constrain the ability of a broker-dealer to expand its business under certain circumstances. Additionally, the SEC's uniform net capital rule imposes certain requirements that may have the effect of prohibiting a broker-dealer from distributing or withdrawing capital and requiring prior notice to the SEC for certain withdrawals of capital.

Certain of our activities are subject to compliance with laws and regulations of U.S. federal, state and municipal governments, non-U.S. governments, their respective agencies and/or various self-regulatory organizations or exchanges relating to, among other things, antitrust laws, anti-money laundering laws, anti-bribery laws relating to foreign officials, and privacy laws with respect to client information, and some of our funds invest in businesses that operate in highly regulated industries. Any failure to comply with these rules and regulations could expose us to liability and/or reputational damage. Our business has operated for many years within a legal framework that requires our being able to monitor and comply with a broad range of legal and regulatory developments that affect our activities. However, additional legislation, changes in rules or changes in the interpretation or enforcement of existing laws and rules, either in the United States or elsewhere, may directly affect our mode of operation and profitability. Please see "Risk Factors—Risks Relating to Our Business—Regulatory changes in the United States, regulatory compliance failures and the effects of negative publicity surrounding the financial industry in general could adversely affect our reputation, business and operations."

Financial and Other Information

Financial and other information for the years ended December 31, 2021, 2020 and 2019 are discussed in “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Operating Metrics” included elsewhere in this annual report.

Available Information

Oaktree’s website address is www.oaktreecapital.com (the “Oaktree website”). Information on this website is not a part of this annual report and is not incorporated by reference herein. OCG makes available free of charge on this website or provides a link on this website to our Annual Report on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K and any amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Exchange Act, as soon as reasonably practicable after those reports are electronically filed with, or furnished to, the SEC. To access these filings, go to the “Unitholders—Investor Relations” section of the Oaktree website and then click on “SEC Filings.” In addition these reports and the other documents we file with the SEC are available at a website maintained by the SEC at www.sec.gov.

Investors and others should note that OCG uses the Unitholders – Investor Relations section of the Oaktree website to announce material information to investors and the marketplace. While not all of the information that we post on the Oaktree website is of a material nature, some information could be deemed to be material. Accordingly, we encourage investors, the media, and others interested in OCG to review the information that is shared on the Oaktree website at the Unitholders – Investor Relations section of the Oaktree website, ir.oaktreecapital.com. Information contained on, or available through, the Oaktree website is not incorporated by reference into this document.

Item 1A. Risk Factors

We are subject to a number of material risks inherent in our business. You should carefully consider the risks and uncertainties described below and other information included in this annual report. If any of the events described below occur, our business and financial results could be seriously harmed. The trading price of our preferred units could decline as a result of any of these risks, and you could lose all or part of your investment.

Risks Relating to Our Business

Given Oaktree’s focus on achieving superior investment performance with less-than-commensurate risk, and the priority afforded to its clients’ interests, Oaktree may reduce AUM, restrain its growth, reduce fees or otherwise alter the terms under which Oaktree or we do business when Oaktree or we deem it appropriate—even in circumstances where others might deem such actions unnecessary. This approach could adversely affect our results of operations.

One of the means by which Oaktree seeks to achieve superior investment performance is by limiting the AUM in its strategies to an amount that it believes can be invested appropriately in accordance with Oaktree’s investment philosophy and current or anticipated economic and market conditions. In the past Oaktree has taken, and may continue to take, affirmative steps to limit the growth of AUM, including the AUM of the funds that produce revenues for us. These steps include:

- from time to time, Oaktree has suspended marketing certain open-end funds or other funds sub-advised by us or our affiliates, sometimes for long periods, and have declined to participate in searches aggregating billions of dollars;
- from time to time, Oaktree has returned capital from certain closed-end funds prior to the end of such funds’ respective investment periods or declined to call all of the capital committed to certain closed-end funds during those funds’ respective investment periods;
- Oaktree intentionally sized certain closed-ended funds to be smaller than their predecessors even though additional capital could have been raised; and
- since Oaktree’s founding it has turned away substantial amounts of capital offered to Oaktree for management.

From time to time, Oaktree or we have, and may continue to, afford certain investors in our funds or separate account clients more favorable economic terms than other investors in the same fund or separate account clients within the same or similar investment strategy, including with respect to management fees and performance-based fees. The availability of such terms is generally based on the aggregate size of commitments of such investor or client to one or more funds or accounts managed by us or our affiliates.

Oaktree's practice of putting clients' interests first and forsaking short-term advantage by, for example, reducing assets under management or management fee or carried interest rates may reduce the profits we could otherwise realize in the short term and adversely affect our business and financial condition. Our unitholders should understand that in instances in which our clients' interests diverge from the short-term interests of our unitholders, we intend to act in the interests of our clients. However, it is our fundamental belief that prioritizing our clients' interests will maximize the long-term value of our business, which, in turn, will benefit our unitholders.

Our business is materially affected by conditions in the global financial markets and economies, and any disruption or deterioration in these conditions could materially reduce our revenues, earnings and cash flow and adversely affect our overall performance, ability to raise or deploy capital, financial prospects and condition and liquidity position.

Our business and the businesses in which our funds invest are materially affected by conditions in the global financial markets and economic conditions throughout the world that are outside our control, such as interest rates, the availability and cost of credit, inflation rates, economic uncertainty, political uncertainty, changes in laws (including laws relating to taxation), trade barriers, commodity prices, currency exchange rates and controls, volatility in financial markets, and national and international political circumstances (including wars such as the most recent Russia-Ukraine conflict, terrorist acts and security operations). These and other uncertain conditions in the global financial markets and economy have resulted in, and may continue to result in, adverse consequences for many of our funds, including restricting such funds' investment activities and impeding such funds' ability to effectively achieve their investment objectives. Specifically, the ongoing Russia-Ukraine conflict, including global sanctions being imposed on Russia, will likely cause continued volatility in the global financial markets and economy and, as a result, may adversely impact our financial condition.

The economic environment in the past has resulted in, and may in the future result in, decreases in the market value of certain publicly-traded securities held by some of our funds. Illiquidity in certain portions of the financial markets could adversely affect the pace of realization of our funds' investments or otherwise restrict the ability of our funds to realize value from their investments, thereby adversely affecting our ability to generate incentive or investment income. There can be no assurance that conditions in the global financial markets will not deteriorate and/or adversely affect our investments and overall performance.

Our profitability may also be adversely affected by our fixed costs, such as the compensation and expenses of our staff, service fees paid to OCM under the Services Agreement, lease payments on our office space, interest payments on our debt, development of, and maintenance on, our information technology and infrastructure, and the possibility that we would be unable to scale back other costs and otherwise redeploy our resources within a time frame sufficient to match changes in market and economic conditions to take advantage of the opportunities that may be presented by these changes. As a result, we may not be able to adjust our resources to take advantage of new investment opportunities that may be created as a result of specific dislocations in the market.

The coronavirus pandemic has significantly disrupted economic conditions and may adversely affect our operations, business, financial performance and operating results.

The pandemic caused by a novel coronavirus (including potential variants, "COVID-19") continues to pose serious threats to the health and economic wellbeing of the worldwide population and the overall economy in light of COVID-19 variants that seem to spread more easily than the original COVID-19 virus. The number of reported COVID-19 infections are rising again in certain countries worldwide likely due to these variants and the relaxation of certain efforts to mitigate the spread of COVID-19 previously imposed by governmental authorities. While the equity markets have rebounded from their steep declines in March 2020 after the World Health Organization announced that infections of COVID-19 had become a pandemic, there is continued uncertainty as to the duration of the global health and economic impact caused by COVID-19 even with COVID-19 vaccines now available. Actions at the outset of the pandemic that were intended to mitigate the spread of COVID-19 and the worldwide efforts to isolate at home and practice social distancing caused a dramatic increase in unemployment and economic instability in the United States and in certain other regions in which Oaktree operates. While such instability in certain parts of the world, including in the United States, have shown signs of recovery in large part because of the availability of COVID-19 vaccines, the continued uncertainty of COVID-19 variants may lead to renewed governmental efforts to mitigate COVID-19 spread seen at the beginning of the pandemic. Such renewed mitigation efforts would create significant uncertainty and volatility in Oaktree's business and its funds' and their respective portfolio companies' businesses as compared to pre-pandemic levels.

Although it is impossible to predict with certainty the potential full magnitude of the business and economic ramifications, COVID-19 has impacted, and may further impact, our and our funds' business, results of operations and financial condition in various ways, including but not limited to:

• Difficult market and economic conditions have, and may continue to, adversely impact the valuations of our and our funds' investments;

• Limitations on travel and social distancing requirements implemented in response to COVID-19 may challenge our ability to market new or successor funds as anticipated prior to COVID-19, resulting in less or delayed revenues. In addition, in light of volatility in the public equity markets, fund investors may become limited by their asset allocation policies to invest in new or successor funds that we provide, because these policies often restrict the amount that they are permitted to invest in alternative assets like the strategies of our investment funds;

• Limitations on travel and social distancing requirements may also impact the investment operations of our funds, as our investment professionals may be unable to visit properties or other physical assets owned by our funds and may be limited in their ability to perform in-person due diligence for new investment opportunities;

• While market dislocations caused by COVID-19 may present attractive investment opportunities, increased volatility in the financial markets may limit our ability to complete those investments;

• If the impact of COVID-19 continues, we and our funds may have more limited opportunities to successfully exit existing investments, due to, among other things, lower valuations, decreased revenues and earnings, lack of potential buyers with financial resources to pursue an acquisition or changes in receptivity of public investors to public equity offerings, resulting in a reduced ability to realize value from such investments;

• Our portfolio companies have faced and may face in the future increased credit and liquidity risk due to volatility in financial markets, reduced revenue streams and limited or higher cost of access to preferred sources of funding, which may result in potential impairment of our or our funds' equity investments. Changes in the debt financing markets may impact the ability of our portfolio companies to meet their respective financial obligations. We and our funds may experience similar difficulties, and certain funds have been forced to sell securities acquired with leverage when the value of those securities decreased substantially;

• Borrowers under loans, notes and other credit instruments in our credit funds' portfolio may be unable to meet their principal or interest payment obligations or satisfy financial covenants, and tenants leasing real estate properties owned by our funds may not be able to pay rents in a timely manner or at all, resulting in a decrease in the value of our funds' credit and real estate investments and lower than expected returns. In addition, for variable interest instruments, lower reference rates resulting from government stimulus programs in response to COVID-19 could lead to lower interest income for our credit funds; and

• Many of our portfolio companies operate in industries that are materially impacted by COVID-19, including but not limited to the travel, hospitality, energy, finance and real estate industries. Many of these companies have faced operational and financial challenges resulting from the spread of COVID-19 and related governmental measures, such as the closure of company facilities, restrictions on travel, quarantines and stay-at-home orders. If the disruptions caused by COVID-19 continue, the businesses of these portfolio companies could suffer, and they could become insolvent, all of which may decrease the value of our funds' investments.

We believe COVID-19's future impact on our business, results of operations and financial condition will be significantly driven by a number of factors that we are unable to predict or control, including, for example: the duration of the pandemic; the appearance of new variants of the virus; the pandemic's impact on the U.S. and global economies; the timing, scope and effectiveness of additional governmental responses to the pandemic; the timing and speed of economic recovery, including the availability, administration and effectiveness of vaccines and the development of treatments for COVID-19; the impact of the pandemic and measures taken in response to it on overall supply and demand, goods and services, investor liquidity and liquidity in the financial markets, consumer confidence and levels of economic activity and the extent of disruption to important global, regional and local supply chains and economic markets; and the negative impact on our fund investors, vendors and other business partners that may indirectly adversely affect us. Any of the foregoing factors, and other cascading effects of the COVID-19 pandemic, could further impact our business, results of operations and financial condition, including by materially increasing our costs.

Our business depends in large part on our ability to raise capital from investors. If we were unable to raise such capital, we would be unable to collect certain management fees or deploy such capital into investments, which would materially reduce our revenues and cash flow and adversely affect our financial condition.

Our ability to raise capital from investors depends on a number of factors, including many that are outside our control. These include the general economic environment and the number of other investment funds being raised at the same time by our competitors that are focused on the same or similar investment strategies as our funds.

Additionally, investors may reduce (or even eliminate) their investment allocations to alternative investments, including closed-ended private funds and hedge funds. Poor performance of our funds could also make it more difficult for us to raise new capital. Investors in our funds may decline to invest in future funds we raise, and investors in our open-end and evergreen funds may withdraw their investments in the funds (on specified withdrawal dates) as a result of poor performance. Our investors and potential investors continually assess our funds' performance, both on a standalone basis and relative to market benchmarks and our competitors, and our ability to raise capital for existing and future funds and avoid excessive redemptions depends on our funds' relative and absolute performance. To the extent economic and market conditions deteriorate, we may be unable to raise sufficient amounts of capital to support the investment activities of future funds.

In addition, certain institutional investors, including sovereign wealth funds and public pension funds, have demonstrated an increased preference for alternatives to the traditional investment fund structure, such as managed accounts, funds-of-one and co-investment vehicles. There can be no assurance that such alternatives will be as profitable for us as the traditional investment fund structure, or as to the impact such a trend could have on the cost of our operations or profitability. Moreover, certain institutional investors are demonstrating a preference to make direct investments in alternative assets without the assistance of private asset managers like us. Such institutional investors may become our competitors and could cease to be our clients. As some existing investors cease or significantly curtail making commitments to alternative investment funds, we may need to identify and attract new investors in order to maintain or increase the size of our investment funds. There are no assurances that we can find or secure capital commitments from new investors. If economic conditions were to deteriorate or if we are unable to find new investors, we might raise less than our desired amount for a given fund.

If we were unable to successfully raise capital, it could materially reduce our revenue, earnings and cash flow and adversely affect our financial prospects and condition.

In addition to a number of our own key personnel that we depend on, we also depend on OCM as the investment adviser to our funds to support our funds' investment activities and a Services Agreement with OCM to support our operations; if the terms of the services provided by OCM were significantly altered or if the arrangements to provide such services were terminated, our ability to achieve our investment objective or operate as a public reporting company could be significantly harmed.

We depend on the diligence, skill, judgment, reputation and business contacts of our key personnel and of key personnel of OCM provided to us through investment management agreements with our funds and a Services Agreement with us. Our future success will depend upon our and OCM's ability to retain these key personnel and to recruit additional qualified personnel. These key personnel possess substantial experience and expertise in investing, are responsible for locating and executing our funds' investments, have significant relationships with the institutions that are the source of many of our funds' investment opportunities and in certain cases have strong relationships with our investors. Therefore, if these key personnel join competitors or form competing companies, it could result in the loss of significant investment opportunities and certain existing investors. OCM is not obligated to dedicate any specific personnel exclusively to us, nor are they or their personnel obligated to dedicate any specific portion of their time to the management of our business. Consequently, we may not receive the level of support and assistance that we otherwise might receive if our funds were managed directly by us. We are also subject to conflicts of interest arising out of our relationship with OCM, Brookfield and their respective affiliates. For example, Mr. Howard Marks, our Co-Chairman and one of our board members, is also the Co-Chairman of OCM and a board member of Brookfield. As discussed above (under "Business—Brookfield Merger"), Brookfield and its affiliates acquired a majority interest in Oaktree upon the completion of the Mergers. Accordingly, Mr. Marks owes duties to OCM and Brookfield, which duties may from time-to-time conflict with the interests of us and our preferred unitholders. Additionally, if our Services Agreement with OCM is significantly altered or terminated, it could result in the loss of significant key personnel of OCM that we depend on to operate as a public reporting company and could have a material adverse effect on our financial condition and results of operation.

As the appointed investment adviser to our funds, OCM provides our funds services to evaluate, negotiate, structure, execute, monitor and service the funds' investments. Key personnel of OCM have departed in the past and current key personnel could depart at any time. The termination of the Services Agreement or the departure of key personnel or of a significant number of the investment professionals or partners of OCM could have a material adverse effect on our ability to maintain our operations or achieve our funds' investment objective. OCM may need to hire, train, supervise and manage new professionals to service our business and may not be able to find qualified professionals in a timely manner or at all.

Our revenues are volatile due to the nature and structure of our business, and if we experience a substantial decline in our incentive and investment income, we may not be able to pay distributions on our preferred units.

Our revenues and cash flow are more volatile and limited following the Merger and the Restructuring. The incentive income we receive and the investment income we recognize on our corporate investments in our funds and companies, which individually and collectively account for a substantial portion of our income, is now more limited than it was prior to October 1, 2019 as we no longer receive incentive or investment income from the entire Oaktree Operating Group, but rather incentive and investment income is received only from Oaktree Capital I and OCM Cayman. If we were to experience a significant reduction in incentive or investment income received from our funds, we may not be able to pay future distributions on our preferred units.

Our failure to deal appropriately with conflicts of interest or inter-fund governance matters could damage our reputation and adversely affect our business.

As we have expanded the number and scope of our strategies and distribution channels, including advising registered mutual funds and business development companies, we increasingly confront potential conflicts of interest that we need to manage and resolve. In our view, conflicts of interest may describe two types of potential situations: (i) where the interests of the funds we manage (or the investors in such funds) may conflict with one another; and (ii) where our interests, as manager or adviser, may conflict with the interests of our funds or our clients.

Examples of potential inter-fund conflicts include: (i) the allocation of investment opportunities in situations where the investment focus of one or more of our funds overlaps (including certain instances in which funds registered under the Investment Company Act may be precluded from participating in certain opportunities as a result of regulatory restrictions applicable to companies with multiple types of funds with overlapping investment focuses); (ii) opportunities to co-invest directly alongside a fund that are offered to certain fund investors rather than to other Oaktree funds or other fund investors; (iii) investments by different funds at different levels of the capital structure of the same issuer; (iv) receipt of material, non-public information regarding an issuer by one strategy where another strategy does not wish to be restricted in trading the securities of that issuer; and (v) investments by a fund into a portfolio company held or controlled by another fund. Over time we have developed general guidelines or a course of conduct to manage these potential inter-fund governance matters, including establishing an inter-fund governance work group and standing committee composed of senior officers from our non-investment groups, including our legal and compliance departments. We seek to resolve such governance issues in good faith and with a view to the best interests of all of our clients, but there can be no assurance that we will make the correct judgment or that our judgment will not be questioned or challenged.

In addition to the potential for conflict among our funds, we face the potential for conflict between us and our funds or clients. These conflicts may include: (i) personal trading by our personnel in the securities of issuers held by one or more of our funds; (ii) the allocation of investment opportunities among funds with different incentive fee structures, or where Oaktree personnel have invested more heavily in one fund than another; (iii) the use of subscription lines by our funds, which, among other things, may cause fund investors to indirectly bear interest expense when such investors would prefer to contribute capital and avoid the interest expense; and (iv) the determination of what constitutes fund-related expenses and the allocation of such expenses between our advised funds and us. We maintain internal controls and various policies and procedures, including oversight, codes of ethics and conduct, compliance systems and communication tools, to identify, prevent, mitigate or resolve conflicts of interest that may arise. Notwithstanding these efforts, it is possible that perceived or actual conflicts could give rise to investor dissatisfaction or litigation or regulatory enforcement actions. Appropriately dealing with conflicts of interest is complex and difficult, and any mistake could potentially create liability or damage our reputation. Regulatory scrutiny of, or litigation in connection with, conflicts of interest could have a material adverse effect on our reputation, which in turn could materially adversely affect our business in a number of ways, such as causing investors to redeem their capital (to the degree they have that right), making it harder for us to raise new funds and discouraging others from doing business with us.

The investment management business is intensely competitive.

The investment management business is intensely competitive, with competition based on a variety of factors, including investment performance, the quality of service provided to clients, brand recognition and business reputation. Our investment management business competes for clients, personnel and investment opportunities with a large number of private equity funds, specialized investment funds, hedge funds, corporate buyers, traditional investment managers, commercial banks, investment banks, other investment managers and other financial institutions, and we expect that competition will increase. Numerous factors serve to increase our competitive risks, some of which are outside of our control:

- a number of our competitors have more personnel and greater financial, technical, marketing and other resources than we do, and, in the case of some competitors, longer operating histories, more established relationships and/or greater experience;
- some of our funds may not perform as well as competitors' funds or other available investment products;
- many of our competitors have raised, or are expected to raise, significant amounts of capital, and many of them have investment objectives similar to ours, which may create additional competition for investment opportunities and reduce the size and duration of pricing inefficiencies that we seek to exploit;
- some of our competitors (including strategic competitors) may have a lower cost of capital and access to funding sources that are not available to us, which may create competitive disadvantages for us with respect to our funds, particularly our funds that directly use leverage or rely on debt financing of their portfolio companies to generate superior investment returns;
- some of our competitors have higher risk tolerances, different risk assessments or lower return thresholds, which could allow them to consider a wider variety of investments and to bid more aggressively than us for investments;
- our competitors may be able to achieve synergistic cost savings in respect of an investment that we cannot, which may provide them with a competitive advantage in bidding for an investment;
- there are relatively few barriers to entry impeding new investment funds, and the successful efforts of new entrants into our various lines of business, including major commercial and investment banks and other financial institutions, have resulted in increased competition;
- some of our competitors may have better expertise or be regarded by investors as having better expertise in a specific asset class or geographic region than we do;
- some investors may prefer to pursue investments directly instead of investing through one of our funds; and
- other industry participants will from time to time seek to recruit our investment professionals and other employees away from us.

We may find it harder to raise funds, and we may lose investment opportunities in the future, if we do not match or improve on the fees, structures, products and terms offered by competitors to their fund clients. Alternatively, we may experience decreased profitability, rates of return and increased risk of loss if we match or improve on the prices, structures, products and terms offered by competitors. This competitive pressure could adversely affect our ability to make successful investments and limit our ability to raise future funds, either of which would adversely impact our business, revenues, results of operations and cash flow.

Poor performance of our funds would cause a decline in our revenues, net income and cash flow and could adversely affect our ability to raise capital for future funds.

When any of our funds perform poorly, either by incurring losses or underperforming benchmarks or our competitors, our investment record suffers. Poor investment performance by our funds also adversely affects our incentive income and, all else being equal, may lead to a decline in our AUM, resulting in a reduction of our management fees for certain funds. Moreover, in such circumstances, we may experience losses on our investments of our own capital. If a fund performs poorly, we will receive little or no incentive income with regard to the fund and little income or possibly losses from our own principal investment in the fund. Poor performance of our funds could also make it more difficult for us to raise new capital. Investors in our closed-end funds may decline to invest in future closed-end funds we raise, and investors in our open-end and evergreen funds may withdraw their investments in the funds (on specified withdrawal dates) as a result of poor performance. Our investors and potential investors continually assess our funds' performance, both on a standalone basis and relative to market benchmarks, our competitors, and other investment products, and our ability to raise capital for existing and future funds and avoid excessive redemption levels depends on our funds' performance.

We may not be able to maintain our current fee structure as a result of industry pressure from clients to reduce fees, which could have an adverse effect on our profit margins and results of operations.

We may not be able to maintain our current fee structure as a result of industry pressure from clients to reduce fees. Although our investment management fees vary among and within asset classes, historically we have competed primarily on the basis of our performance and not on the level of our investment management fees relative to those of our competitors. In recent years, however, there has been a general trend toward lower fees in the investment management industry, and we have in certain cases lowered the fees we charge in order to remain competitive. Additionally, we have afforded, and reserve the right in our sole discretion to continue to afford, certain

clients more favorable economic terms, including with respect to management fee rates and carried interest rates, in cases where such clients have committed capital to our funds or strategies that in the aggregate exceeds certain threshold amounts. In order to maintain our fee structure in a competitive environment, we must be able to continue to provide clients with investment returns and service that incentivize our investors to pay our current fee rates. We cannot provide any assurance that we will succeed in providing investment returns and service that will allow us to maintain our current fee structure. Fee reductions on existing or new business could have an adverse effect on our profit margins and results of operations. For more information about our fees please see “Management’s Discussion and Analysis of Financial Condition and Results of Operations.”

We often pursue investment opportunities that involve business, regulatory, legal or other complexities.

We often pursue unusually complex investment opportunities involving substantial business, regulatory or legal complexity that would deter other investment managers. Our tolerance for complexity presents risks, as such transactions can be more difficult, expensive and time-consuming to finance and execute; it can be more difficult to manage or realize value from the assets acquired in such transactions; and such transactions sometimes entail a higher level of regulatory scrutiny or a greater risk of contingent liabilities. Any of these risks could harm the performance of our funds.

Extensive regulation in the United States and abroad affects our activities and creates the potential for significant liabilities and penalties that could adversely affect our business and results of operations.

Potential regulatory action poses a significant risk to our reputation and our business. Oaktree’s business, and by extension our business, is subject to extensive regulation in the United States and in the other countries in which our investment activities occur, including periodic examinations, inquiries and investigations by governmental and self-regulatory organizations in the jurisdictions in which Oaktree operates around the world. Many of these regulators, including U.S. federal and state and foreign government agencies and self-regulatory organizations, are empowered to impose fines, suspensions of personnel or other sanctions, including censure, the issuance of cease-and-desist orders or the suspension or expulsion of applicable licenses and memberships. Even if an investigation did not result in a sanction, or the sanction imposed against us or our personnel were small in monetary amount, adverse publicity relating to the investigation could harm our reputation and cause us to lose existing investors or fail to gain new investors.

Each of the regulatory bodies with jurisdiction over us has regulatory powers dealing with many aspects of financial services, including the authority to grant, and in specific circumstances to cancel, permissions to carry on particular activities. A failure to comply with the applicable obligations imposed by the Advisers Act and the Investment Company Act, including recordkeeping, custody, advertising and operating requirements, disclosure obligations and prohibitions on fraudulent activities, could result in investigations, sanctions and reputational damage. Similarly, a failure to comply with the obligations imposed by the Commodity Exchange Act, including recordkeeping, reporting requirements, disclosure obligations and prohibitions on fraudulent activities, could also result in investigations, sanctions and reputational damage. Our funds are involved regularly in trading activities that implicate a broad number of U.S. securities law regimes, including laws governing trading on inside information, market manipulation and a broad number of technical trading requirements that implicate fundamental market regulation policies. Violation of these laws could result in severe restrictions on our activities and damage to our reputation.

Our failure to comply with applicable laws or regulations could result in litigation, fines, censure, suspensions of personnel or other sanctions, including revocation of the registration of our relevant subsidiary as an investment adviser, CPO, CTA or registered broker-dealer. The regulations to which our business is subject are designed primarily to protect investors in our funds and to ensure the integrity of the financial markets. They are not designed to protect our preferred unitholders. Even if a sanction imposed against us, one of our subsidiaries or our personnel by a regulator is for a small monetary amount, the adverse publicity related to the sanction could harm our reputation, which in turn could materially adversely affect our business in a number of ways, such as causing investors to redeem their capital (to the extent they have that right), making it harder for us to raise new funds and discouraging others from doing business with us.

Some of our funds invest in businesses that operate in highly-regulated industries, including businesses that are regulated by the U.S. Federal Communications Commission, the U.S. Federal Energy Regulatory Commission, U.S. federal and state banking authorities and U.S. state gaming authorities, as well as equivalent foreign regulatory bodies. The regulatory regimes to which such businesses are subject may, among other things, condition our funds’ ability to invest in those businesses upon the satisfaction of applicable ownership restrictions or qualification requirements or, absent any applicable exemption, require us or our subsidiaries to comply with registration, reporting or other requirements. Moreover, our failure to obtain or maintain any regulatory approvals

necessary for our funds to invest in such industries may disqualify our funds from participating in certain investments or require our funds to divest themselves of certain assets.

Regulatory changes in the United States, regulatory compliance failures and the effects of negative publicity surrounding the financial industry in general could adversely affect our reputation, business and operations.

The business in which we operate both in and outside the United States may be subject to new or additional regulations from time to time. We may be adversely affected as a result of new or revised legislation or regulations imposed by the SEC, the CFTC or other U.S. governmental regulatory authorities or self-regulatory organizations that supervise the financial markets and businesses such as ours. We also may be adversely affected by changes in the interpretation or enforcement of existing laws and rules by these governmental authorities and self-regulatory organizations. For example, in recent years, senior officials at the SEC have shown a willingness to pursue violations that could be viewed as minor on the theory that publicly pursuing minor violations could reduce the prevalence of more significant violations.

It is difficult to determine the full extent of the impact on us of any new laws, regulations or initiatives that may be proposed or whether any of the proposals will become law. Any changes in the regulatory framework applicable to our business, including the changes described above, may impose additional costs on us, require the attention of our senior management or result in limitations on the manner in which we conduct our business. Moreover, as calls for additional regulation have increased, there may be a related increase in regulatory investigations of the trading and other investment activities of alternative asset management funds, including our funds. In addition, we may be adversely affected by changes in the interpretation or enforcement of existing laws and rules by these governmental authorities and self-regulatory organizations. Compliance with any new laws or regulations could make our overall compliance activities more difficult and expensive, affect the manner in which we conduct our business and adversely affect our profitability.

Changes in law and government regulations may adversely affect our business, financial condition and results of operations.

The current regulatory environment in the United States may be impacted by future legislative developments, such as amendments to key provisions of the Dodd-Frank Act. Any changes in the regulatory framework applicable to our business or the businesses of the portfolio companies of our funds may impose additional costs, require the attention of our senior management or result in limitations on the manner in which business is conducted, or may ultimately have an adverse impact on the competitiveness of certain nonbank financial service providers vis-à-vis traditional banking organizations.

The replacement of LIBOR with an alternative reference rate may adversely affect our credit arrangements and our collateralized loan obligation transactions.

LIBOR and certain other “benchmarks” are the subject of recent national, international, and other regulatory guidance and proposals for reform. These reforms have resulted in plans to phase out and eventually replace LIBOR which may cause such benchmarks to perform differently than in the past or have other consequences which cannot be predicted.

In November 2020, the FCA, which regulates LIBOR, announced that subject to confirmation following its consultation with the administrator of LIBOR, it would cease publication of the one-week and two-month USD LIBOR immediately after December 31, 2021, and cease publication of the remaining tenors immediately after June 30, 2023. Additionally, the Federal Reserve Board has advised banks to stop entering into new USD LIBOR-based contracts. As of the end of December 31, 2021, one-week and two-month USD LIBOR ceased to be published, and can no longer be referenced in financial contracts. Tenors of overnight, 1, 3, 6, and 12-month USD LIBOR will continue to be calculated using panel bank submissions until June 30, 2023 for the purpose of legacy contracts, but they are not to be used in new LIBOR contracts. As a result of the phasing out of this benchmark, interest rates on our floating rate obligations, loans, deposits, derivatives, and other financial instruments tied to LIBOR rates, as well as the revenue and expenses associated with those financial instruments, may be adversely affected. It is unclear what methods of calculating a replacement benchmark will be established or adopted generally, and whether different industry bodies, such as the loan market and the derivatives market will adopt the same methodologies. To address the transition away from LIBOR, we have amended or will amend our credit agreements and related loan documentation to provide for an agreed upon methodology to calculate new benchmark rate spreads, but there are as yet no comparable forward-looking benchmarks for the various LIBOR tenors. We are carefully evaluating our CLOs to identify any discrepancy between the interest rate an issuer pays on its liabilities compared to the interest rate on the underlying assets, or the amounts payable under a derivative used to hedge its currency or interest rate exposure. For our latest generation of CLOs, we have been incorporating or will incorporate provisions to address

the transition from LIBOR, however certain older CLOs have not yet come up for amendment or refinancing, and as such may not currently contain clear LIBOR transition procedures. Additionally, there will be significant work required to transition to using the new benchmark rates and implement necessary changes to our systems, processes and models. This may impact our existing transaction data, products, systems, operations, and valuation processes. The calculation of interest rates under the replacement benchmarks could also negatively impact our business and financial results. We are assessing the impact of the transition; however, we cannot reasonably estimate the impact of the transition at this time.

There is no guarantee that a transition from LIBOR to an alternative will not result in financial market disruptions, significant increases or volatility in risk-free benchmark rates, or borrowing costs to borrowers, any of which could have a material adverse effect on our business, result of operations, financial condition, and unit price.

Regulatory changes in jurisdictions outside the United States could adversely affect our business.

Certain of our subsidiaries operate outside the United States. In the United Kingdom, Oaktree Capital Management (UK) LLP, Oaktree Capital Management (Europe) LLP and Oaktree Capital Management (International) Limited are each subject to regulation by the Financial Conduct Authority. In Hong Kong, Oaktree Capital (Hong Kong) Limited is subject to regulation by the Hong Kong Securities and Futures Commission. In Singapore, Oaktree Capital Management Pte. Ltd. is subject to regulation by the Monetary Authority of Singapore. In Japan, Oaktree Japan, Inc. is subject to regulation by the Kanto Local Finance Bureau. In Luxembourg, Oaktree Capital Management (Lux) S.à r.l. is subject to regulation by the Commission de Surveillance du Secteur Financier. Our other European and Asian operations and our investment activities worldwide are subject to a variety of regulatory regimes that vary by country. In addition, we regularly rely on exemptions from various requirements of the regulations of certain foreign countries in conducting our asset management and fundraising activities.

Each of the regulatory bodies with jurisdiction over us has regulatory powers dealing with many aspects of our business generally and financial services specifically, including the authority to grant, and in specific circumstances to cancel, permissions to carry on particular activities. We are involved regularly in trading activities that implicate a broad number of foreign (as well as U.S.) securities law regimes, including laws governing trading on inside information and market manipulation and a broad number of technical trading requirements that implicate fundamental market regulation policies. Additionally, we must comply with foreign laws governing the sale of interests in our funds and laws that govern other business activities. Violation of these laws could result in severe penalties, restrictions or prohibitions on our activities and damage to our reputation, which in turn could materially adversely affect our business in a number of ways, such as causing investors to redeem their capital (to the degree they have that right), making it harder for us to raise new funds and discouraging others from doing business with us.

SEC rules barring so-called "bad actors" from relying on Rule 506 of Regulation D in private placements could materially adversely affect our business, financial condition and results of operations.

Rules 501 and 506 of Regulation D under the Securities Act prohibit issuers deemed to be "bad actors" from relying on the exemptions available under Rule 506 of Regulation D ("Rule 506") in connection with private placements (the "disqualification rule"). Specifically, an issuer will be precluded from conducting offerings that rely on the exemption from registration under the Securities Act provided by Rule 506 ("Rule 506 offerings") if a "covered person" of the issuer has been the subject of a "disqualifying event" (each as defined below). "Covered persons" include, among others, the issuer, affiliated issuers, any investment manager or solicitor of the issuer, any director, executive officer or other officer participating in the offering of the issuer, any general partner or managing member of the foregoing entities, any promoter of the issuer and any beneficial owner of 20% or more of the issuer's outstanding voting equity securities, calculated on the basis of voting power. A "disqualifying event" includes, among other things, certain (1) criminal convictions and court injunctions and restraining orders issued in connection with the purchase or sale of a security or false filings with the SEC; (2) final orders from the CFTC, federal banking agencies and certain other regulators that bar a person from associating with a regulated entity or engaging in the business of securities, insurance or banking or that are based on certain fraudulent conduct; (3) SEC disciplinary orders relating to investment advisers, brokers, dealers and their associated persons; (4) SEC cease-and-desist orders relating to violations of certain anti-fraud provisions and registration requirements of the federal securities laws; (5) suspensions or expulsions from membership in a self-regulatory organization ("SRO") or from association with an SRO member; and (6) U.S. Postal Service false representation orders.

If any Oaktree covered person is subject to a disqualifying event, one or more of our funds could lose the ability to raise capital in a Rule 506 offering for a significant period of time. Most of our funds rely on Rule 506 to raise capital from investors during their fundraising periods. If one or more of our funds were to lose the ability to

rely on the Rule 506 exemption because an Oaktree covered person has been the subject of a disqualifying event, our business, financial condition and results of operations could be materially and adversely affected.

Failure to comply with "pay to play" regulations implemented by the SEC and certain states, and changes to the "pay to play" regulatory regimes, could adversely affect our business.

In recent years, the SEC and several states have initiated investigations alleging that certain private equity firms and hedge funds or agents acting on their behalf have paid money to current or former government officials or their associates in exchange for improperly soliciting contracts with state pension funds. The SEC has also initiated a similar investigation into contracts awarded by sovereign wealth funds. Rule 206(4)-5 under the Advisers Act addresses "pay to play" practices by investment advisers involving campaign contributions and other payments to government officials able to exert influence on potential U.S. state and local government entity clients. Among other restrictions, the rule prohibits investment advisers from providing advisory services for compensation to a government entity for two years, subject to very limited exceptions, after the investment adviser, its senior executives or its personnel involved in soliciting investments from government entities make contributions to certain candidates and officials in a position to influence the hiring of an investment adviser by such government entity. The rule does not require any showing that a donation was made with intent to exert influence. Any donation that exceeds the limits set forth in Rule 206(4)-5 may lead to an investment adviser being required to forgo compensation from applicable government entities for two years; to the extent such fees have already been paid, the investment adviser may be required to forfeit the already-received compensation. Advisers are required to implement compliance policies designed, among other matters, to track contributions by certain of the adviser's employees and engagements of third parties that solicit government entities and to keep certain records in order to enable the SEC to determine compliance with the rule. Additionally, California law requires placement agents (including in certain cases employees of investment managers) who solicit funds from California state retirement systems, such as the California Public Employees' Retirement System and the California State Teachers' Retirement System, to register as lobbyists, thereby becoming subject to increased reporting requirements and prohibited from receiving contingent compensation for soliciting investments from California state retirement systems. New York has adopted similar rules. Such rules may require the attention of our senior management and may result in fines if any of our funds are deemed to have violated any laws or regulations, thereby imposing additional expenses on us. For instance, in July 2018, Oaktree reached a settlement with the SEC related to its "pay to play" rules pursuant to which Oaktree paid a monetary settlement to the SEC and agreed not to violate the rule in the future. Any failure by us or by our senior executives or personnel involved in soliciting investment from government entities to comply with these rules could cause us to lose compensation for our advisory services or expose us to significant penalties and reputational damage.

Failure to maintain the security of our information and technology networks, including personal data and client information, intellectual property and proprietary business information could have a material adverse effect on us.

Security breaches and other disruptions of or incidents affecting our information and technology networks could result in compromising our information and intellectual property and expose us to significant liability, reputational harm, regulatory investigation and remediation costs, which could cause material harm to our business and financial results. In the ordinary course of our business, we collect, process and store sensitive data, including our proprietary business information and intellectual property, and personal data of our employees and our clients, in our data centers and on our networks (including data stored on systems maintained by third parties). The secure processing, maintenance and transmission of this information are critical to our operations. Although we take various measures and have made, and will continue to make, significant investments in an attempt to ensure the integrity of our systems and to safeguard against such failures or security breaches, there can be no assurance that these measures and investments will provide adequate protection. Despite our security measures, our information technology and infrastructure are vulnerable to different types of attacks by third parties or breaches due to employee error, malfeasance or other disruptions. Certain of our funds invest in strategic assets having a national or regional profile or in infrastructure assets, the nature of which could expose them to a greater risk of being subject to a cyberattack or security breach. In addition, we and our employees have been and may continue to be the target of fraudulent emails or other targeted attempts to gain unauthorized access to proprietary or sensitive information, including personal data.

There has been an increase in the frequency and sophistication of the data security threats we face, with attacks ranging from those common to businesses generally to those that are more advanced and persistent, which may target us because, as an investment management firm, we hold confidential and other price-sensitive information about the portfolio companies of our funds and their potential investments. As a result, we face a heightened risk of a security breach or disruption with respect to sensitive information resulting from an attack by

computer hackers, foreign governments, cyber-terrorists or other bad actors. If successful, these types of attacks on our network or other systems could have a material adverse effect on our business and results of operations, due to, among other things, the loss, unauthorized access to or other misuse of personal, regulated, investor or proprietary data, interruptions or delays in our business and damage to our reputation. We are not currently aware of any cyberattacks or other incidents that, individually or in the aggregate, have materially affected, or would reasonably be expected to materially affect, our operations or financial condition. There can be no assurance that the various procedures and controls we utilize to mitigate these threats will be sufficient to prevent or detect disruptions to our systems. Because cyberattacks can originate from a wide variety of sources and the techniques used change frequently and are not recognized until launched, we may not learn about an attack until well after the attack occurs, and the full scope of a cyberattack may not be realized until an investigation has been performed. The costs related to data security threats or disruptions may not be fully insured or indemnified by other means. In addition, data security has become a top priority for regulators around the world.

A significant actual or potential theft, loss, corruption, exposure, fraudulent use or misuse of client, employee or other personal data, regulated or proprietary business data, whether by third parties or as a result of employee malfeasance or otherwise, non-compliance with our contractual or other legal obligations regarding such data or intellectual property or a violation of our privacy and security policies with respect to such data could result in significant remediation and other costs, fines, litigation or regulatory actions against us. Such an event could additionally disrupt our operations and the services we provide to clients, damage our reputation, result in a loss of a competitive advantage, impact our ability to provide timely and accurate financial data, and cause a loss of confidence in our services and financial reporting, which could adversely affect our business, revenues, competitive position and investor confidence.

Additionally, the General Data Protection Regulation (“GDPR”) became applicable in all European Union (“EU”) member states on May 25, 2018. This regulation added a broad array of requirements for handling personal data of individuals that are residents of the EU and the processing and transfer of that data from the EU and could impose a fine of up to 4% of global annual revenue or 20 million euros, whichever is higher, for violations. The GDPR has resulted in and will continue to result in significantly greater compliance burdens and costs for companies like us. Further, due to Brexit (discussed below), we are required to comply with GDPR and also the UK equivalent. The relationship between the UK and the EU in relation to certain aspects of data protection law remains unclear, and any changes will lead to additional costs and increase our overall risk exposure.

In addition to the GDPR, California enacted the California Consumer Privacy Act of 2018 (the “CCPA”), which went into effect on January 1, 2020. The CCPA imposes sweeping data protection obligations on many companies doing business in California and provides for substantial fines for non-compliance and, in some cases, a private right of action for consumers who are victims of data breaches involving their unencrypted personal information. Further, in November 2020, California voters passed the California Privacy Rights and Enforcement Act of 2020 (“CPRA”), which amends and further expands the CCPA with additional data privacy compliance requirements that may impact our business, and establishes a regulatory agency dedicated to enforcing those requirements. It remains unclear how various provisions of the CCPA and CPRA will be interpreted and enforced. These and other data privacy laws and regulations and their interpretations continue to develop and may be inconsistent from jurisdiction to jurisdiction. The effects of the GDPR, CCPA, CPRA, and other U.S. state, U.S. federal, and international data privacy laws and regulations are significant and may require us to modify our data processing practices and policies and to incur substantial costs and potential liability in an effort to comply with such laws and regulations.

Interruption of our information technology, communications systems or data services could disrupt our business, result in losses and/or limit our growth.

We rely heavily on our financial, accounting, communications and other information technology systems. If our systems do not operate properly, are disabled or are compromised, we could suffer financial loss, a disruption of our business, liability to our funds, regulatory intervention or reputational damage. Our information technology and communications systems are vulnerable to damage or disruption from fire, power loss, telecommunications failure, system malfunctions, natural disasters such as hurricanes, earthquakes and floods, acts of war or terrorism, employee errors or malfeasance, computer viruses, cyberattacks, or other events which are beyond our control.

We depend on Oaktree’s headquarters in Los Angeles, where a substantial portion of Oaktree’s personnel are located, for the continued operation of our business. An earthquake or other disaster or a disruption in the infrastructure that supports our business, including a disruption involving electronic communications or other services used by us or third parties with whom we conduct business, or directly affecting our headquarters, could have a material adverse impact on our ability to continue to operate our business without interruption. Insurance and other safeguards might only partially reimburse us for our losses, if at all.

In addition, we rely on third party service providers for certain aspects of our business, including software vendors for portfolio management and accounting software, outside financial institutions for back office processing and custody of securities and third party broker dealers for the execution of trades. An interruption or deterioration in the performance of these third parties or failures of their information systems and technology, over which we have no control, could cause system interruption, delays, loss, corruption or exposure of critical data or intellectual property and impair the quality of the funds' operations, which could impact our reputation and hence adversely affect our business. These risks could increase as vendors increasingly offer cloud-based software services rather than software services that can be operated within our own data centers. Our portfolio companies also rely on data processing systems and the secure processing, storage and transmission of information, including payment and health information. A disruption or compromise of these systems could have a material adverse effect on the value of these businesses. Such an event may have adverse consequences on our investments or assets of the same type, or may require portfolio companies to increase preventative security measures or expand insurance coverage.

Any such interruption or deterioration in our operations could result in substantial recovery and remediation costs and liability to our clients, business partners and other third parties. While we have implemented disaster recovery plans, business continuity plans and backup systems to lessen the risk of any material adverse impact, our disaster recovery planning may not be sufficient to mitigate the harm and cannot account for all eventualities, and a catastrophic event that results in the destruction or disruption of any of our data, our critical business or information technology systems could severely affect our ability to conduct our business operations, and as a result, our future operating results could be materially adversely affected.

We are subject to substantial litigation risks and may face significant liabilities and damage to our professional reputation as a result.

In recent years, the volume of claims and amount of damages claimed in litigation and regulatory proceedings against investment managers have been increasing. Oaktree makes investment decisions on behalf of its clients that could result in substantial losses. This may subject us to the risk of legal liabilities or actions alleging negligence, breach of fiduciary duty, breach of contract or other causes of action. Heightened standards of care or additional fiduciary duties may apply in certain of our managed accounts or other advisory contracts. To the extent we enter into agreements with clients containing such terms or applicable law mandates a heightened standard of care or duties, we could, for example, be liable to certain clients for acts of simple negligence or breach of such duties.

Further, we may be subject to litigation arising from investor dissatisfaction with the performance of our funds or from third-party allegations that we improperly exercised control or influence over portfolio investments or that we are liable for actions or inactions taken by portfolio companies that such third parties argue we control. In addition, we and our affiliates that are the investment managers and general partners of our funds, our funds themselves and those of our employees who are our, our subsidiaries' or the funds' officers and directors are each exposed to the risks of litigation specific to the funds' investment activities and portfolio companies and, in cases where our funds own controlling interests in public companies, to the risk of shareholder litigation by the public companies' other shareholders. Moreover, we are exposed to risks of litigation or investigation by investors and regulators relating to our having engaged, or our funds having engaged, in transactions that presented conflicts of interest that were not properly addressed. Please see also "—Extensive regulation in the United States and abroad affects our activities and creates the potential for significant liabilities and penalties that could adversely affect our business and results of operations."

Substantial legal liability could materially adversely affect our business, financial condition or results of operations or cause significant reputational harm to us, which could seriously harm our business. We depend, to a large extent, on our business relationships and our reputation for integrity and high-caliber professional services to attract and retain investors. As a result, allegations of improper conduct asserted by private litigants or regulators, regardless of whether the ultimate outcome is favorable or unfavorable to us, as well as negative publicity and press speculation about us, our investment activities or the investment industry in general, whether or not valid, may harm our reputation, which may be more damaging to our business than to other types of businesses.

Employee misconduct, which is difficult to detect and deter, could harm us by impairing our ability to attract and retain clients and subject us to significant legal liability and reputational harm. Fraud and other deceptive practices or other misconduct at the portfolio companies of our funds could similarly subject us to liability and reputational damage and also harm our performance.

There have been a number of highly publicized cases involving fraud or other misconduct by individuals in the financial services industry, and there is a risk that Oaktree employees could engage in misconduct that adversely affects our business. Oaktree is subject to a number of obligations and standards arising from its

investment management business and the authority over the assets Oaktree manages. The violation of any of these obligations or standards by any of Oaktree's employees or advisors could adversely affect Oaktree clients and us. Our business often requires that we deal with confidential matters of great significance to companies in which our funds may invest or to Oaktree clients. If Oaktree employees improperly use or disclose confidential information, we could be subject to regulatory sanctions and suffer serious harm to our reputation, financial position and current and future business relationships. It is not always possible to deter employee misconduct, and the precautions we take to prevent this activity may not be effective in all cases. If Oaktree employees engage in misconduct, or if they are accused of misconduct, our business and our reputation could be adversely affected.

In recent years, the U.S. Department of Justice and the SEC have devoted greater resources to enforcement of the Foreign Corrupt Practices Act (the "FCPA"). In addition, the United Kingdom has significantly expanded the reach of its anti-bribery laws. While we have developed and implemented policies and procedures designed to ensure compliance by us and our personnel with the FCPA, such policies and procedures may not be effective in all instances to prevent violations. Any determination that we or our personnel have violated the FCPA, UK anti-bribery laws or other applicable anti-corruption laws could subject us to, among other things, civil and criminal penalties, material fines, profit disgorgement, injunctions on future conduct, securities litigation and a general loss of investor confidence, any one of which could adversely affect our business, financial condition or results of operations.

In addition, we may also be adversely affected if there is misconduct by personnel of portfolio companies in which our funds invest. For example, financial fraud or other deceptive practices at such portfolio companies, or failures by personnel at such portfolio companies to comply with anti-bribery, trade sanctions or other legal and regulatory requirements could adversely affect our business and reputation. Such misconduct might undermine our due diligence efforts with respect to such companies and could negatively affect the valuation of our funds' investments. In addition, we may face increased risk of such misconduct to the extent our funds' investment in markets outside the United States, particularly emerging markets, increases.

The United Kingdom's exit from the European Union, and the implementation of the trade and cooperation agreement between the United Kingdom and the European Union, could adversely affect us.

On June 23, 2016, the United Kingdom (the "U.K.") held a referendum on whether to remain a member state of the EU in which a majority of voters approved an exit from the EU, commonly referred to as "Brexit." The U.K. withdrew from the EU on January 31, 2020, but the U.K. remained in the EU's customs union and single market for a transition period that expired on December 31, 2020. On December 24, 2020, the U.K. and the EU entered into a trade and cooperation agreement (the "Trade and Cooperation Agreement"), which was applied on a provisional basis from January 1, 2021 and has since been approved by the European Parliament and so now applies permanently. While the economic integration does not reach the level that existed during the time the UK was a member state of the EU, the Trade and Cooperation Agreement sets out preferential arrangements in areas such as trade in goods and in services, digital trade and intellectual property. Negotiations between the UK and the EU are expected to continue in relation to the relationship between the UK and the EU in certain other areas which are not covered by the Trade and Cooperation Agreement. The long term effects of Brexit will depend on the effects of the implementation and application of the Trade and Cooperation Agreement and any other relevant agreements between the U.K. and the EU.

The effects of Brexit remain uncertain and, as a result, we face risks associated with the potential uncertainty and disruptions that may follow Brexit and the implementation and application of the Trade and Cooperation Agreement, including with respect to volatility in exchange rates and interest rates and disruptions to the free movement of data, goods, services, people and capital between the U.K. and the EU. The uncertainty concerning the U.K.'s future legal, political and economic relationship with the EU could adversely affect political, regulatory, economic or market conditions in the EU, the U.K. and worldwide and could contribute to instability in global political institutions, regulatory agencies and financial markets. These developments, or the perception that any of them could occur, have had and may continue to have a material adverse effect on global economic conditions and the stability of global financial markets and could significantly reduce global market liquidity and limit the ability of key market participants to operate in certain financial markets. In particular, it could also lead to a period of considerable uncertainty in relation to the U.K. financial and banking markets, as well as to the regulatory process in Europe. Asset valuations, currency exchange rates and credit ratings may also be subject to increased market volatility. Depending on the future relationship of the U.K. and the EU, the long-term effects of Brexit could be far-reaching. It could adversely affect the values of investments held by our funds, our ability to source new investments, and our ability to raise capital from investors in the U.K. and the EU. It has, and will in the future, also affect the ways in which we are able to operate in and from the U.K. and the EU. In addition, Brexit could lead to legal uncertainty and potentially divergent national laws and regulations as the U.K. determines which laws of the EU to replace or replicate.

It remains difficult to predict the overall impact of the U.K. withdrawal from the EU, the implementation and application of the Trade and Cooperation Agreement and what the economic, tax, fiscal, legal, regulatory and other implications will be for the asset management industry and the broader European and global financial markets generally and for our business and our funds and their investments specifically. However, any of these effects of Brexit, and others we cannot anticipate, could adversely affect our business, results of operations, financial prospects and condition, and cash flow.

Risks Relating to Our Funds

Our results of operations are dependent on the performance of our funds. Poor fund performance will result in reduced revenues. Poor performance of our funds will also make it difficult for us to retain and attract investors to our funds, to retain and attract qualified professionals and to grow our business. The performance of each fund we manage is subject to some or all of the following risks.

The historical returns attributable to our funds should not be considered indicative of the future results of our funds or of our future results or of any returns expected on an investment in our preferred units.

The historical returns attributable to our funds should not be considered indicative of the future results of our funds. Poor performance of the funds we manage will cause a decline in our revenues and would therefore have a negative effect on our operating results.

Moreover, with respect to the historical returns of our funds:

- we may create new funds in the future that reflect a different asset mix and different investment strategies, as well as a varied geographic and industry exposure as compared to our present funds, and any such new funds could have different returns from our existing or previous funds;
- our funds' returns have previously benefited from investment opportunities and general market conditions that may not repeat themselves, and there can be no assurance that our current or future funds will be able to avail themselves of profitable investment opportunities;
- many of our funds' historical investments were made over a long period of time and over the course of various market and macroeconomic cycles, and the circumstances under which our current or future funds may make future investments may differ significantly from those conditions prevailing in the past;
- newly established funds may generate lower returns during the period in which they initially deploy their capital;
- our funds may not be able to successfully identify, make and realize upon any particular investment or generate returns for their investors; and
- any material increase or decrease in the size of our funds could result in materially different rates of returns.

The future internal rate of return for any current or future fund may vary considerably from the historical internal rate of return generated by any particular fund, or for our funds as a whole. In addition, future returns will be affected by the applicable risks described elsewhere in this annual report, including risks of the industries and businesses in which a particular fund invests.

Certain of our funds make investments in distressed businesses that involve significant risks and potential additional liabilities.

Certain of our funds invest in obligors and issuers with weak financial conditions, poor operating results, substantial financing needs, negative net worth or significant competitive issues and/or securities that are illiquid, distressed or have other high-risk features. These funds also invest in obligors and issuers that are involved in bankruptcy or reorganization proceedings. In these situations, it may be difficult to obtain full information as to the exact financial and operating conditions of these obligors and issuers. Furthermore, some of our funds' distressed debt investments may not be widely traded or may have no recognized market. Depending on the specific fund's investment profile, a fund's exposure to the investments may be substantial in relation to the market for those investments, and the acquired assets are likely to be illiquid and difficult to transfer. As a result, it may take a number of years for the market value of the investments to ultimately reflect their intrinsic value as we perceive it.

A central strategy of our opportunistic credit funds, for example, is to anticipate the occurrence of certain corporate events, such as debt or equity offerings, restructurings, reorganizations, mergers, takeover offers and other transactions. If the relevant corporate event that we anticipate is delayed, changed or never completed, the market price and value of the applicable fund's investment could decline sharply.

In addition, these investments could subject a fund to certain potential additional liabilities that may exceed the value of its original investment. Under certain circumstances, payments or distributions on certain investments may be reclaimed if any such payment or distribution is later determined to have been a fraudulent conveyance, a preferential payment or similar transaction under applicable bankruptcy and insolvency laws. In addition, under certain circumstances, a lender that has inappropriately exercised control of the management and policies of a debtor may have its claims subordinated or disallowed or may be found liable for damages suffered by parties as a result of such actions. In the case where the investment in securities of troubled companies is made in connection with an attempt to influence a restructuring proposal or plan of reorganization in bankruptcy, the fund may become involved in substantial litigation.

Certain of our funds may be subject to risks arising from potential control group liability.

Certain of our investment funds could potentially be liable under U.S. Employee Retirement Income Security Act of 1974 ("ERISA") for the pension obligations of one or more of our portfolio companies if the investment fund were determined to be a "trade or business" under ERISA and deemed part of the same "controlled group" as the portfolio company under ERISA's controlled group rules. While a number of cases have held that managing investments is not a "trade or business" for tax purposes, at least one federal Circuit Court has determined that a private equity fund could be a "trade or business" for ERISA controlled group liability purposes based on a number of factors, including the fund's level of involvement in the management of its portfolio companies and the nature of its management fee arrangements. Litigation related to the Circuit Court's decision suggests that additional factors may be relevant, including the structure of the investment and the nature of the fund's relationship with other affiliated investors and co-investors in the portfolio company.

If any of our funds are determined to be a trade or business for purposes of ERISA controlled group liability, it is possible that pension liabilities incurred by a portfolio company could result in liability being incurred by the fund, with a resulting need for additional capital contributions, the appropriation of such fund's assets to satisfy such pension liabilities and/or the imposition of a lien by the PBGC on certain fund assets. Moreover, regardless of whether any of our funds were determined to be a trade or business for purposes of ERISA controlled group liability, a court might hold that one of our fund's portfolio companies is jointly and severally liable for another portfolio company's unfunded pension liabilities pursuant to the ERISA "controlled group" rules, depending upon the relevant investment structures and ownership interests as noted above.

Poor investment performance during periods of adverse market conditions may result in relatively high levels of investor redemptions, which can exacerbate the liquidity pressures on the affected funds, force the sale of assets at distressed prices or reduce the funds' returns.

Poor investment performance during periods of adverse market conditions, together with investors' increased need for liquidity given adverse conditions in the credit markets during such periods, can prompt relatively high levels of investor redemptions at times when many funds may not have sufficient liquidity to satisfy some or all of their investor redemption requests. During times when market conditions are deteriorating, many funds may face additional redemption requests and/or compulsory investor withdrawals or redemptions, which will exacerbate the liquidity pressures on the affected funds. If such funds cannot satisfy their current and future redemption requests, they may be forced to sell assets at distressed prices or cease operations. Various measures taken by funds to improve their liquidity profiles (such as the implementation of "gates" or the suspension of redemptions) that reduce the amounts that would otherwise be paid out in response to redemption requests may have the effect of incentivizing investors to "gross up" or increase the size of the future redemption requests they make, thereby exacerbating the cycle of redemptions. The liquidity issues for such funds are often further exacerbated by their fee structures, as a decrease in NAV decreases their management fees.

Valuation methodologies for certain assets in our funds can be subject to significant subjectivity, and the values of assets established pursuant to the methodologies may never be realized.

Our funds make investments for which market quotations are not readily available, and thus the process by which we value such investments involves inherent uncertainties. We are required by GAAP to make good faith determinations as to the fair value of these investments on a quarterly basis in connection with the preparation of our funds' financial statements.

There is no single method for determining fair value in good faith. The types of factors that may be considered when determining the fair value of an investment in a particular company include acquisition price of the investment, discounted cash flow valuations, historical and projected operational and financial results for the company, the strengths and weaknesses of the company relative to its comparable companies, industry trends, general economic and market conditions, information with respect to offers for the investment, the size of the investment (and any associated control) and other factors deemed relevant. Because valuations of investments for

which market quotations are not readily available are inherently uncertain, may fluctuate over short periods of time and may be based on estimates, determinations of fair value may differ materially from the values that would have resulted if a ready market had existed. Even if market quotations are available for our investments, the quotations may not reflect the value that we would actually be able to realize because of various factors, including the possible illiquidity associated with a large ownership position, subsequent illiquidity in the market for a company's securities, future market price volatility or the potential for a future loss in market value based on poor industry conditions or the market's view of overall company and management performance.

Because there is significant uncertainty in the valuation of, or in the stability of the value of, illiquid investments, the fair values of such investments as reflected in a fund's NAV do not necessarily reflect the prices that would actually be obtained by us on behalf of the fund when such investments are sold. Sales at values significantly lower than the values at which investments have previously been reflected in a fund's NAV may result in losses for the applicable fund, a decline in management fees and the loss of incentive income that may have been accrued by the applicable fund.

Our funds make investments in companies that are based outside the United States, which exposes us to additional risks not typically associated with investing in companies that are based in the United States.

Many of our funds invest a portion of their assets in the equity, debt, loans or other securities of issuers located outside the United States, while certain of our funds invest substantially all of their assets in these types of securities. Investments in non-U.S. securities involve certain factors not typically associated with investing in U.S. securities, including risks relating to:

- our funds' abilities to exchange local currencies for U.S. dollars and other currency exchange matters, including fluctuations in currency exchange rates and costs associated with conversion of investment principal and income from one currency into another;
- controls on, and changes in controls on, foreign investment and limitations on repatriation of invested capital;
- less developed or less efficient financial markets than exist in the United States, which may lead to price volatility and relative illiquidity;
- the absence of uniform accounting, auditing and financial reporting standards, practices and disclosure requirements and less government supervision and regulation;
- differences in legal and regulatory environments, particularly with respect to bankruptcy and reorganization, less developed corporate laws regarding fiduciary duties and the protection of investors and less reliable judicial systems to enforce contracts and applicable law;
- less publicly available information in respect of companies in non-U.S. markets;
- heightened exposure to corruption risk;
- certain economic and political risks, including potential exchange control regulations and restrictions on our non-U.S. investments and repatriation of capital, potential political, economic or social instability, the possibility of nationalization or expropriation or confiscatory taxation and adverse economic and political developments; and
- the possible imposition of non-U.S. taxes or withholding on income and gains recognized with respect to the securities.

There can be no assurance that adverse developments with respect to these risks will not adversely affect our funds that invest in securities of non-U.S. issuers.

We have made and expect to continue to make significant investments in our current and future funds, and we may lose money on some or all of our investments.

We have had a practice of making significant principal investments in Oaktree funds and expect to continue to make significant principal investments in our funds and may choose to increase the amount we invest at any time. Further, from time to time we make loans or otherwise extend credit or guarantees to our funds. Contributing capital, making other investments or extending credit to these funds is risky, and we may lose some or all of our investments. Any such loss could have a material adverse impact on our financial condition and results of operations.

Our funds often invest in companies that are highly leveraged, a fact that may increase the risk of loss associated with the investments.

Our funds often invest in companies whose capital structures involve significant leverage. These investments are inherently more sensitive to declines in revenues and to increases in expenses and interest rates. The leveraged capital structure of these companies places significant burdens on their cash flows and increases the exposure of our funds to adverse economic factors such as downturns in the economy or deterioration in the condition of the portfolio company or its industry. Additionally, the securities acquired by our funds may be the most junior in what could be a complex capital structure and thus subject us to the greatest risk of loss in the event of insolvency, liquidation, dissolution, reorganization or bankruptcy of one of these companies.

The use of leverage by our funds could have a material adverse effect on our financial condition, results of operation and cash flow.

Some of our funds use leverage (including through credit facilities, swaps and other derivatives) as part of their respective investment programs and may borrow a substantial amount of capital. The use of leverage poses a significant degree of risk and can enhance the magnitude of a significant loss in the value of the investment portfolio. To the extent that any fund leverages its capital structure, it is subject to the risks normally associated with debt financing, including the risk that its cash flows will be insufficient to meet principal and interest payments, which could significantly reduce or even eliminate the value of such fund's investments. In addition, the interest expense and other costs incurred in connection with such leverage may not be recovered by the appreciation in the value of any associated securities or bank debt and will be lost – and the timing and magnitude of such losses may be accelerated or exacerbated – in the event of a decline in the market value of such securities or bank debt. In addition, such funds may be subject to margin calls or acceleration in the event of a decline in the value of the posted collateral. To meet liquidity needs as a result of margin calls or acceleration, we may elect to invest additional capital into or loan money to such funds. Any such investment or loan would be subject to the risk of loss. In addition, if we were to elect to enforce our rights against any fund with respect to a loan to such fund, we may damage our relationships with our investors and have difficulty raising additional capital. Any of the foregoing circumstances could have a material adverse effect on our financial condition, results of operations and cash flow.

Changes in the debt financing markets and higher interest rates may negatively impact the ability of our funds and their portfolio companies to obtain attractive financing for their investments or refinance existing debt and may increase the cost of such financing if it is obtained, leading to lower-yielding investments and potentially decreasing our incentive income and investment income.

The markets for debt financing are subject to retrenchment, resulting in more restrictive covenants or other more onerous terms (including posting additional collateral) in order to obtain financing, and in some cases lenders may refuse to provide any financing that would have been readily obtained under different credit conditions. In addition, higher interest rates generally impact the investment management industry by making it harder to obtain financing for new investments, refinance existing investment or liquidate debt investments, which can lead to reduced investment returns and missed investment opportunities. Since the most recent recession, the U.S. Federal Reserve has taken actions which have resulted in low interest rates prevailing in the marketplace for a historically long period of time.

If our funds are unable to obtain committed debt financing or can only obtain debt at an increased interest rate or on other less advantageous terms, such funds' investment activities may be restricted and their profits may be lower than they would otherwise have achieved, either of which could lead to a decrease in the incentive and investment income earned by us. Similarly, the portfolio companies owned by our funds regularly utilize the corporate debt markets to obtain financing for their operations. To the extent that credit markets render such financing difficult or more expensive to obtain, the operating performance of those portfolio companies and therefore the investment returns on our funds may be negatively impacted. In addition, to the extent that the then-current markets make it difficult or impossible to refinance debt or extend maturities on outstanding debt, a portfolio company may be unable to repay such debt at maturity and may be forced to sell assets, undergo a recapitalization or seek bankruptcy protection. Any of the foregoing circumstances could impair the value of our funds' investments in those portfolio companies and have a material adverse effect on our financial condition, results of operations and cash flow.

Our funds are subject to risks in using prime brokers, custodians, counterparties, administrators, other agents and third-party service providers.

Many of our funds depend on the services of prime brokers, custodians, counterparties, administrators and other agents and third-party services providers to carry out certain securities and derivatives transactions and other business functions. The terms of these contracts are often customized and complex, and many of these arrangements occur in markets or relate to products that are subject to limited or no regulatory oversight. In particular, some of our funds utilize prime brokerage arrangements with a relatively limited number of

counterparties, which has the effect of concentrating the transaction volume (and related counterparty default risk) of such funds with these counterparties.

Our funds are subject to the risk that the counterparty to one or more of these contracts defaults, either voluntarily or involuntarily, on its performance under the contract. Any such default may occur suddenly and without notice to us. Moreover, if a counterparty defaults, we may be unable to take action to cover our exposure, either because we lack contractual recourse or because market conditions make it difficult to take effective action. This inability could occur in times of market stress, which is when defaults are most likely to occur.

In addition, risk-management models that we may employ from time to time may not accurately anticipate the impact of market stress or counterparty financial condition, and as a result, we may not have taken sufficient action to reduce our risks effectively. Default risk may arise from events or circumstances that are difficult to detect, foresee or evaluate. In addition, concerns about, or a default by, one large participant could lead to significant liquidity problems for other participants, which may in turn expose us to significant losses.

In the event of a counterparty default, particularly a default by a major investment bank, one or more of our funds could incur material losses, and the resulting market impact of a major counterparty default could harm our business, results of operation and financial condition.

In the event of the insolvency of a prime broker, custodian, counterparty or any other party that is holding assets of our funds as collateral, our funds might not be able to recover equivalent assets in full as they will rank among the prime broker's, custodian's or counterparty's unsecured creditors in relation to the assets held as collateral. In addition, our funds' cash held with a prime broker, custodian or counterparty generally will not be segregated from the prime broker's, custodian's or counterparty's own cash, and our funds may therefore rank as unsecured creditors in relation thereto.

Risks Relating to Our Preferred Units

The market price of our preferred units could be adversely affected by various factors.

The market price for the preferred units may fluctuate based on a number of factors, including:

- variations in our quarterly operating results or distributions, which may be substantial;
- the incurrence of additional indebtedness or additional issuances of other series or classes of preferred units;
- whether we declare or fail to declare distributions on the preferred units from time to time and our ability to make distributions under the terms of our indebtedness;
- the credit ratings of the preferred units;
- a lack of liquidity in the trading of our preferred units (including, if the preferred units are voluntarily or involuntarily delisted from the New York Stock Exchange);
- the prevailing interest rates or rates of return being paid by other companies similar to us and the market for similar securities; and
- general market, political and economic conditions.

Our performance, market conditions and prevailing interest rates have fluctuated in the past and can be expected to fluctuate in the future. Fluctuations in these factors could have an adverse effect on the price and liquidity of the preferred units. In general, as market interest rates rise, securities with fixed interest rates or fixed distribution rates, such as the preferred units, decline in value. Consequently, if you purchase the preferred units and market interest rates increase, the market price of the preferred units may decline. We cannot predict the future level of market interest rates.

Our ability to pay quarterly distributions on the preferred units will be subject to, among other things, general business conditions, our financial results, restrictions under the terms of our existing and future indebtedness or senior units, and our liquidity needs. Any reduction or discontinuation of quarterly distributions could cause the market price of the preferred units to decline significantly. Accordingly, the preferred units may trade at a discount to their purchase price.

If we fail to maintain effective internal controls over our financial reporting in the future, the accuracy and timing of our financial reporting may be adversely affected.

The Sarbanes-Oxley Act requires, among other things, that as a public company we maintain effective internal control over financial reporting and disclosure controls and procedures. We are required under Section 404

to provide an annual management assessment of the effectiveness of our internal controls over financial reporting. Following the Mergers, we are no longer required to include in our annual reports an opinion from our independent registered public accounting firm addressing its assessment of such controls. To maintain and improve the effectiveness of our disclosure controls and procedures, significant resources and management oversight are required. We have implemented and continue to implement additional procedures and processes for the purpose of addressing the standards and requirements applicable to public companies.

If it is determined that we are not in compliance with Section 404 in the future, we would be required to implement remedial procedures and re-evaluate our internal controls over financial reporting and our operations, financial reporting or financial results could be adversely affected. Matters impacting our internal controls may cause us to be unable to report our financial information on a timely basis and thereby subject us to adverse regulatory consequences, including sanctions by the SEC, or violations of applicable stock exchange listing rules. Moreover, if a material misstatement occurs in the future, we may need to restate our financial results and there could be a negative reaction in the financial markets due to a loss of investor confidence in us and the reliability of our financial statements. This could materially adversely affect us and lead to a decline in the market price of our preferred units.

Preparing our consolidated financial statements involves a number of complex manual and automated processes, which are dependent on individual data input or review and require significant management judgment. One or more of these elements may result in errors that may not be detected and could result in a material misstatement of our consolidated financial statements.

Distributions on the preferred units are discretionary and non-cumulative.

Distributions on each of the Series A preferred units and Series B preferred units are discretionary and non-cumulative. Holders of each series of our preferred shares will only receive distributions when, as and if declared by our board of directors. Consequently, if the board of directors does not authorize and declare a distribution for a distribution period, holders of each of our preferred units would not be entitled to receive any distribution for such distribution period, and such unpaid distribution will not be payable in such distribution period or in later distribution periods. We will have no obligation to pay distributions for a distribution period if our board of directors does not declare such distribution before the scheduled record date for such period, whether or not distributions are declared or paid for any subsequent distribution period with respect to our outstanding preferred units or any other preferred shares we may issue in the future. This may result in holders of our preferred units not receiving the full amount of distributions that they expect to receive, or any distributions, and may make it more difficult to resell our preferred units, or to do so at a price that the holder finds attractive. Our board of directors may, in its sole discretion, determine to suspend distributions on our outstanding preferred units, which may have a material adverse effect on the market price of those shares. There can be no assurances that our operations will generate sufficient cash flows to enable us to pay distributions on our preferred units. Our financial and operating performance is subject to prevailing economic and industry conditions and to financial, business and other factors, some of which are beyond our control.

Risks Relating to Our Organization and Structure

We have an indirect economic interest in only a portion of the earnings and cash flows of the Oaktree Operating Group, which may negatively impact our ability to pay distributions on our preferred units.

Following the Restructuring, the only entities within the Oaktree Operating Group in which we have an indirect economic interest are Oaktree Capital I and OCM Cayman. Please see “Management’s Discussion and Analysis of Financial Condition and Results of Operations —Restructuring Transaction.” We have no material assets other than the ownership of these indirect economic interests.

Because we derive, and expect to continue to derive, a substantial portion of our revenue and cash flows from our indirect economic interests in each of Oaktree Capital I and OCM Cayman our success depends on the performance of these operating companies irrespective of the performance of the Oaktree Operating Group as a whole. Prior to the Restructuring, we derived management fees, incentive income and investment income from each member of the Oaktree Operating Group. However, subsequent to the Restructuring, we only derive incentive income and investment income from two of the six members of the Oaktree Operating Group. Additionally, subsequent to the Restructuring, a substantial portion of Oaktree’s management fees is not earned by us since we do not act as investment manager for the vast majority of Oaktree funds but rather the majority of our management fees are paid to us by OCM as compensation for services rendered by us in support of Oaktree’s investment management business.

In addition, in 2020 we subscribed for a limited partner interest in, and made a capital commitment of, $750 million to Oaktree Opportunities Fund XI, L.P., a parallel investment vehicle thereof or a feeder fund in respect of one of the foregoing (such limited partner interest, the "Opps XI Investment" and such fund entities collectively, "Opps XI"). In order to fund the Opps XI Investment, our sole Class A unitholder, or one of its affiliates, will contribute cash as a capital contribution (the "Opps XI Investment Cash") as and to the extent required to satisfy our obligations to Opps XI. We will use the Opps XI Investment Cash solely to fund the Opps XI Investment and satisfy our obligations in respect of Opps XI. Distributions from the Opps XI Investment are intended for the benefit of the Class A unitholder, subject to applicable law. Our preferred unitholders should not rely on distributions received by us in respect of our Opps XI Investment for payment of dividends or redemption of the preferred units. As of December 31, 2021, the Company has funded in the aggregate $225.0 million of the $750 million capital commitment.

There can be no assurances that the distributions we receive from Oaktree Capital I and OCM Cayman or the management fees we receive from OCM will generate sufficient cash flows to enable us to pay distributions on our preferred units.

If we or any of our private funds were deemed an investment company under the Investment Company Act, applicable restrictions could make it impractical for us to continue our business or such funds as contemplated and could have a material adverse effect on our business.

A person will generally be deemed to be an "investment company" for purposes of the Investment Company Act if:

- it is or holds itself out as being engaged primarily, or proposes to engage primarily, in the business of investing, reinvesting or trading in securities; or
- absent an applicable exemption, it owns or proposes to acquire investment securities having a value exceeding 40% of the value of its total assets (exclusive of U.S. government securities and cash items) on an unconsolidated basis.

We believe that we are engaged primarily in the business of providing asset management services and not primarily in the business of investing, reinvesting or trading in securities. We also believe that the primary source of income from our business is properly characterized as income earned in exchange for the provision of services. We hold ourselves out as an asset management firm and do not propose to engage primarily in the business of investing, reinvesting or trading in securities. Accordingly, we do not believe that we are an investment company under the Investment Company Act.

The Investment Company Act and the rules thereunder contain detailed parameters for the organization and operation of investment companies. Among other things, the Investment Company Act and the rules thereunder limit or prohibit transactions with affiliates, impose limitations on the issuance of debt and equity securities, generally prohibit the issuance of options and impose certain governance requirements. We intend to conduct our operations so that we will not be deemed to be an investment company under the Investment Company Act. While we do advise or sub-advise funds that are registered under the Investment Company Act, we operate our private funds so that they are not deemed to be investment companies that are required to be registered under the Investment Company Act. If anything were to happen that would cause us to be deemed to be an investment company under the Investment Company Act or that would require us to register our private funds under the Investment Company Act, requirements imposed by the Investment Company Act, including limitations on capital structure, ability to transact business with affiliates and ability to compensate senior employees, could make it impractical for us to continue our business or the private funds as currently conducted, impair the agreements and arrangements between and among OCGH, us, our private funds and our senior management, or any combination thereof, and materially adversely affect our business, financial condition and results of operations. In addition, we may be required to limit the amount of investments that we make as a principal or otherwise conduct our business in a manner that does not subject us to the registration and other requirements of the Investment Company Act.

Our operating agreement contains provisions that substantially limit remedies available to our preferred unitholders for actions that might otherwise result in liability for our officers and/or directors.

While our operating agreement provides that our officers and directors have fiduciary duties equivalent to those applicable to officers and directors of a Delaware corporation under the Delaware General Corporation Law ("DGCL"), the agreement also provides that our officers and directors are liable to us or our unitholders for an act or omission only if such act or omission constitutes a breach of the duties owed to us or our unitholders, as applicable, by any such officer or director and such breach is the result of willful malfeasance, gross negligence, the commission of a felony or a material violation of law, in each case, that has, or could reasonably be expected to

have, a material adverse effect on us or fraud. Moreover, we have agreed to indemnify each of our directors and officers, to the fullest extent permitted by law, against all expenses and liabilities (including judgments, fines, penalties, interest, amounts paid in settlement with our approval and counsel fees and disbursements) arising from the performance of any of their obligations or duties in connection with their service to us, including in connection with any civil, criminal, administrative, investigative or other action, suit or proceeding to which any such person may be made party by reason of being or having been one of our directors or officers, except for any expenses or liabilities that have been finally judicially determined to have arisen primarily from acts or omissions that violated the standard set forth in the preceding sentence. Furthermore, our operating agreement provides that OCGH does not have any liability to us or our other unitholders for any act or omission and is indemnified in connection therewith.

Under our operating agreement, each of our directors and us is entitled, subject to certain consent rights, to take actions or make decisions in its "sole discretion" or "discretion" or that it deems "necessary or appropriate" or "necessary or advisable." In those circumstances, each of our directors or us is entitled to consider only such interests and factors as it desires, including our own or our directors' interests, and neither it nor our board of directors has any duty or obligation (fiduciary or otherwise) to give any consideration to any interest of or factors affecting us or any unitholders, and neither we nor our board of directors is subject to any different standards imposed by our operating agreement, the Act or under any other law, rule or regulation or in equity, except that we must act in good faith at all times. These modifications of fiduciary duties are expressly permitted by Delaware law. These modifications are detrimental to our unitholders because they restrict the remedies available to them for actions that without those limitations might constitute breaches of duty (including fiduciary duty).

Our ability to make distributions to holders of any series of preferred units may be limited by our holding company structure, applicable provisions of Delaware law, contractual restrictions and the terms of any senior securities we may issue in the future.

We are a limited liability holding company and have no material assets other than the ownership of our interests in two members of the Oaktree Operating Group held through the Intermediate Holding Companies. We have no independent means of generating revenues. In connection with the issuance of our preferred units, we caused one member of the Oaktree Operating Group indirectly owned by us, Oaktree Capital I, to issue 'mirror' preferred units to an Intermediate Holding Company to correspond with each series of our preferred units. While we may use distributions from the entire Oaktree Operating Group to fund distributions to our preferred unitholders, we only enjoy preferential distribution rights with respect to a single member of the Oaktree Operating Group. The terms of the mirror preferred units also state that, subject to certain exceptions, no distributions may be declared or paid with respect to the common units of the member of the Oaktree Operating Group that issued them until distributions have been declared and paid or declared and set aside with respect to each series of mirror preferred units and the series of our preferred units to which they correspond. Accordingly, our ability to receive distributions from that member of the Oaktree Operating Group may be impaired to the extent we have not declared and paid or declared and set aside distributions on each series of mirror preferred units and each series of preferred units.

Under the Act, we may not make a distribution to a member if, after the distribution, all our liabilities, other than liabilities to members on account of their limited liability company interests and liabilities for which the recourse of creditors is limited to specific property of the limited liability company, would exceed the fair value of our assets. If we were to make such an impermissible distribution, any member who received a distribution and knew at the time of the distribution that the distribution was in violation of the Act would be liable to us for three years for the amount of the distribution. In addition, the Oaktree Operating Group's cash flow may be insufficient to enable it to make required minimum tax distributions to holders of its units, in which case the Oaktree Operating Group may have to borrow funds or sell assets and thus our liquidity and financial condition could be materially adversely affected. Our operating agreement contains provisions authorizing the issuance of preferred units in us by our board of directors at any time without unitholder approval.

Risks Relating to United States Taxation

If the amount of distributions on the preferred units is greater than our gross ordinary income, then the amount that a holder of preferred units would receive upon liquidation may be less than the preferred unit liquidation value.

In general, to the extent of our gross ordinary income in any taxable year, we will specially allocate to the preferred units items of our gross ordinary income in an amount equal to the distributions paid in respect of the preferred units during the taxable year. Similar allocations will be made with respect to any equity securities we issue in the future that rank equally with the preferred units. Allocations of gross ordinary income will increase the capital account balances of the holders of the preferred units. Distributions will correspondingly reduce the capital account balances of the holders of the preferred units. So long as our gross ordinary income equals or exceeds the

distributions paid to the holders of the preferred units, the capital account balances of the holders of the preferred units with respect to the preferred units will equal the aggregate preferred unit liquidation value at the end of each taxable year. If the distributions paid in respect of the preferred units in a taxable year exceed our gross ordinary income, items of our gross ordinary income will be allocated to the preferred units pro-rata based on the amount of distributions paid in respect of the preferred units in such taxable year. If the distributions paid in respect of the preferred units in a taxable year exceed the proportionate share of our gross ordinary income allocated in respect of the preferred units for such year, the capital account balances of the holders of the preferred units with respect to the preferred units will be reduced below the aggregate preferred unit liquidation value by the amount of such excess. In that event, we will allocate additional gross ordinary income, to the extent available in any taxable year, in subsequent years until such excess is eliminated. If we were to have insufficient gross ordinary income to eliminate such excess, holders of preferred units would be entitled, upon our liquidation, dissolution or winding up, to less than the aggregate preferred unit liquidation value. In addition, to the extent that we make additional allocations of gross ordinary income in a taxable year to eliminate such excess from prior years, the gross ordinary income allocated to holders of the preferred units in such taxable year would exceed the distributions paid to the preferred units during such taxable year. In such taxable year, holders of preferred units may recognize taxable income in respect of their investments in the preferred units in excess of our cash distributions, thus giving rise to an out-of-pocket tax liability for such holders. Future issuances of equity securities that rank equally with the preferred units could increase the likelihood that the capital account balances of holders of the preferred units decrease below the aggregate preferred unit liquidation value and holders of preferred units bear an out-of-pocket tax liability in future taxable years.

Holders of preferred units who are U.S. taxpayers should anticipate the need to file annually a request for an extension of the due date of their income tax return. In addition, it is possible that holders of preferred units may be required to file amended income tax returns.

Holders of preferred units are required to take into account items of gross ordinary income that are allocated to them for our taxable year ending within or with their taxable year. It may require a substantial period of time after the end of our fiscal year to obtain the requisite information from all lower-tier entities so that tax information (including IRS Schedules K-1) may be prepared by us. For this reason, holders of preferred units who are U.S. taxpayers should anticipate the need to file annually with the IRS (and certain states) a request for an extension past the applicable due date of their income tax return for the taxable year. Because holders of our preferred units will be required to report the items of gross income that are allocated to them, tax reporting for such holders will generally be more complicated than for shareholders of a corporation. In addition, it is possible that a holder of preferred units will be required to file amended income tax returns as a result of adjustments to items on the corresponding income tax returns of the Company. Any obligation for a holder of preferred units to file amended income tax returns for that or any other reason, including any costs incurred in the preparation or filing of such returns, is the responsibility of each holder of preferred units.

An investment in preferred units will give rise to UBTI to certain tax-exempt holders.

We will make investments through entities classified as partnerships or disregarded entities for U.S. federal income tax purposes in “debt-financed” property and, thus, an investment in preferred units will give rise to unrelated business taxable income (“UBTI”) to tax-exempt holders of preferred units. Moreover, if the IRS successfully asserts that we are engaged in a trade or business, then additional amounts of income could be treated as UBTI. Tax-exempt holders of our preferred units are strongly urged to consult their tax advisors regarding the tax consequences of owning our preferred units. Because we are under no obligation to minimize UBTI, tax-exempt U.S. holders of preferred units should consult their own tax advisers regarding all aspects of UBTI.

Non-U.S. holders face unique U.S. tax issues from owning preferred units that may result in adverse tax consequences to them.

In light of our investment activities, we may be, or may become, engaged in a U.S. trade or business for U.S. federal income tax purposes, in which case some portion of our income would be treated as effectively connected income, or “ECI,” with respect to non-U.S. holders of our preferred units. Moreover, dividends paid by real estate investment trust, or “REIT,” investments that are attributable to gains from the sale of U.S. real property interests may be treated as ECI with respect to non-U.S. holders of our preferred units. In addition, certain income of non-U.S. holders from U.S. sources not connected to any U.S. trade or business conducted by us could be treated as ECI. We may earn ECI and/or income treated as ECI. To the extent our income is treated as ECI, each non-U.S. holder generally would be subject to withholding tax on distributions attributable to such income, would be required to file a U.S. federal income tax return for such year reporting such income effectively connected with such trade or business and any other income treated as ECI, and would be subject to U.S. federal income tax at regular U.S. tax rates on any such income (state and local income taxes and filings may also apply in that event). Non-U.S. holders

that are corporations may also be subject to a 30% branch profits tax (potentially reduced under an applicable tax treaty) on their allocable share of such income. In addition, if we are treated as being engaged in a U.S. trade or business, a portion of any gain recognized by non-U.S. holders on the sale or exchange of preferred units may be treated for U.S. federal income tax purposes as ECI. Consequently, such non-U.S. holders could be subject to U.S. federal income tax and branch profits tax on the sale or exchange of preferred units. In certain circumstances, for transfers on or after January 1, 2022, the transferee of such preferred units (or a broker through which the transfer is effected) may be required to deduct and withhold a tax equal to 10% of the amount realized (or deemed realized) on the sale or exchange of such preferred units, or such other amount as is specified in the Treasury Regulations. Because this guidance is recent, it is unclear how this provision may impact transfers of preferred units in the future. In addition, certain income from U.S. sources that is not ECI allocable to non-U.S. holders may be subject to withholding taxes imposed at the highest effective applicable tax rate. Non-U.S. holders of our preferred units are strongly urged to consult their tax advisors regarding the tax consequences of owning our preferred units.

Holders of preferred units may be subject to state and local taxes and return filing requirements as a result of investing in our preferred units.

In addition to U.S. federal income taxes, holders of our preferred units may be subject to other taxes, including state and local taxes, unincorporated business taxes and estate, inheritance or intangible taxes that are imposed by the various jurisdictions in which we do business or own property now or in the future, even if the holders of our preferred units do not reside in any of those jurisdictions. Holders of our preferred units may also be required to file state and local income tax returns and pay state and local income taxes in some or all of these jurisdictions. Further, holders of our preferred units may be subject to penalties for failure to comply with those requirements. It is the responsibility of each unitholder to file all U.S. federal, state and local tax returns that may be required of such unitholder.

Amounts distributed in respect of the preferred units could be treated as "guaranteed payments" for U.S. federal income tax purposes.

The treatment of interests in a partnership such as the preferred units and the payments received in respect of such interests is uncertain. The IRS may contend that payments on the preferred units represent "guaranteed payments," which would generally be treated as ordinary income and may not have the same character when received by a holder as our gross ordinary income had when earned by us. If distributions on the preferred units are treated as "guaranteed payments," a holder's taxable income would be equal to the guaranteed payment accrued or received, regardless of the amount of our gross ordinary income. Our limited liability company agreement provides that we and all holders agree to treat payments made in respect of the preferred units as other than guaranteed payments. Potential holders of preferred units are encouraged to consult their own tax advisors regarding the treatment of payments on the preferred units as "guaranteed payments."

Holders of preferred units who do not hold the units through the record date for a distribution may be allocated gross ordinary income even though no distribution is received.

While distributions (if any) with respect to preferred units will be made on a quarterly basis, under the allocation methodology we have adopted we will prorate the total amount of gross ordinary income allocated to preferred units for a taxable year among holders of the preferred units on a monthly basis. As a result, a holder of a preferred unit who does not hold the preferred unit through the record date for a distribution may be allocated gross ordinary income even though no distribution is received. Holders of preferred units will remain liable for any income taxes associated with allocations of gross ordinary income even if they do not receive a distribution with respect to their preferred units or if the amount of such allocations exceed the amount of distributions they receive with respect to their preferred units. Any such gross ordinary income allocation will increase the holder's adjusted basis in its preferred units.

Item 1B. Unresolved Staff Comments

None.

Item 2. Properties

Properties

Our principal executive offices are located in office space leased by OCM at 333 South Grand Avenue, 28th Floor, Los Angeles, California 90071. OCM also leases office space in New York City, Stamford and Houston. We lease the space for our offices in London, Frankfurt, Paris, Luxembourg, Beijing, Hong Kong, Shanghai, Seoul, Singapore, Sydney, Tokyo and Dubai. Certain affiliates of our managed funds lease office space in Amsterdam, Luxembourg, Dublin and Singapore. We do not own any real property. We consider our facilities to be suitable and adequate for the management and operation of our business.

Item 3. Legal Proceedings

For a discussion of legal proceedings, please see the section entitled “Legal Actions” in note 17 to our consolidated financial statements included elsewhere in this annual report, which section is incorporated herein by reference.

Item 4. Mine Safety Disclosures

None.

PART II.

Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities

Market Information

Our Class A units are not listed on a securities exchange. The number of holders of record of our Class A units as of March 9, 2022 was one.

Equity Compensation Plan Information

The following table sets forth information concerning the awards that may be issued under the 2011 Plan as of December 31, 2021.

Plan Category	Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants and Rights [1]	Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (excluding securities reflected in column (a)) [2]
	(a)	(b)	(c)
Equity compensation plans approved by security holders	15,705,531	—	8,301,616
Equity compensation plans not approved by security holders	—	—	—
Total [3]	15,705,531	—	8,301,616

(1) Reflects the aggregate number of OCGH units, Class A units, phantom units and EVUs granted under the 2011 Plan as of December 31, 2021. Please see note 15 to our consolidated financial statements included elsewhere in this annual report for additional information.

(2) The 2011 Plan provides that the maximum number of Units that may be delivered pursuant to awards under the 2011 Plan is 22,300,000, as increased on January 1 of each year beginning in 2012 by a number of Units equal to the excess of (a) 15% of the number of outstanding Oaktree Operating Group units on December 31 of the immediately preceding year over (b) the number of Oaktree Operating Group units that have been issued or are issuable under the 2011 Plan as of such date, except that our board of directors may, in its discretion, increase the number of Units covered by the 2011 Plan by a lesser amount. The issuance of Units or the payment of cash upon the exercise of an award or in consideration of the cancellation or termination of an award will reduce the total number of Units available under the 2011 Plan, as applicable. Units underlying awards under the 2011 Plan that are forfeited, cancelled, expire unexercised or are settled in cash will be available again to be used as awards under the 2011 Plan. However, Units used to pay the required exercise price or tax obligations, or Units not issued in connection with the settlement of an award or that are used or withheld to satisfy tax obligations of a participant, will not be available again for other awards under the 2011 Plan.

(3) As of December 31, 2021, 4,929,054 OCGH units have been granted under the 2007 Plan. However, such amounts are not reflected in this table because our board of directors has resolved that the administrator of the 2007 Plan will no longer grant awards under the 2007 Plan.

Unregistered Sales of Equity Securities and Purchases of Equity Securities in the Fourth Quarter of 2021

None.

Item 6. Selected Financial Data

Not Applicable.

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion and analysis should be read in conjunction with the consolidated financial statements of Oaktree Capital Group, LLC and the related notes included within this annual report. For a discussion and analysis of historical periods ended before January 1, 2020, please refer to "Management's Discussion and Analysis of Financial Condition and Results of Operations" in our report on Form 10-K for the year ended December 31, 2020. This discussion contains forward-looking statements that are subject to risks and uncertainties and assumptions relating to our operations, financial results, financial condition, business prospects, growth strategy and liquidity. The factors listed under "Risk Factors" and "Forward-Looking Statements" in this annual report provide examples of risks, uncertainties and events that may cause our actual results to differ materially from the expectations described in any forward-looking statements.

Business Overview

Oaktree is a leading global alternative investment management firm with expertise in investing in credit, real assets, private equity, and listed equities. Oaktree's mission is to deliver superior investment results with risk under control and to conduct its business with the highest integrity. Oaktree emphasizes an opportunistic, value-oriented and risk-controlled approach to its investments. Over more than three decades, Oaktree has developed a large and growing client base through its ability to identify and capitalize on opportunities for attractive investment returns in less efficient markets.

Oaktree was formed in 1995 by a group of individuals who had been investing together since the mid-1980s. Oaktree's founders were pioneers in the management of high yield bonds, convertible securities and distressed debt. From those roots Oaktree has developed a diversified mix of specialized credit- and equity-oriented strategies. Oaktree operates according to a unifying investment philosophy, which consists of six tenets-risk control, consistency, market inefficiency, specialization, bottom-up analysis and disavowal of market timing-and is complemented by a set of core business principles that articulate our commitment to excellence in investing, commonality of interests with clients, a collaborative and cooperative culture, and a disciplined, opportunistic approach to the expansion of products.

Business Environment and Developments

As a global investment manager, Oaktree is affected by a wide range of factors, including the condition of the global economy and financial markets; the relative attractiveness of Oaktree's investment strategies and investors' demand for them; and regulatory or other governmental policies or actions. Global economic conditions can significantly impact the values of Oaktree's and its funds' investments and the ability to make new investments or sell existing investments for these funds. Historically, however, Oaktree's diversified nature, of both its investment strategies and revenue mix, has generally allowed it to benefit from both strong and weak economic environments. Weak economies and the declining financial markets that typically accompany them tend to dampen revenues from asset-based management fees, investment realizations or price appreciation, but their prospect can present opportunities to raise relatively larger amounts of capital for certain strategies, especially opportunistic credit. Additionally, weak financial markets may also present more opportunities for funds to make investments at reduced prices. Conversely, strong financial markets generally increase the value of fund investments, which positions Oaktree, and us, for growth in management fees that are based on asset value, and typically create favorable exit opportunities that enhance the prospect for incentive income and fund-related realized investment income proceeds. Those same markets may delay or diminish opportunities to deploy capital and thus management fees from certain funds.

COVID-19 continues to pose serious threats to the health and economic wellbeing of the worldwide population and the overall economy in light of COVID-19 variants that seem to spread more easily than the original COVID-19 virus. The number of reported COVID-19 infections are rising again in certain countries worldwide likely due to these variants and the relaxation of certain efforts to mitigate the spread of COVID-19 previously imposed by governmental authorities. While the equity markets have rebounded from their steep declines in March 2020 after the World Health Organization announced that infections of COVID-19 had become a pandemic, there is continued uncertainty as to the duration of the global health and economic impact caused by COVID-19 even with COVID-19 vaccines now available. Actions at the outset of the pandemic that were intended to mitigate the spread of COVID-19 and the worldwide efforts to isolate at home and practice social distancing caused a dramatic increase in unemployment and economic instability in the United States and in certain other regions in which Oaktree operates. While such instability in certain parts of the world, including in the United States, have shown signs of recovery in large part because of the availability of COVID-19 vaccines, the continued uncertainty of COVID-19 variants may lead to renewed governmental efforts to mitigate COVID-19 spread seen at the beginning of the pandemic. Such

renewed mitigation efforts would create significant uncertainty and volatility in Oaktree's business and its funds' and their respective portfolio companies' businesses as compared to pre-pandemic levels.

Prolonged difficult market and economic conditions and uncertainty caused by COVID-19 will adversely impact the valuations of Oaktree's and its funds' investments, particularly if the value of an investment is determined in whole or in part by reference to public equity, public debt, or private debt markets. However, while any market dislocation caused by COVID-19 will adversely impact the value of Oaktree's and its funds' investments, the increased volatility in the financial markets may also present attractive investment opportunities for certain Oaktree investment strategies. Currently, we are unaware of any material risk to the stability of our condensed consolidated financial statements caused by any COVID-19 uncertainties or the materiality of any effect such uncertainties may have on our business and operations. Please see "Item 1A. Risk Factors— The coronavirus pandemic ("COVID-19") has significantly disrupted economic conditions and may adversely affect our operations, business, financial performance and operating results" within this annual report.

Brookfield Merger

On March 13, 2019, Oaktree, Brookfield Asset Management Inc., a corporation incorporated under the laws of the Province of Ontario ("Brookfield"), Berlin Merger Sub, LLC, a Delaware limited liability company ("Merger Sub") and a wholly-owned subsidiary of Brookfield, Oslo Holdings LLC, a Delaware limited liability company ("SellerCo") and a wholly-owned subsidiary of Oaktree Capital Group Holdings, L.P. ("OCGH"), and Oslo Holdings Merger Sub LLC, a Delaware limited liability company and a wholly-owned subsidiary of Oaktree ("Seller MergerCo") entered into an agreement and plan of merger (the "Merger Agreement"). Pursuant to the terms and conditions set forth in the Merger Agreement, effective on September 30, 2019, (i) Merger Sub merged with and into Oaktree (the "Merger"), with Oaktree continuing as the surviving entity, and (ii) immediately following the Merger, SellerCo merged with and into Seller MergerCo (the "Subsequent Merger" and together with the Merger, the "Mergers"), with Seller MergerCo continuing as the surviving entity.

Upon the completion of the Mergers on September 30, 2019, Brookfield acquired 61.2% of Oaktree's business in a stock and cash transaction. The remaining 38.8% of the business at that time continued to be owned by OCGH, whose unitholders consist primarily of Oaktree's founders and certain other members of management and current and former employees. As part of the Merger, Brookfield acquired all outstanding vested OCG Class A units for, at the election of OCG Class A unitholders, either $49.00 in cash or 1.0770 Class A shares of Brookfield per OCG Class A unit (subject to pro-ration to ensure that no more than fifty percent (50%) of the aggregate merger consideration is paid in the form of cash or stock), in each case, without interest and subject to any applicable withholding taxes. In addition, as part of the Subsequent Merger the founders, senior management, and current and former employee-unitholders of OCGH sold 20% of their OCGH units to Brookfield for the same consideration as the OCG Class A unitholders received in the merger.

Restructuring Transaction

On the closing date of the Mergers, we and certain other entities entered into a Restructuring Agreement (the "Restructuring") pursuant to which our direct and indirect ownership of general partner and limited partner interests in certain Oaktree Operating Group entities were transferred to newly-formed, indirect subsidiaries of Brookfield as of October 1, 2019. As a result, on October 1, 2019, four of the six Oaktree Operating Group entities were no longer our indirect subsidiaries. Accordingly, our consolidated financial statements will reflect our indirect economic interest in only two of the Oaktree Operating Group entities: (i) Oaktree Capital I, L.P. ("Oaktree Capital I"), which acts as or controls the general partner of certain Oaktree funds and which holds a majority of Oaktree's investments in its funds and (ii) Oaktree Capital Management (Cayman), L.P. ("OCM Cayman"), which represents Oaktree's non-U.S. fee business. As of October 1, 2019, our consolidated financial statements will no longer reflect any economic interests in the remaining four Oaktree Operating Group entities: (i) Oaktree Capital II, L.P. ("Oaktree Capital II"), which acts as or controls the general partner of certain Oaktree funds and which includes Oaktree's investments in certain funds and other businesses, including Oaktree's investment in DoubleLine Capital, L.P., (ii) Oaktree Capital Management, L.P. ("OCM"), an entity that serves as the U.S. registered investment adviser to most of the Oaktree funds, (iii) Oaktree Investment Holdings, L.P. ("Oaktree Investment Holdings"), which holds certain corporate investments in other entities and (iv) Oaktree AIF Investments, L.P. ("Oaktree AIF"), which primarily holds interests in certain Oaktree fund investments for regulatory and structuring purposes. As a consequence, the assets of Oaktree Capital II, OCM, Oaktree Investment Holdings and Oaktree AIF will no longer support our operations. Please see "Business—Organizational Structure" in this annual report for a diagram of our organizational structure after the Restructuring.

Prior to the Restructuring on October 1, 2019, our consolidated operating results included substantially all of the revenues and expenses of the Oaktree Operating Group and related consolidated funds and investment vehicles. Subsequent to the Restructuring, our consolidated operating results reflect only Oaktree Capital I and OCM Cayman and related consolidated funds and investment vehicles. Since the deconsolidation of the remaining four Oaktree Operating Group entities was not required to be presented on a retrospective basis, our results of operations for the year ended December 31, 2019 reflect a full year of activities for Oaktree Capital I and OCM Cayman and related funds and investment vehicles and only nine months of activities for the remaining four Oaktree Operating Group entities and related funds and investment vehicles and, as a result, are not directly comparable to prior periods. Our results of operations for the years ended December 31, 2021 and 2020 only reflect activities for Oaktree Capital I and OCM Cayman and related funds and investment vehicles and do not include any activity for the remaining four Oaktree Operating Group entities and related funds and investment vehicles and, as a result, are not directly comparable to prior periods.

As a result of the Restructuring of our business, references to “Oaktree” in this annual report will generally refer to the collective business of the Oaktree Operating Group, of which we are a component.

Understanding Our Results—Consolidation of Oaktree Funds

Generally accepted accounting principles in the United States ("GAAP") requires us to consolidate entities in which we have a direct or indirect controlling financial interest based on either a variable interest model or voting interest model. A limited partnership or similar entity is a variable interest entity ("VIE") if the unaffiliated limited partners do not have substantive kick-out or participating rights. Most of the Oaktree funds are VIEs because they have not granted unaffiliated limited partners substantive kick-out or participating rights. The Company consolidates those VIEs in which we are the primary beneficiary. For entities that are not VIEs, consolidation is evaluated through a majority voting interest model. Please see note 2 to our consolidated financial statements included elsewhere in this annual report for more information.

We do not consolidate most of the Oaktree funds that are VIEs because we are not the primary beneficiary due to the fact that our fee arrangements are considered at-market and thus not deemed to be variable interests, and we do not hold any other interests in those funds that are considered to be more than insignificant. However, investment vehicles in which we have a significant investment, such as CLOs and certain Oaktree funds, are consolidated ("consolidated funds"). When a CLO or fund is consolidated, we reflect the assets, liabilities, revenues, expenses and cash flows of the consolidated funds on a gross basis, and the majority of the economic interests in those consolidated funds, which are held by third-party investors, are reflected as debt obligations of CLOs or non-controlling interests in consolidated funds in the consolidated financial statements. All of the revenues earned by us as investment manager of the consolidated funds are eliminated in consolidation. However, because the eliminated amounts are earned from and funded by third-party investors, the consolidation of a fund does not impact net income or loss attributable to us.

Certain entities in which we have the ability to exert significant influence, including unconsolidated Oaktree funds for which we act as general partner, are accounted for under the equity method of accounting. As a result of the Restructuring, we re-assessed our prior variable interest entity consolidation determinations, noting that we were no longer the primary beneficiary of three funds in which our direct ownership interests are held by Oaktree Operating Group entities that are no longer directly controlled by us.

Revenues

Our business generates three types of revenue: management fees, incentive income and investment income. Management fees earned from third parties are billed monthly or quarterly based on annual rates and are typically earned for each of the funds that we manage. The contractual terms of management fees generally vary by fund structure. Management fees also may include performance-based fees earned from certain open-end and evergreen fund accounts. Subsequent to the Restructuring, our management fees consist primarily of fees earned from funds managed by OCM Cayman and sub-advisory fees for services provided to OCM. We also have the potential to earn incentive income from most of the closed-end and certain evergreen funds managed by Oaktree in our capacity as the general partner of those funds. These closed-end funds generally provide that we receive incentive income only after we have returned to our investors all of their contributed capital plus an annual preferred return, typically 8%. Once this occurs, we generally receive as incentive income 80% of all distributions otherwise attributable to our investors, and those investors receive the remaining 20% until we have received, as incentive income, 20% of all such distributions in excess of the contributed capital from the inception of the fund. Thereafter, all such future distributions attributable to our investors are distributed 80% to those investors and 20% to us as incentive income. Our third revenue source, investment income, represents our pro-rata share of income or loss from our investments, generally in our capacity as general partner in Oaktree funds and as an investor in our CLOs and third-party managed funds and companies.

We may earn incentive income upon deconsolidation of a SPAC arising from the completion of a merger with an identified target. Upon deconsolidation, we will derecognize the net assets of the entity and record any gain or loss related to the remeasurement of its investments to fair value as incentive income in its condensed consolidated statements of operations. Subsequent fair value changes in our investments held in the entity will be recorded in investment income in our condensed consolidated statements of operations.

Our consolidated revenues reflect the elimination of all management fees, incentive income and investment income earned related to consolidated Oaktree funds. Investment income is presented within the other income (loss) section of our consolidated statements of operations. Please see "Business—Structure and Operation of Our Business—Structure of Funds" in this annual report for a detailed discussion of the structure of Oaktree funds.

Expenses

Compensation and Benefits

Compensation and benefits expense reflects all compensation-related items not directly related to incentive income, investment income or the vesting of Class A units, OCGH units, OCGH equity value units ("EVUs"), deferred equity units and other performance-based units, and includes salaries, bonuses, compensation based on management fees or a definition of profits, employee benefits, payroll taxes and phantom equity awards. Phantom equity awards represent liability-classified awards subject to vesting and remeasurement at the end of each reporting period. Phantom equity award expense reflects the vesting of those liability-classified awards, the equity distribution declared in the period and changes in the Class A unit trading price. Compensation and benefits expense reflects the gross-up of reimbursable costs incurred on behalf of Oaktree funds in which the Company has determined it is the principal. Subsequent to the Restructuring, our consolidated operating results primarily include compensation and benefits expense related to employees of OCM Cayman.

Equity-based Compensation

Equity-based compensation expense reflects the non-cash charge associated with grants of Class A units, OCGH units, EVUs, deferred equity units and other performance-based units. Subsequent to the Restructuring, our consolidated operating results primarily include equity-based compensation expense related to employees of OCM Cayman.

Incentive Income Compensation

Incentive income compensation expense primarily reflects compensation directly related to incentive income, which generally consists of percentage interests (sometimes referred to as "points" or an allocation of shares received upon the completion of a successful SPAC merger) that are granted to Oaktree investment professionals associated with the particular fund or SPAC that generated the incentive income, and secondarily, compensation directly related to investment income. There is no fixed percentage for the incentive income-related portion of this compensation, either by fund, SPAC or strategy. In general, within a particular strategy more recent funds have a higher percentage of aggregate incentive income compensation expense than do older funds. The percentage that consolidated incentive income compensation expense represents of the particular period's consolidated incentive income may not be meaningful because incentive income from consolidated funds or SPACs is eliminated in consolidation, whereas no incentive income compensation expense is eliminated in consolidation.

General and Administrative

General and administrative expense includes costs related to occupancy, outside auditors, tax professionals, legal advisers, research, consultants, travel and entertainment, communications and information services, business process outsourcing, foreign-exchange activity, insurance, placement costs, changes in the contingent consideration liability, and other general items related directly to the Company's operations. These expenses are net of amounts borne by fund investors and are not offset by credits attributable to fund investors' non-controlling interests in consolidated funds. General and administrative expense reflects the gross-up of reimbursable costs incurred on behalf of Oaktree funds in which the Company has determined it is the principal. Subsequent to the Restructuring, general and administrative expenses primarily include direct and reimbursable expenses incurred by Oaktree Capital I and OCM Cayman and the Company's share of certain expenses through a service agreement with OCM.

Depreciation and Amortization

Depreciation and amortization expense includes costs associated with the purchase of furniture and equipment, capitalized software, office leasehold improvements and acquired intangibles. Furniture and equipment and capitalized software costs are depreciated using the straight-line method over the estimated useful life of the asset, which is generally three to five years. Leasehold improvements are amortized using the straight-line method over the shorter of the respective estimated useful life or the lease term. Acquired intangibles primarily relate to contractual rights and are amortized over their estimated useful lives, which range from seven to 25 years. Subsequent to the Restructuring, the majority of Oaktree's acquired intangible assets are no longer included in our consolidated statement of financial condition.

Consolidated Fund Expenses

Consolidated fund expenses consist primarily of costs, expenses and fees that are incurred by, or arise out of the operation and activities of or otherwise are related to, our consolidated funds, including, without limitation, travel expenses, professional fees, research and software expenses, insurance, and other costs associated with administering and supporting those funds. Inasmuch as most of these fund expenses are borne by third-party investors, they reduce the investors' interests in the consolidated funds and have no impact on net income or loss attributable to the Company.

Other Income (Loss)

Interest Expense

Interest expense primarily reflects the interest expense of the consolidated funds, as well as the interest expense of Oaktree and its operating subsidiaries. Prior to the Restructuring, our financial statements reflected debt service of the entire Oaktree Operating Group. After the Restructuring since OCM has historically been the only direct borrower or issuer under credit agreements and private placement notes with third parties and made all payments of principal and interest, our financial statements generally will not reflect debt obligations, interest expense or related liabilities associated with our operating subsidiaries, until such time as Oaktree Capital I, one of our two remaining Oaktree Operating Group entities, directly borrows or issues notes under such arrangements.

Interest and Dividend Income

Interest and dividend income consists of interest and dividend income earned on the investments held by our consolidated funds, and interest income earned by Oaktree and its operating subsidiaries.

Net Realized Gain (Loss) on Consolidated Funds' Investments

Net realized gain (loss) on consolidated funds' investments consists of realized gains and losses arising from dispositions of investments held by our consolidated funds.

Net Change in Unrealized Appreciation (Depreciation) on Consolidated Funds' Investments

Net change in unrealized appreciation (depreciation) on consolidated funds' investments reflects both unrealized gains and losses on investments held by our consolidated funds and the reversal upon disposition of investments of unrealized gains and losses previously recognized for those investments.

Investment Income

Investment income represents our pro-rata share of income or loss from our investments, generally in our capacity as general partner in certain Oaktree funds and as an investor in our CLOs and third-party managed funds and companies. Investment income, as reflected in our consolidated statements of operations, excludes investment income earned by us from our consolidated funds.

Other Income (Expense), Net

Other income (expense), net represents non-operating income or expense.

Income Taxes

The Company is a publicly traded partnership. Because it satisfies the qualifying income test, it is not required to be treated as a corporation for U.S. federal and state income tax purposes; rather it is taxed as a partnership. The Company currently holds interests in Oaktree Capital I, L.P. (a non-corporate entity that is not subject to U.S. federal corporate income tax) and Oaktree Capital Management (Cayman), L.P. (which holds subsidiaries that are taxable in non-U.S. jurisdictions).

Prior to the Restructuring on October 1, 2019, Oaktree Holdings, Inc. and Oaktree AIF Holdings, Inc., which were two of the Company's Intermediate Holding Companies and wholly-owned corporate subsidiaries, were subject to U.S. federal and state income taxes. The remainder of the Company's income was generally not subject to U.S. corporate-level taxation.

Upon the Restructuring, Oaktree Holdings, Inc. and Oaktree AIF Holdings, Inc. merged with and into newly formed, indirect subsidiaries of Brookfield, with those subsidiaries surviving the mergers. As a result, as of October 1, 2019, Oaktree Holdings, Inc. and Oaktree AIF Holdings, Inc. ceased to exist and the Company no longer includes

on our financial statements economic interests in Oaktree Capital II, Oaktree Investment Holdings, OCM, and Oaktree AIF. All deferred tax balances related to these entities were deconsolidated as part of the Restructuring effective October 1, 2019.

Income taxes are accounted for using the liability method of accounting. Under this method, deferred tax assets and liabilities are recognized for the expected future tax consequences of differences between the carrying amount of assets and liabilities and their respective tax bases, using currently enacted tax rates. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period when the change is enacted. Deferred tax assets would be reduced by a valuation allowance if it becomes more likely than not that some portion or all of the deferred tax assets will not be realized.

The Company analyzes its tax filing positions for all open tax years in all of the U.S. federal, state, local and foreign tax jurisdictions where it is required to file income tax returns. If the Company determines that uncertainties in tax positions exist, a reserve is established. The Company recognizes accrued interest and penalties related to uncertain tax positions within income tax expense in the consolidated statements of operations.

Tax laws are complex and subject to different interpretations by the taxpayer and respective governmental taxing authorities. Significant judgment is required in determining tax expense and in evaluating tax positions, including evaluating uncertainties. The Company reviews its tax positions quarterly and adjusts its tax balances as new information becomes available.

The Oaktree funds are generally not subject to U.S. federal and state income taxes and, consequently, no income tax provision has been made in the accompanying consolidated financial statements because individual partners are responsible for their proportionate share of the taxable income.

Net Income Attributable to Non-controlling Interests

Net income attributable to non-controlling interests represents the ownership interests that third parties hold in entities that are consolidated in our financial statements. These interests fall into two categories:

- ***Net Income Attributable to Non-controlling Interests in Consolidated Funds.*** This category represents the economic interests of the unaffiliated investors in the consolidated funds, as well as the equity interests held by third-party investors in CLOs that had not yet priced as of the respective period end. Those interests are primarily driven by the investment performance of the consolidated funds. In comparison to net income, this measure excludes our operating results and other items solely attributable to the Company; and,

- ***Net Income Attributable to Non-controlling Interests in Consolidated Subsidiaries.*** This category primarily represents the economic interest in the Oaktree Operating Group owned by OCGH (“OCGH non-controlling interest”), as well as the economic interest in certain consolidated subsidiaries held by third parties. Prior to the Restructuring, this category included the OCGH non-controlling interest in all six Oaktree Operating Group entities; subsequent to the Restructuring, it includes only the OCGH non-controlling interest in Oaktree Capital I and OCM Cayman. The OCGH non-controlling interest is determined at the Oaktree Operating Group level based on the weighted average proportionate share of Oaktree Operating Group units held by the OCGH unitholders. Inasmuch as the number of outstanding Oaktree Operating Group units corresponds with the total number of outstanding Class A and OCGH units, changes in the economic interest held by the OCGH unitholders are driven by our additional issuances of Class A and OCGH units, as well as repurchases and forfeitures of, and exchanges between, Class A and OCGH units. Certain of our expenses, such as income tax and related administrative expenses of Oaktree Capital Group, LLC and its Intermediate Holding Companies, are solely attributable to the Class A unitholders. Please see note 13 to our consolidated financial statements included elsewhere in this annual report for additional information on the economic interest in the Oaktree Operating Group owned by OCGH.

Net Income Attributable to Preferred Unitholders

This category represents distributions declared, if any, on our preferred units. Please see note 13 to our consolidated financial statements for more information.

Operating Metrics

We monitor certain operating metrics that we believe provide important information and data regarding our business. As a result of the Restructuring, a substantial portion of our revenues will be comprised of incentive income and investment income earned in our capacity as general partner of certain Oaktree funds. To analyze and monitor our operating performance we utilize incentive-creating AUM, incentives created (fund level) and accrued incentives (fund level). These operating metrics provide us with detailed information and insight into the operating performance of the funds we manage.

Incentive-creating Assets Under Management.

Incentive-creating AUM refers to the AUM that may eventually produce incentive income. It generally represents the NAV of Oaktree funds for which we are entitled to receive an incentive allocation, excluding CLOs and investments made by us and our or Oaktree employees and directors (which are not subject to an incentive allocation) and gross assets (including assets acquired with leverage), net of cash, for our BDCs. All funds for which we are entitled to receive an incentive allocation are included in incentive-creating AUM, regardless of whether or not they are currently above their preferred return or high-water mark and therefore generating incentives. Incentive-creating AUM does not include undrawn capital commitments.

Accrued Incentives (Fund Level) and Incentives Created (Fund Level)

Oaktree funds record as accrued incentives the incentive income that would be paid to us if the funds were liquidated at their reported values as of the date of the financial statements. Incentives created (fund level) refers to the gross amount of potential incentives generated by these funds during the period. We refer to the amount of accrued incentives recognized as revenue by us as incentive income. Amounts recognized by us as incentive income are no longer included in accrued incentives (fund level), the term we use for remaining fund-level accruals. The amount of incentives created may fluctuate substantially as a result of changes in the fair value of the underlying investments of the fund, as well as incentives created in excess of our typical 20% share due to catch-up allocations for applicable closed-end funds. In general, while in the catch-up layer, approximately 80% of any increase or decrease, respectively, in the fund's NAV results in a commensurate amount of positive or negative incentives created (fund level).

The same performance and market risks inherent in incentives created (fund level) affect the ability to ultimately realize accrued incentives (fund level). One consequence of the accounting method we follow for incentives created (fund level) is that accrued incentives (fund level) is an off-balance sheet metric, rather than being an on-balance sheet receivable that could require reduction if fund performance suffers. We track accrued incentives (fund level) because it provides an indication of potential future value, though the timing and ultimate realization of that value are uncertain.

Incentives created (fund level), incentive income and accrued incentives (fund level) are presented gross, without deduction for direct compensation expense that is owed to Oaktree investment professionals associated with the particular fund when we earn the incentive income. We call that charge "incentive income compensation expense." Incentive income compensation expense varies by the investment strategy and vintage of the particular fund, among many other factors.

Incentives created (fund level) often reflects investments measured at fair value and therefore is subject to risk of substantial fluctuation by the time the underlying investments are liquidated. We earn the incentive income, if any, that the fund is then obligated to pay us with respect to our incentive interest (generally 20%) in the profits of our unaffiliated investors, subject to an annual preferred return of typically 8%. Incentive income is recognized when it is probable that significant reversal of revenue will not occur. We track incentives created (fund level) because it provides an indication of the value for us currently being created by investment activities of the funds and facilitates comparability with those companies in our industry that account for investments in carry funds as equity-method investments, thus effectively reflecting an accrual-based method for recognizing incentive income in their financial statements.

GAAP Consolidated Results of Operations [1]

The following table sets forth our audited consolidated statements of operations:

	Year Ended December 31,		
	2021	2020	2019
	(in thousands, except per unit data)		
Revenues:			
Management fees	$ 234,786	$ 185,727	$ 578,863
Incentive income	1,219,624	243,337	350,124
Total revenues	1,454,410	429,064	928,987
Expenses:			
Compensation and benefits	(162,260)	(131,562)	(368,196)
Equity-based compensation	(10,521)	(17,365)	(65,533)
Incentive income compensation	(594,300)	(104,469)	(175,753)
Total compensation and benefits expense	(767,081)	(253,396)	(609,482)
General and administrative	(21,694)	(23,065)	(189,447)
Depreciation and amortization	(2,332)	(2,052)	(20,287)
Consolidated fund expenses	(75,338)	(33,153)	(23,315)
Total expenses	(866,445)	(311,666)	(842,531)
Other income (loss):			
Interest expense	(155,265)	(157,686)	(197,159)
Interest and dividend income	389,251	318,210	368,870
Net realized loss on consolidated funds' investments	22,238	(105,957)	(17,773)
Net change in unrealized appreciation (depreciation) on consolidated funds' investments	122,517	(183,847)	9,937
Investment income	203,041	103,828	146,569
Other income, net	19	—	58
Total other income (loss)	581,801	(25,452)	310,502
Income before income taxes	1,169,766	91,946	396,958
Income taxes	(12,387)	(8,211)	(9,620)
Net income	1,157,379	83,735	387,338
Less:			
Net (income) loss attributable to non-controlling interests in consolidated funds	(186,515)	165,412	(93,620)
Net (income) attributable to non-controlling interests in consolidated subsidiaries	(339,204)	(83,428)	(138,879)
Net income attributable to Oaktree Capital Group, LLC	631,660	165,719	154,839
Net (income) attributable to preferred unitholders	(27,316)	(27,316)	(27,316)
Net income attributable to Oaktree Capital Group, LLC Class A unitholders	$ 604,344	$ 138,403	$ 127,523
Distributions declared per Class A unit	$ 4.68	$ 0.71	$ 4.96
Net income per unit (basic and diluted):			
Net income per Class A unit	$ 6.10	$ 1.40	$ 1.59
Weighted average number of Class A units outstanding	99,031	98,512	80,045

(1) As a result of the Restructuring, as of October 1, 2019, four of the six Oaktree Operating Group entities are no longer our indirect subsidiaries. The deconsolidation of the four Oaktree Operating Group entities that are no longer our indirect subsidiaries is presented on a prospective basis and did not require that prior periods be recast. Accordingly, effective October 1, 2019, our consolidated financial statements reflect our indirect economic interest in only two of the Oaktree Operating Group entities: (i) Oaktree Capital I, which acts as or controls the general partner of certain Oaktree funds and which holds a majority of Oaktree's investments in its funds and (ii) OCM Cayman, which represents Oaktree's non-U.S. fee business.

Year Ended December 31, 2021 Compared to Year Ended December 31, 2020

Revenues

Management Fees

Management fees increased $49.1 million, or 26.4%, to $234.8 million for the year ended December 31, 2021, from $185.7 million for the year ended December 31, 2020. The increase was primarily due to sub-advisory fees earned, reflecting both growth of Oaktree's business operations and its impact to the sub-advisory fees we earn from these arrangements.

Incentive Income

A summary of incentive income is set forth below:

	Year Ended December 31,	
	2021	2020
	(in thousands)	
Incentive Income:		
Oaktree funds:		
Credit	$ 208,459	$ 59,945
Private Equity	728,008	173,662
Real Assets	188,618	5,625
Listed Equities	94,539	4,105
Total incentive income	$ 1,219,624	$ 243,337

Incentive income increased $976.3 million, or 401.3%, to $1.2 billion for the year ended December 31, 2021, from $243.3 million for the year ended December 31, 2020. The increase in incentive income was primarily due to higher distributions from Private Equity and Real Assets closed-end funds that were paying incentive income. The year ended December 31, 2021 included $643.2 million from Oaktree Power Opportunities Fund IV, up from $133.7 million for the year ended December 31, 2020, and $160.4 million from Highstar Continuation Fund, which did not generate any incentive income for the year ended December 31, 2020.

Expenses

Compensation and Benefits

Compensation and benefits expense increased $30.7 million, or 23.3%, to $162.3 million for the year ended December 31, 2021, from $131.6 million for the year ended December 31, 2020. The increase in compensation and benefits expense was primarily due to headcount growth and Long-Term Incentive Plan awards.

Equity-based Compensation

Equity-based compensation expense decreased $6.9 million, or 39.7%, to $10.5 million for the year ended December 31, 2021, from $17.4 million for the year ended December 31, 2020, primarily reflecting that beginning in 2020, deferred compensation is primarily paid in Long-Term Incentive Plan awards rather than equity-based awards.

Incentive Income Compensation

Incentive income compensation expense increased $489.8 million, or 468.7%, to $594.3 million for the year ended December 31, 2021, from $104.5 million for the year ended December 31, 2020, primarily reflecting the increase in incentive income.

General and Administrative

General and administrative expense decreased $1.4 million, or 6.1%, to $21.7 million for the year ended December 31, 2021, from $23.1 million for the year ended December 31, 2020, primarily driven by foreign exchange.

Depreciation and Amortization

Depreciation and amortization expense increased $0.2 million, or 9.5%, to $2.3 million for the year ended December 31, 2021, from $2.1 million for the year ended December 31, 2020.

Consolidated Fund Expenses

Consolidated fund expenses increased $42.1 million, or 126.8%, to $75.3 million for the year ended December 31, 2021, from $33.2 million for the year ended December 31, 2020. This increase primarily reflects the impact of fund operating expenses and interest expense incurred primarily by Opps XI.

Other Income (Loss)

Interest Expense

Interest expense decreased $2.4 million, or 1.5%, to $155.3 million for the year ended December 31, 2021, from $157.7 million for the year ended December 31, 2020. The decrease was primarily attributable to lower interest rates, partially offset by increased debt outstanding.

Interest and Dividend Income

Interest and dividend income increased $71.1 million, or 22.3%, to $389.3 million for the year ended December 31, 2021, from $318.2 million for the year ended December 31, 2020. The increase was primarily attributable to our consolidated funds.

Net Realized Gain (Loss) on Consolidated Funds' Investments

Net realized gain (loss) on consolidated funds' investments increased $128.2 million, to a net gain of $22.2 million for the year ended December 31, 2021, from a net loss of $106.0 million for the year ended December 31, 2020. The increase in our net realized gain (loss) primarily reflects our consolidated funds' performance on investments sold, primarily resulting from our CLOs and Opps XI, and the deconsolidation of an open-end credit fund that recognized net realized losses during the year ended December 31, 2020.

Net Change in Unrealized Appreciation (Depreciation) on Consolidated Funds' Investments

The net change in unrealized appreciation (depreciation) on consolidated funds' investments increased $306.3 million, to net appreciation of $122.5 million for the year ended December 31, 2021, from net depreciation of $183.8 million for the year ended December 31, 2020. Excluding the impact of the reversal of net realized gain (loss) on consolidated funds' investments, the net change in unrealized appreciation (depreciation) on consolidated funds' investments increased $434.6 million to a net gain of $144.8 million for the year ended December 31, 2021, from a net loss of $289.8 million for the year ended December 31, 2020. The increase reflected our consolidated funds' performance in each period, primarily resulting from Opps XI and the deconsolidation of an open-end credit fund that recognized net unrealized depreciation during the year ended December 31, 2020.

Investment Income

A summary of investment income is set forth below:

	Year Ended December 31,	
	2021	2020
	(in thousands)	
Income (loss) from investments in funds:		
Oaktree funds:		
Credit	$ 248,372	$ 52,574
Private Equity	93,278	58,139
Real Assets	(15,687)	(11,552)
Listed Equities	9,206	2,103
Non-Oaktree	(22,334)	(6,953)
Total investment income - Oaktree and operating subsidiaries	312,835	94,311
Eliminations	(109,794)	9,517
Total investment income	$ 203,041	$ 103,828

Investment income increased $99.2 million, or 95.5%, to $203.0 million for the year ended December 31, 2021, from $103.8 million for the year ended December 31, 2020. The increase primarily reflected higher returns on our Credit investments.

Income Taxes

Income taxes increased $4.2 million, or 51.2%, to $12.4 million for the year ended December 31, 2021, from $8.2 million for the year ended December 31, 2020, primarily reflecting higher taxable net income attributable to our operations outside of the United States during the year ended December 31, 2021. The effective tax rates applicable to Class A unitholders for 2021 and 2020 were 1% and 4%, respectively. We generally expect variability in tax rates between periods, because the effective tax rate is a function of the mix of income and other factors, each of which can have a material impact on the particular period's income tax expense and may vary significantly within or between years. Please see the Income Taxes section of "—Understanding Our Results—Consolidation of Oaktree Funds."

Net (Income) Loss Attributable to Non-controlling Interests in Consolidated Funds

Net (income) loss attributable to non-controlling interests in consolidated funds increased $351.9 million, to net income of $186.5 million for the year ended December 31, 2021, from net loss of $165.4 million for the year ended December 31, 2020. The increase reflected our consolidated funds' performance attributable to third-party investors in each period. These effects are described in more detail under "—Other Income (Loss)" above.

Net Income Attributable to Oaktree Capital Group, LLC Class A Unitholders

Net income attributable to OCG Class A unitholders increased $465.9 million, or 336.6%, to $604.3 million for the year ended December 31, 2021, from $138.4 million for the year ended December 31, 2020, primarily reflecting our allocated portion of the incentive income and our consolidated funds' performance in each period.

Operating Metrics

We monitor certain operating metrics that we believe provide important data regarding our business. These operating metrics include incentive-creating AUM, incentives created (fund level) and accrued incentives (fund level). As a result of the Restructuring, effective October 1, 2019, our Operating Metrics include only the portion associated with the two Oaktree Operating Group entities that remain our indirect subsidiaries.

	As of or for the Year Ended December 31,		
	2021	2020	2019
	(in thousands except as otherwise indicated)		
Operating Metrics: [1]			
Assets under management (in millions):			
Incentive-creating assets under management	$ 40,945	$ 31,973	$ 25,330
Accrued incentives (fund level):			
Incentives created (fund level)	1,467,898	656,590	269,421
Incentives created (fund level), net of associated incentive income compensation expense	558,668	309,715	132,959
Accrued incentives (fund level)	1,668,839	1,314,443	938,806
Accrued incentives (fund level), net of associated incentive income compensation expense	800,431	610,207	439,128

(1) Our funds record as accrued incentives the incentive income that would be paid to us if the funds were liquidated at their reported values as of the date of the financial statements. Incentives created (fund level) refers to the gross amount of potential incentives generated by the funds during the period. We refer to the amount of incentive income recognized as revenue by us as incentive income. Amounts recognized by us as incentive income are no longer included in accrued incentives (fund level), the term we use for remaining fund-level accruals. Incentives created (fund level), incentive income and accrued incentives (fund level) are presented gross, without deduction for direct compensation expense that is owed to our investment professionals associated with the particular fund when we earn the incentive income. We call that charge “incentive income compensation expense.” Incentive income compensation expense varies by the investment strategy and vintage of the particular fund, among many factors.

Incentive-creating AUM

Incentive-creating AUM is set forth below and includes only incentive-creating AUM generated by our indirect subsidiaries, Oaktree Capital I and OCM Cayman for the years ended December 31, 2021, 2020 and 2019. Incentive-creating AUM does not include undrawn capital commitments.

	As of December 31,		
	2021	2020	2019
	(in millions)		
Incentive-creating Assets Under Management:			
Closed-end funds	$ 36,726	$ 28,099	$ 21,530
Evergreen funds	4,219	3,874	3,800
Total	$ 40,945	$ 31,973	$ 25,330

Year Ended December 31, 2021

Incentive-creating AUM increased $8.9 billion, or 27.8%, to $40.9 billion as of December 31, 2021, from $32.0 billion as of December 31, 2020. The increase primarily reflected $10.9 billion attributable to market-value gains, inclusive of the impact of foreign currency fluctuations, offset by $2.0 billion of distributions, net of drawdowns and contributions, during the year ended December 31, 2021.

The following Incentive-creating AUM rollforward reflects beginning and ending balances, gross inflows and outflows, and change in market value (including foreign currency exchange impacts) as of December 31, 2021:

	As of or for the Year Ended December 31, 2021
	(in millions)
Incentive-creating Assets Under Management:	
Beginning balance	$ 31,973
Contributions and Drawdowns	8,233
Distributions	(10,252)
Market appreciation (including foreign currency)	10,991
Ending balance	$ 40,945

Accrued Incentives (Fund Level) and Incentives Created (Fund Level)

Accrued incentives (fund level), gross and net of incentive income compensation expense, as well as changes in accrued incentives (fund level), are set forth below.

	As of or for the Year Ended December 31,		
	2021	2020	2019
	(in thousands)		
Accrued Incentives (Fund Level): [(1)]			
Beginning balance	$ 1,314,443	$ 938,806	$ 1,722,120
Incentives created (fund level):			
Closed-end funds	1,406,656	638,158	227,680
Evergreen funds	61,242	18,432	37,141
DoubleLine	—	—	4,600
Total incentives created (fund level)	1,467,898	656,590	269,421
Less: incentive income recognized by us	(1,113,502)	(280,953)	(537,139)
Less: Restructuring reallocation of accrued incentives	—	—	(515,596)
Ending balance	$ 1,668,839	$ 1,314,443	$ 938,806
Accrued incentives (fund level), net of associated incentive income compensation expense	$ 800,431	$ 610,207	$ 439,128

(1) As a result of the Restructuring, as of October 1, 2019, four of the six Oaktree Operating Group entities are no longer our indirect subsidiaries. Accordingly, effective October 1, 2019, our consolidated financial statements reflect our indirect economic interest in only two of the Oaktree Operating Group entities: (i) Oaktree Capital I, which acts as or controls the general partner of certain Oaktree funds and which holds a majority of Oaktree's investments in its funds and (ii) OCM Cayman, which represents Oaktree's non-U.S. fee business. Additionally, effective October 1, 2019, our Operating Metrics include only the portion associated with the remaining two Oaktree Operating Group entities.

As of December 31, 2021, 2020 and 2019, the portion of net accrued incentives (fund level) represented by funds that were currently paying incentives was $30.0 million (or 3.7%), $152.3 million (25.0%) and $80.6 million (18.4%), respectively, with the remainder arising from funds that as of that date were not at the stage of their cash distribution waterfall where Oaktree was entitled to receive incentives, other than possibly tax-related distributions.

As of December 31, 2021, $365 million, or 45.6%, of the net accrued incentives (fund level) were in evergreen or closed-end funds in their liquidation period. Please see "—Critical Accounting Policies—Fair Value of Financial Instruments" for a discussion of the fair-value hierarchy level established by GAAP.

Year Ended December 31, 2021

Incentives created (fund level) was $1.5 billion for the year ended December 31, 2021, primarily reflecting $857.2 million of incentives created (fund level) from Credit funds, $588.0 million from Private Equity funds, and $191.0 million from Real Asset funds.

GAAP Statement of Financial Condition

We manage our financial condition without the consolidation of the Oaktree funds in which we serve as general partner. Since Oaktree's founding, Oaktree and, by extension, we have managed our financial condition in a way that builds our capital base and maintains sufficient liquidity for known and anticipated uses of cash. Our assets do not include accrued incentives (fund level), an off-balance sheet metric.

The following table presents our GAAP consolidating statement of financial condition:

	As of December 31, 2021			
	Oaktree and Operating Subsidiaries	Consolidated Funds	Eliminations	Consolidated
	(in thousands)			
Assets:				
Cash and cash-equivalents	$ 167,319	$ —	$ —	$ 167,319
U.S. Treasury and other securities	2,086	—	—	2,086
Corporate investments	1,951,842	—	(929,278)	1,022,564
Deferred tax assets	3,548	—	—	3,548
Right-of-use assets	33,359	—	—	33,359
Receivables and other assets	419,092	—	(252)	418,840
Assets of consolidated funds	—	12,750,133	—	12,750,133
Total assets	$ 2,577,246	$ 12,750,133	$ (929,530)	$ 14,397,849
Liabilities and Capital:				
Liabilities:				
Accounts payable and accrued expenses	$ 261,152	$ —	$ —	$ 261,152
Due to affiliates	4,198	—	—	4,198
Lease liabilities	39,294	—	—	39,294
Debt obligations	—	—	—	—
Liabilities of consolidated funds	—	10,118,662	(21,353)	10,097,309
Total liabilities	304,644	10,118,662	(21,353)	10,401,953
Non-controlling redeemable interests in consolidated funds	—	—	1,723,294	1,723,294
Capital:				
Capital attributable to OCG preferred unitholders	400,584	—	—	400,584
Capital attributable to OCG Class A unitholders	1,259,790	562,162	(562,162)	1,259,790
Non-controlling interest in consolidated subsidiaries	612,228	346,015	(346,015)	612,228
Non-controlling interest in OCM Holdings I	—	—	—	—
Non-controlling interest in consolidated funds	—	1,723,294	(1,723,294)	—
Total capital	2,272,602	2,631,471	(2,631,471)	2,272,602
Total liabilities and capital	$ 2,577,246	$ 12,750,133	$ (929,530)	$ 14,397,849

Corporate Investments

	As of December 31,	
	2021	2020
	(in thousands)	
Oaktree funds:		
Credit	$ 1,610,044	$ 1,037,836
Private Equity	249,040	284,465
Real Assets	27,939	151,552
Listed Equities	32,335	30,911
Non-Oaktree	32,484	18,487
Total corporate investments – Oaktree and operating subsidiaries	1,951,842	1,523,251
Eliminations	(929,278)	(551,299)
Total corporate investments – Consolidated	$ 1,022,564	$ 971,952

Liquidity and Capital Resources

We manage our liquidity and capital requirements by focusing on our cash flows before the consolidation of Oaktree funds and the effect of normal changes in short-term assets and liabilities. Our primary cash flow activities on an unconsolidated basis involve (a) generating cash flow from operations, (b) generating income from investment activities, including strategic investments in certain third parties, (c) funding capital commitments that we have made to Oaktree funds in which we act as general partner, (d) funding our growth initiatives, (e) distributing cash flow to our Class A and OCGH unitholders, (f) borrowings, interest payments and repayments under credit agreements, our senior notes and other borrowing arrangements, and (g) issuances of, and distributions made on, our preferred units. As of December 31, 2021, the Company had $169.4 million of cash and U.S. Treasury and other securities and no outstanding debt. See the Future Sources and Uses of Liquidity section for additional details of Oaktree and its indirect subsidiaries financing activities in 2021.

Ongoing sources of cash include (a) management and sub-advisory fees, which are collected monthly or quarterly, (b) incentive income, which is volatile and largely unpredictable as to amount and timing, and (c) distributions stemming from our corporate investments in funds and companies. We primarily use cash flow from operations and distributions from our corporate investments to pay compensation and related expenses, general and administrative expenses, income taxes, debt service, capital expenditures and distributions. This same cash flow, together with proceeds from equity and debt issuances, is also used to fund corporate investments, fixed assets and other capital items. Subject to applicable law and certain consent rights contained in our operating agreement, pursuant to a covenant in our operating agreement we plan to cause the Oaktree Operating Group, including our indirect subsidiaries Oaktree Capital I and OCM Cayman, to distribute, on a quarterly basis, at least 85% of its adjusted distributable earnings, as defined in our operating agreement, and we plan to distribute amounts we receive in respect of such distributions, less any tax and tax receivable obligations, to holders of our Class A units. Distributions from each Operating Group entity may not be proportionate to its share of adjusted distributable earnings.

Distributions on the preferred units are discretionary and non-cumulative. We may redeem, at our option, out of funds legally available, the preferred units, in whole or in part, at any time on or after June 15, 2023 in respect of the Series A preferred units or September 15, 2023 in respect of the Series B preferred units, at a price of $25.00 per preferred unit plus declared and unpaid distributions to, but excluding, the redemption date, without payment of any undeclared distributions. Holders of the preferred units have no right to require the redemption of such preferred units.

On August 3, 2020, we subscribed for a limited partner interest in, and made a capital commitment of, $750 million to Oaktree Opportunities Fund XI, L.P., a parallel investment vehicle thereof or a feeder fund in respect of one of the foregoing (such limited partner interest, the “Opps XI Investment” and such fund entities collectively, “Opps XI”). In order to fund the Opps XI Investment, our sole Class A unitholder, or one of its affiliates, will contribute cash as a capital contribution (the “Opps XI Investment Cash”) as and to the extent required to satisfy our obligations to Opps XI. We will use the Opps XI Investment Cash solely to fund the Opps XI Investment and satisfy our obligations in respect of Opps XI. Distributions from the Opps XI Investment are intended for the benefit of the Class A unitholder, subject to applicable law. Our preferred unitholders should not rely on distributions received by

us in respect of the Opps XI Investment for payment of dividends or redemption of the preferred units. As of December 31, 2021, $225 million of the $750 million capital commitment was funded.

Consolidated Cash Flows

The accompanying consolidated statements of cash flows include our consolidated funds, despite the fact that we typically have only a minority economic interest in those funds. The assets of consolidated funds, on a gross basis, are larger than the assets of our business and, accordingly, have a substantial effect on the cash flows reflected in our consolidated statements of cash flows. The primary cash flow activities of our consolidated funds involve:

- raising capital from third-party investors;
- using the capital provided by us and third-party investors to fund investments and operating expenses;
- financing certain investments with indebtedness;
- generating cash flows through the realization of investments, as well as the collection of interest and dividend income; and
- distributing net cash flows to fund investors and to us.

Because our consolidated funds are either treated as investment companies for accounting purposes or represent CLOs whose primary operations are investing activities, their investing cash flow amounts are included in our cash flows from operations. We believe that we and each of the consolidated funds has sufficient access to cash to fund our and their respective operations in the near term.

Significant amounts from our consolidated statements of cash flows for the years ended December 31, 2021, 2020 and 2019 are discussed below.

Operating Activities

Operating activities used $2.7 billion, $1.1 billion and $3.1 billion of cash in 2021, 2020 and 2019, respectively. These amounts principally reflected net income, purchases of securities, net of non-cash adjustments, in each of the respective periods and net purchases of securities of the consolidated funds.

Investing Activities

Investing activities provided $184.8 million of cash in 2021, $47.9 million of cash in 2020, and $751.4 million of cash in 2019. Net activity from purchases, maturities and sales of U.S. Treasury and other securities included net proceeds of $7.6 million in 2021, net purchases of $0.1 million in 2020, and net proceeds of $527.3 million in 2019. Corporate investments in funds and companies of $180.0 million, $225.6 million and $264.7 million in 2021, 2020 and 2019, respectively, consisted of the following:

	Year Ended December 31,		
	2021	2020	2019
		(in millions)	
Funds	$ 760.8	$ 592.3	$ 1,000.6
Eliminated in consolidation	(580.8)	(366.7)	(735.9)
Total investments	$ 180.0	$ 225.6	$ 264.7

Distributions and proceeds from corporate investments in funds and companies of $357.7 million, $274.3 million and $495.5 million in 2021, 2020 and 2019, respectively, consisted of the following:

	Year Ended December 31,		
	2021	2020	2019
		(in millions)	
Funds	$ 468.6	$ 498.3	$ 897.1
Eliminated in consolidation	(110.9)	(224.0)	(401.6)
Total investments	$ 357.7	$ 274.3	$ 495.5

Purchases of fixed assets were $0.6 million, $0.7 million and $6.8 million in 2021, 2020 and 2019, respectively.

Financing Activities

Financing activities provided $2.7 billion of cash in 2021, $1.5 billion of cash in 2020 and $2.7 billion of cash in 2019. Financing activities included: (a) net contributions from non-controlling interests in consolidated funds of $1.0 billion, $716.5 million and $557.2 million in 2021, 2020 and 2019, respectively; (b) net borrowings on credit facilities of the consolidated funds of $761.0 million, $397.8 million and $159.4 million in 2021, 2020 and 2019, respectively; (c) distributions to unitholders of $779.6 million, $140.8 million and $827.1 million in 2021, 2020 and 2019, respectively; (d) net capital contributions of $183.7 million and $55.8 million in 2021 and 2020, respectively, and net unit purchases of $12.2 million in 2019; (e) payments of debt issuance costs of $2.6 million, $2.8 million and $4.2 million in 2021, 2020 and 2019, respectively; (f) proceeds from debt obligations issued by our CLOs of $5.4 billion, $1.1 billion and $4.8 billion in 2021, 2020 and 2019, respectively; and (g) repayments of $3.8 billion, $599.1 million, and $1.9 billion in 2021, 2020, and 2019, respectively, related to CLO debt obligations that were refinanced.

Future Sources and Uses of Liquidity

We expect to continue to make distributions to our preferred unitholders in accordance with their contractual terms and our Class A unitholders pursuant to our distribution policy for our common units as described in our operating agreement. In the future, subject to our operating agreement we may also issue additional units or debt and other equity securities with the objective of increasing our available capital. In addition, we may, from time to time, repurchase our preferred units in open market or privately negotiated purchases or otherwise, redeem our preferred units pursuant to the terms of their respective governing documents, or repurchase OCGH units.

In addition to our ongoing sources of cash that include management and sub-advisory fees, incentive income and distributions related to our corporate investments in funds and companies, we also have access to liquidity through our debt financings, credit agreements and equity financings. Prior to the Restructuring, our financial statements reflected debt and debt service of the entire Oaktree Operating Group, however, OCM has historically been the only direct borrower or issuer under credit agreements and private placement notes with third parties and made all payments of principal and interest. While certain Oaktree Operating Group entities (including Oaktree Capital I) are co-obligors and jointly and severally liable, debt obligations are reflected in the consolidated financial statements based upon the entity that actually made the borrowing and received the related proceeds. Accordingly, our financial statements after the Restructuring generally will not reflect debt obligations, interest expense or related liabilities associated with our operating subsidiaries, until such time as Oaktree Capital I, one of our two remaining Oaktree Operating Group entities, directly borrows or issues notes under such arrangements.

We believe that the sources of liquidity described below will be sufficient to fund our cash requirements for at least the next twelve months.

Debt Financings

In January 2022, our former indirect subsidiary, OCM, issued and sold to certain accredited investors $200 million of 3.06% senior notes due 2037 (the “2037 Notes”). The 2037 Notes are senior unsecured obligations of the issuer, jointly and severally guaranteed by our indirect subsidiary, Oaktree Capital I and our former indirect subsidiaries, Oaktree Capital II and Oaktree AIF. The 2037 Notes provide for certain affirmative and negative covenants, including financial covenants relating to the issuer’s and guarantors’ combined leverage ratio and minimum assets under management. In addition, the 2037 Notes contain customary representations and warranties of the issuer and the guarantors, and customary events of default, in certain cases, subject to cure periods. The issuer may prepay all, or from time to time any part of, the 2037 Notes at any time, subject in the case of optional prepayment prior to the date that is three months prior to the maturity of the notes, to the issuer’s payment of the applicable make-whole amount determined with respect to such principal amount prepaid. Upon the occurrence of a change of control, the issuer will be required to make an offer to prepay the 2037 Notes without any make-whole amount. As OCM is the issuer of such senior unsecured notes, the outstanding principal and interest payments guaranteed by Oaktree Capital I will not be included in our financial statements unless an event of default occurs.

In July 2020, our former indirect subsidiary, OCM issued and sold to certain accredited investors $200 million aggregate principal amount of 3.64% Senior Notes, Series A, due 2030 (the “Series A 2030 Notes”) and $50 million aggregate principal amount of 3.84% Senior Notes, Series B, due 2035 (the “Series B 2035 Notes”) pursuant to a note and guaranty agreement Both series of notes are senior unsecured obligations of the issuer, jointly and severally guaranteed by our indirect subsidiary, Oaktree Capital I and our former indirect subsidiaries, Oaktree Capital II and Oaktree AIF. Both series of notes provide for certain affirmative and negative covenants, including financial covenants relating to the issuer’s and guarantors’ combined leverage ratio and minimum assets under

management. In addition, the Series A 2030 Notes and Series B 2035 Notes contain customary representations and warranties of the issuer and the guarantors, and customary events of default, in certain cases, subject to cure periods. The issuer may prepay all, or from time to time any part of, the Series A 2030 Notes and Series B 2035 Notes at any time, subject in the case of optional prepayment prior to the date that is three months prior to the maturity of the notes, to the issuer's payment of the applicable make-whole amount determined with respect to such principal amount prepaid. Upon the occurrence of a change of control, the issuer will be required to make an offer to prepay both series of notes without any make-whole amount. As OCM is the issuer of such senior unsecured notes, the outstanding principal and interest payments guaranteed by Oaktree Capital I will not be included in our financial statements unless an event of default occurs.

In May 2020, Oaktree Capital I, along with certain other Oaktree Operating Group members as co-borrowers, entered into a credit agreement with a subsidiary of Brookfield that provides for a subordinated credit facility maturing on May 19, 2023. The subordinated credit facility has a revolving loan commitment of $250 million and borrowings generally bear interest at a spread to either LIBOR or an alternative base rate. Borrowings on the subordinated credit facility are subordinate to the outstanding debt obligations and borrowings on the primary credit facility of Oaktree Capital I and its co-borrowers as detailed in note 10 to our consolidated financial statements included elsewhere in this annual report. Oaktree Capital I is jointly and severally liable, along with its co-obligors for outstanding borrowings on the subordinated credit facility. As set forth in such note 10, the Company's financial statements generally will not reflect debt obligations, interest expense or related liabilities associated with its operating subsidiaries until such time as Oaktree Capital I directly borrows from the subordinated credit facility. No amounts were outstanding on the subordinated credit facility as of December 31, 2021.

In December 2019, our former indirect subsidiaries OCM, Oaktree Capital II, Oaktree AIF, and our indirect subsidiary Oaktree Capital I (collectively, the "Borrowers") entered into the Fifth Amendment to Credit Agreement (the "Fifth Amendment"), which amended the credit agreement dated as of March 31, 2014 (as amended through and including the Fifth Amendment, the "Credit Agreement"). The Fifth Amendment extended the maturity date of the Credit Agreement from March 29, 2023 to December 13, 2024, increased the revolving credit facility (the "Revolver") from $500 million to $650 million, provided for the refinancing of the then-outstanding $150 million term loan balance with revolving loans, and provides the Borrowers with the option to extend the new maturity date by one year up to two times if the lenders holding at least 50% of the aggregate amount of the revolving loan commitment thereunder on the date of the Borrowers' extension request consent to such extension. The Fifth Amendment also favorably updated the commitment fee and interest rate margins in the corporate ratings-based pricing grid, increased the AUM covenant threshold from $60 billion to $65 billion and made certain other amendments to the provisions of the Credit Agreement. Borrowings under the Credit Agreement generally bear interest at a spread to either LIBOR or an alternative base rate. Based on the current credit ratings of OCM, the interest rate on borrowings is LIBOR plus 0.88% per annum and the commitment fee on the unused portions of the Revolver is 0.08% per annum. The Credit Agreement contains customary financial covenants and restrictions, including (after giving effect to the Fifth Amendment) covenants regarding a maximum leverage ratio of 3.50x-to-1.00x and a minimum required level of assets under management (as defined in the credit agreement). In September 2021, the Borrowers entered into the Sixth Amendment to Credit Agreement (the "Sixth Agreement"). The Sixth Amendment extended the maturity date of the Credit Agreement from December 13, 2024 to September 14, 2026, modified the AUM covenant threshold from $65 billion of AUM to $57.5 billion of management fee-generating AUM, and increased the maximum leverage ratio to 4.00x-to-1.00x. As set forth in note 10 to our consolidated financial statements included elsewhere in this annual report, the Company's financial statements generally will not reflect debt obligations, interest expense or related liabilities associated with its operating subsidiaries until such time as Oaktree Capital I directly borrows from the subordinated credit facility. As of December 31, 2021, OCM had $55 million outstanding borrowings under the $650 million revolving credit facility.

In December 2017, our former indirect subsidiary, OCM, issued and sold to certain accredited investors $250 million of 3.78% senior notes due 2032 (the "2032 Notes"). The 2032 Notes are senior unsecured obligations of the issuer, jointly and severally guaranteed by our indirect subsidiary, Oaktree Capital I and our former indirect subsidiaries, Oaktree Capital II and Oaktree AIF. The proceeds from the sale of the 2032 Notes and cash on hand were used to redeem the $250 million of 6.75% Senior Notes due 2019 and to pay the related make-whole premium to holders thereof. In connection with the Notes offering, we entered into a cross-currency swap agreement to euros, reducing the interest cost to 1.95% per year. The 2032 Notes provide for certain affirmative and negative covenants, including financial covenants relating to the issuer's and guarantors' combined leverage ratio and minimum assets under management. In addition, the 2032 Notes contain customary representations and warranties of the issuer and the guarantors, and customary events of default, in certain cases, subject to cure periods. The issuer may prepay all, or from time to time any part of, the 2032 Notes at any time, subject to the

issuer's payment of the applicable make-whole amount determined with respect to such principal amount prepaid. Upon the occurrence of a change of control, the issuer will be required to make an offer to prepay the 2032 Notes together with the applicable make-whole amount determined with respect to such principal amount prepaid. As OCM is the issuer of such senior unsecured notes, the outstanding principal and interest payments guaranteed by Oaktree Capital I will not be included in our financial statements unless an event of default occurs.

In July 2016, our former indirect subsidiary, OCM, issued and sold to certain accredited investors $100 million of 3.69% senior notes due July 12, 2031 (the "2031 Notes"). The 2031 Notes are senior unsecured obligations of the issuer, jointly and severally guaranteed by our indirect subsidiary Oaktree Capital I, and our former indirect subsidiaries, Oaktree Capital II and Oaktree AIF pursuant to a note and guaranty agreement. The proceeds from the sale of the 2031 Notes were used to simultaneously repay $100 million of borrowings outstanding under the $250 million term loan due March 31, 2021. The 2031 Notes provide for certain affirmative and negative covenants, including financial covenants relating to the issuer's and guarantors' combined leverage ratio and minimum assets under management. In addition, the 2031 Notes contain customary representations and warranties of the issuer and the guarantors, and customary events of default, in certain cases, subject to cure periods. The issuer may prepay all, or from time to time any part of, the 2031 Notes at any time, subject to the issuer's payment of the applicable make-whole amount determined with respect to such principal amount prepaid. Upon the occurrence of a change of control, the issuer will be required to make an offer to prepay the 2031 Notes together with the applicable make-whole amount determined with respect to such principal amount prepaid. As OCM is the issuer of such senior unsecured notes, the outstanding principal and interest payments guaranteed by Oaktree Capital I will not be included in our financial statements unless an event of default occurs.

In September 2014, our former indirect subsidiary, OCM issued and sold to certain accredited investors $50 million aggregate principal amount of 3.91% Senior Notes, Series A, due September 3, 2024 (the "Series A Notes"), $100 million aggregate principal amount of 4.01% Senior Notes, Series B, due September 3, 2026 (the "Series B Notes") and $100 million aggregate principal amount of 4.21% Senior Notes, Series C, due September 3, 2029 (the "Series C Notes" and together with the Series A Notes and the Series B Notes, the "Senior Notes") pursuant to a note and guarantee agreement. The Senior Notes are senior unsecured obligations of the issuer, guaranteed on a joint and several basis by our indirect subsidiary Oaktree Capital I, and our former indirect subsidiaries, Oaktree Capital II and Oaktree AIF. Interest on the 2014 Notes is payable semi-annually. The Senior Notes provide for certain affirmative and negative covenants, including financial covenants relating to the issuer's and guarantors' combined leverage ratio and minimum assets under management. In addition, the Senior Notes contain customary representations and warranties of the issuer and the guarantors, and customary events of default, in certain cases, subject to cure periods. The issuer may prepay all, or from time to time any part of, the Senior Notes at any time, subject to the issuer's payment of the applicable make-whole amount determined with respect to such principal amount prepaid. Upon the occurrence of a change of control, the issuer will be required to make an offer to prepay the Senior Notes together with the applicable make-whole amount determined with respect to such principal amount prepaid. As OCM is the issuer of such senior unsecured notes, the outstanding principal and interest payments guaranteed by Oaktree Capital I will not be included in our financial statements unless an event of default occurs.

Preferred Unit Issuances

On May 17, 2018, we issued 7,200,000 of our 6.625% Series A preferred units representing limited liability company interests with a liquidation preference of $25.00 per unit. The issuance resulted in $173.7 million in net proceeds to us. Distributions on the Series A preferred units, when and if declared by the board of directors of Oaktree, will be paid quarterly on March 15, June 15, September 15 and December 15 of each year. The first distribution was paid on September 17, 2018. Distributions on the Series A preferred units are non-cumulative.

On August 9, 2018, we issued 9,400,000 of our 6.550% Series B preferred units representing limited liability company interests with a liquidation preference of $25.00 per unit. The issuance resulted in $226.9 million in net proceeds to us. Distributions on the Series B preferred units, when and if declared by the board of directors of Oaktree, will be paid quarterly on March 15, June 15, September 15 and December 15 of each year. The first distribution was paid on December 17, 2018. Distributions on the Series B preferred units are non-cumulative.

Unless distributions have been declared and paid or declared and set apart for payment on the preferred units for a quarterly distribution period, during the remainder of that distribution period we may not repurchase any common units or any other units that are junior in rank, as to the payment of distributions, to the preferred units and we may not declare or pay or set apart payment for distributions on any common units or junior units for the remainder of that distribution period, other than certain Permitted Distributions (as defined in the unit designation related to the applicable preferred units (each, the "Preferred Unit Designation")).

We may redeem, at our option, out of funds legally available, the preferred units, in whole or in part, at any time on or after June 15, 2023 in respect of the Series A preferred units or September 15, 2023 in respect of the Series B preferred units, at a price of $25.00 per preferred unit plus declared and unpaid distributions to, but excluding, the redemption date, without payment of any undeclared distributions. Holders of the preferred units have no right to require the redemption of the preferred units.

If a Change of Control Event (as defined in the applicable Preferred Unit Designation) occurs prior to June 15, 2023 in respect of the Series A preferred units or September 15, 2023 in respect of the Series B preferred units, we may, at our option, out of funds legally available, redeem the applicable preferred units, in whole but not in part, upon at least 30 days' notice, within 60 days of the occurrence of such Change of Control Event, at a price of $25.25 per preferred unit, plus declared and unpaid distributions to, but excluding, the redemption date, without payment of any undeclared distributions.

If a Tax Redemption Event or Rating Agency Event (each, as defined in the applicable Preferred Unit Designation) occurs prior to June 15, 2023 in respect of the Series A preferred units or September 15, 2023 in respect of the Series B preferred units, we may, at our option, out of funds legally available, redeem the applicable preferred units, in whole but not in part, upon at least 30 days' notice, within 60 days of the occurrence of such Tax Redemption Event or Rating Agency Event, at a price of $25.50 per preferred unit, plus declared and unpaid distributions to, but excluding, the redemption date, without payment of any undeclared distributions.

The preferred units are not convertible into Class A units or any other class or series of our interests or any other security. Holders of the preferred units do not have any of the voting rights given to holders of our Class A units, except that holders of the preferred units are entitled to certain voting rights under certain conditions.

Contractual Obligations, Commitments and Contingencies

In the ordinary course of business, we and our consolidated funds enter into contractual arrangements that may require future cash payments. The following table sets forth information related to anticipated future cash payments as of December 31, 2021:

	2022	2023-2024	2025-2026	Thereafter	Total
			(in thousands)		
Oaktree and Operating Subsidiaries:					
Operating lease obligations [1]	$ 6,532	$ 10,551	$ 9,236	$ 21,284	$ 47,603
OCG limited partner commitments to Oaktree funds [2]	525,000	—	—	—	525,000
Oaktree Capital I general partner commitments to Oaktree and third-party funds [2]	325,818	—	—	—	325,818
Subtotal	857,350	10,551	9,236	21,284	898,421
Consolidated Funds:					
Debt obligations payable [3]	1,131,918	—	—	—	1,131,918
Interest obligations on debt [4]	13,241	—	—	—	13,241
Debt obligations of CLOs [3]	246,551	—	—	7,680,092	7,926,643
Interest on debt obligations of CLOs [4]	130,900	261,801	261,801	829,795	1,484,297
Commitments to fund investments [5]	13,474	—	—	—	13,474
Total	$ 2,393,434	$ 272,352	$ 271,037	$ 8,531,171	$ 11,467,994

(1) We lease our office space under agreements that expire periodically through 2031. The table includes both guaranteed and expected minimum lease payments for these leases and does not project other lease-related payments.
(2) These obligations represent commitments by us to provide limited and general partner capital funding to our funds and limited partner capital funding to funds managed by unaffiliated third parties. These amounts are generally due on demand and are therefore presented in the 2022 column. Capital commitments are expected to be called over a period of several years.
(3) These obligations represent future principal payments, gross of debt issuance costs, and for CLOs, the par value.
(4) Interest obligations include accrued interest on outstanding indebtedness. Where applicable, current interest rates are applied to estimate future interest obligations on variable-rate debt.
(5) These obligations represent commitments by our funds to make investments or fund uncalled contingent commitments. These amounts are generally due either on demand or by various contractual dates that vary by investment and are therefore presented in the 2022 column. Capital commitments are expected to be called over a period of several years.

In some of our service contracts or management agreements, we have agreed to indemnify third-party service providers or separate account clients under certain circumstances. The terms of the indemnities vary from contract to contract and the amount of indemnification liability, if any, cannot be determined and has neither been included in the above table nor recorded in our consolidated financial statements as of December 31, 2021.

Off-Balance Sheet Arrangements

We do not have any off-balance sheet arrangements. Please see note 17 to our consolidated financial statements included elsewhere in this annual report for information on our commitments and contingencies.

Critical Accounting Estimates

We prepare our consolidated financial statements in accordance with GAAP. In applying many of these accounting principles, we need to make assumptions, estimates or judgments that affect the reported amounts of assets, liabilities, revenues and expenses in our consolidated financial statements. We base our estimates and judgments on historical experience and other assumptions that we believe are reasonable under the circumstances. These assumptions, estimates or judgments, however, are both subjective and subject to change, and actual results may differ from our assumptions and estimates. If actual amounts are ultimately different from our estimates, the revisions are included in our results of operations for the period in which the actual amounts become known. We believe our critical accounting policies could potentially produce materially different results if we were to change underlying assumptions, estimates or judgments. Our most significant assumptions and estimates are related to the valuation of our corporate investments and the investments of our consolidated funds, and the determination of grant date fair value of our equity-based awards. For a summary of our significant accounting policies and estimates, please see the notes to our consolidated financial statements included elsewhere in this annual report.

Recent Accounting Developments

Please see note 2 to our consolidated financial statements included elsewhere in this annual report for information regarding recent accounting developments.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk

In the normal course of business, we are exposed to a broad range of risks inherent in the financial markets in which we participate, including price risk, interest-rate risk, access to and cost of financing risk, liquidity risk, counterparty risk and foreign exchange-rate risk. Potentially negative effects of these risks may be mitigated to a certain extent by those aspects of our investment approach, investment strategies, fundraising practices or other business activities that are designed to benefit, either in relative or absolute terms, from periods of economic weakness, tighter credit or financial market dislocations.

Our predominant exposure to market risk is related to our role as general partner or investment adviser to our funds and as an investor in our CLOs, and the sensitivities to movements in the fair value of their investments on management fees, incentive income and investment income, as applicable. The fair value of the financial assets and liabilities of our funds and CLOs may fluctuate in response to changes in, among many factors, the fair value of securities, foreign-exchange rates, commodities prices and interest rates.

Price Risk

Impact on Net Change in Unrealized Appreciation (Depreciation) on Consolidated Funds' Investments

As of December 31, 2021, we had investments at fair value of $11.5 billion related to our consolidated funds, primarily consisting of investments held by our CLOs. We estimate that a 10% decline in market values would result in a decrease in unrealized appreciation (depreciation) on the consolidated funds' investments of $1.1 billion. Of this decline, approximately $350.7 million would impact net income and $217.1 million would impact net income attributable to OCG Class A unitholders, with the remainder attributable to non-controlling interests and third-party debt holders in our CLOs. The magnitude of the impact on net income is largely affected by the percentage of our equity ownership interest and levered nature of our CLO investments.

Impact on Management Fees (before consolidation of funds)

Management fees are generally assessed in the case of (a) our open-end and evergreen funds, based on NAV, and (b) our closed-end funds, based on committed capital, drawn capital or cost basis during the investment period and, during the liquidation period, based on the lesser of (i) the total funded committed capital or (ii) the cost basis of assets remaining in the fund. Management fees are affected by changes in market values to the extent they are based on NAV. For the years ended December 31, 2021 and 2020, NAV-based management fees

represented approximately 3% and 5%, respectively, of total management fees. For the year ended December 31, 2021, we estimate that a 10% decline in market values of the investments held in our funds would have resulted in an approximate $0.6 million decrease in the amount of management fees received. These estimated effects are without regard to a number of factors that would be expected to increase or decrease the magnitude of the change to degrees that are not readily quantifiable, such as the use of leverage facilities in certain of our funds or the timing of fund flows.

Impact on Incentive Income (before consolidation of funds)

Incentive income is recognized only when it is probable that a significant reversal will not occur, which in the case of (a) our closed-end funds, generally occurs only after all contributed capital and an annual preferred return on that capital (typically 8%) have been distributed to the fund's investors and (b) our active evergreen funds, generally occurs as of December 31, based on the increase in the fund's NAV during the year, subject to any high-water marks or hurdle rates. In the case of closed-end funds, the link between short-term fluctuations in market values and a particular period's incentive income may in part be indirect. Thus the effect on incentive income of a 10% decline in market values is not readily quantifiable. A decline in market values would be expected to cause a decline in incentive income.

Impact on Investment Income (before consolidation of funds)

Investment income or loss arises from our pro-rata share of income or loss from our investments, generally in our capacity as general partner in our funds and as an investor in our CLOs and third-party managed funds or companies. This income is directly affected by changes in market risk factors. Based on investments held as of December 31, 2021, a 10% decline in fair values of the investments held in our funds and other holdings would result in a $324.6 million decrease in the amount of investment income. The estimated decline of $324.6 million is greater than 10% of the December 31, 2021 corporate investments balance primarily due to the levered nature of our CLO investments. These estimated effects are without regard to a number of factors that would be expected to increase or decrease the magnitude of the change to degrees that are not readily quantifiable, such as the use of leverage facilities in certain of our funds, the timing of fund flows or the timing of new investments or realizations.

Exchange-rate Risk

Our business is affected by movements in the exchange rate between the U.S. dollar and non-U.S. dollar currencies in the case of (a) management fees that vary based on the NAV of our funds that hold investments denominated in non-U.S. dollar currencies, (b) management fees received in non-U.S. dollar currencies, (c) operating expenses for our foreign offices that are denominated in non-U.S. dollar currencies, and (d) cash and other balances we hold in non-U.S. dollar currencies. We manage our exposure to exchange-rate risks through our regular operating activities and, when appropriate, through the use of derivative instruments.

We estimate that for the year ended December 31, 2021, without considering the impact of derivative instruments, a 10% decline in the average exchange rate of the U.S. dollar would have resulted in the following approximate effects on our operating results:

- our management fees (relating to (a) and (b) above) would have increased by $25.0 million;
- our operating expenses would have increased by $22.6 million;
- OCGH interest in net income of consolidated subsidiaries would have increased by $1.7 million; and
- our income tax expense would have increased by $0.7 million.

These movements would have increased our net income attributable to OCG Class A unitholders by $2.1 million.

At any point in time, some of the investments held by our closed-end and evergreen funds may be denominated in non-U.S. dollar currencies on an unhedged basis. Changes in currency rates could affect incentive income, incentives created (fund level) and investment income with respect to such closed-end and evergreen funds; however, the degree of impact is not readily determinable because of the many indirect effects that currency movements may have on individual investments.

Credit Risk

We are party to agreements providing for various financial services and transactions that contain an element of risk in the event that the counterparties are unable to meet the terms of such agreements. In such agreements, we depend on the respective counterparty to make payment or otherwise perform. We generally endeavor to minimize our risk of exposure by limiting to reputable financial institutions the counterparties with which we enter into financial transactions. In other circumstances, availability of financing from financial institutions may be uncertain due to market events, and we may not be able to access these financing markets.

Interest-rate Risk

As of December 31, 2021, the Company and its operating subsidiaries had no debt obligations outstanding under the three senior notes issuances and two revolving credit facilities for which it is jointly and severally liable. Each senior notes issuance accrues interest at a fixed rate. The revolving credit facilities accrue interest at a variable rate. Of the $169.4 million of aggregate cash and U.S. Treasury and other securities as of December 31, 2021, we estimate that the Company and its operating subsidiaries would generate an additional $1.7 million in interest income on an annualized basis as a result of a 100-basis point increase in interest rates.

Our consolidated funds have debt obligations, most of which accrue interest at variable rates. Changes in these rates would affect the amount of interest payments that our funds would have to make, impacting future earnings and cash flows. As of December 31, 2021, the consolidated funds had $6.6 billion of principal or par value, as applicable, outstanding under these debt obligations. We estimate that interest expense relating to variable-rate debt would increase on an annualized basis by $66.1 million in the event interest rates were to increase by 100 basis points.

As credit-oriented investors, we are also subject to interest-rate risk through the securities we hold in our consolidated funds. A 100-basis point increase in interest rates would be expected to negatively affect prices of securities that accrue interest income at fixed rates and therefore negatively impact the net change in unrealized appreciation (depreciation) on consolidated funds' investments. The actual impact is dependent on the average duration of such holdings. Conversely, securities that accrue interest at variable rates would be expected to benefit from a 100-basis point increase in interest rates because these securities would generate higher levels of current income and therefore positively impact interest and dividend income. In cases where our funds pay management fees based on NAV, we would expect our management fees to experience a change in direction and magnitude corresponding to that experienced by the underlying portfolios.

Item 8. Financial Statements and Supplementary Data

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Report of Independent Registered Public Accounting Firm

To the Unitholders and Board of Directors of Oaktree Capital Group, LLC

Opinion on the Financial Statements

We have audited the accompanying consolidated statements of financial condition of Oaktree Capital Group, LLC (the Company) as of December 31, 2021 and 2020, and the related consolidated statements of operations, comprehensive income, cash flows and changes in unitholders' capital for each of the three years in the period ended December 31, 2021, and the related notes (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2021 and 2020, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2021, in conformity with U.S. generally accepted accounting principles.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matters

The critical audit matter communicated below is a matter arising from the current period audit of the financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective or complex judgments. The communication of the critical audit matter does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Valuation of investments which utilize significant unobservable inputs

Description of the Matter	At December 31, 2021, the Company's investments included $915.2 million of equity method investments in unconsolidated Oaktree funds (for which the carrying amount is affected by management's estimate of the fair value of the fund's investments) and $1.9 billion of investments of consolidated funds, at fair value, categorized as Level III within the fair value hierarchy. The fair value of these fund investments is determined by management using the valuation techniques and significant unobservable inputs described in Notes 2 and 6 to the consolidated financial statements. Auditing the fair value of the Company's fund investments categorized as Level III within the fair value hierarchy was complex and involved a high degree of subjectivity due to estimation uncertainty resulting from the unobservable nature of the inputs used in the valuations and the limited number of comparable market transactions for the same or similar investments.
How We Addressed the Matter in Our Audit	We obtained an understanding, evaluated the design and tested the operating effectiveness of controls over the Company's investment valuation process, including management's assessment of the significant inputs and estimates used in the fair value measurements. We performed the following procedures, among others, for a sample of the Company's fund investments categorized as Level III: We tested the mathematical accuracy of the Company's valuation models and agreed the values in the models to the Company's books and records. We evaluated the valuation techniques used by the Company and considered the consistency in application of the valuation techniques to each subject investment and investment class. We evaluated the reasonableness of significant unobservable inputs by comparing the inputs used by the Company against third-party sources such as recent trades, market indexes or other market data, evaluated the consistency of forecasted cash flows with historical operating results and trends and assessed the appropriateness of management's determination of comparable companies. Where applicable, we utilized our internal valuation specialists to assist with these procedures, including developing an independent range of inputs that we compared to the inputs selected by management or an independent fair value estimate that we compared to the Company's fair value estimate. We considered other information obtained through the audit that corroborated or contradicted the Company's inputs or fair value measurements. We also reviewed subsequent events and transactions, including sales of investments subsequent to the balance sheet date, and considered whether they corroborated or contradicted the Company's year-end valuations.

/s/ Ernst & Young LLP

We have served as the Company's auditor since 2016.

Los Angeles, California
March 11, 2022

Oaktree Capital Group, LLC
Consolidated Statements of Financial Condition
($ in thousands)

	As of December 31,	
	2021	2020
Assets		
Cash and cash-equivalents	$ 167,319	$ 329,253
U.S. Treasury and other securities	2,086	9,562
Corporate investments (includes $71,154 and $15,429 measured at fair value as of December 31, 2021 and 2020, respectively)	1,022,564	971,952
Due from affiliates	372,861	129,541
Deferred tax assets	3,548	4,172
Other assets	45,979	43,204
Right-of-use assets	33,359	37,942
Assets of consolidated funds:		
Cash and cash-equivalents	991,800	871,088
Investments, at fair value	11,456,895	7,799,309
Dividends and interest receivable	48,584	29,169
Due from brokers	15,498	—
Receivable for securities sold	206,770	107,179
Derivative assets, at fair value	6,733	508
Other assets, net	23,853	61,236
Total assets	$ 14,397,849	$ 10,394,115
Liabilities and Unitholders' Capital		
Liabilities:		
Accrued compensation expense	$ 245,787	$ 136,865
Accounts payable, accrued expenses and other liabilities	15,365	13,490
Due to affiliates	4,198	9,688
Debt obligations (Note 10)	—	—
Operating lease liabilities	39,294	44,068
Liabilities of consolidated funds:		
Accounts payable, accrued expenses and other liabilities	80,897	82,005
Payables for securities purchased	1,066,261	593,855
Derivative liabilities, at fair value	11,847	933
Distributions payable	123	10,098
Debt obligations of the consolidated funds	1,131,918	370,920
Debt obligations of CLOs	7,806,263	6,536,858
Total liabilities	10,401,953	7,798,780
Commitments and contingencies (Note 17)		
Non-controlling redeemable interests in consolidated funds	1,723,294	715,347
Unitholders' capital:		
Series A preferred units, 7,200,000 units issued and outstanding as of December 31, 2021 and 2020, respectively	173,669	173,669
Series B preferred units, 9,400,000 units issued and outstanding as of December 31, 2021 and 2020, respectively	226,915	226,915
Class A units, no par value, unlimited units authorized, 99,136,620 and 98,677,040 units issued and outstanding as of December 31, 2021 and 2020, respectively	—	—
Class B units, no par value, unlimited units authorized, 60,783,255 and 61,383,742 units issued and outstanding as of December 31, 2021 and 2020, respectively	—	—
Paid-in capital	1,011,333	819,963
Retained earnings	251,791	119,920
Accumulated other comprehensive loss	(3,334)	(5,414)
Unitholders' capital attributable to Oaktree Capital Group, LLC	1,660,374	1,335,053
Non-controlling interests in consolidated subsidiaries	612,228	544,935
Total unitholders' capital	2,272,602	1,879,988
Total liabilities and unitholders' capital	$ 14,397,849	$ 10,394,115

Please see accompanying notes to consolidated financial statements.

Oaktree Capital Group, LLC
Consolidated Statements of Operations
(in thousands, except per unit amounts)

	Year Ended December 31,		
	2021	2020	2019
Revenues:			
Management fees	$ 234,786	$ 185,727	$ 578,863
Incentive income	1,219,624	243,337	350,124
Total revenues	1,454,410	429,064	928,987
Expenses:			
Compensation and benefits	(162,260)	(131,562)	(368,196)
Equity-based compensation	(10,521)	(17,365)	(65,533)
Incentive income compensation	(594,300)	(104,469)	(175,753)
Total compensation and benefits expense	(767,081)	(253,396)	(609,482)
General and administrative	(21,694)	(23,065)	(189,447)
Depreciation and amortization	(2,332)	(2,052)	(20,287)
Consolidated fund expenses	(75,338)	(33,153)	(23,315)
Total expenses	(866,445)	(311,666)	(842,531)
Other income (loss):			
Interest expense	(155,265)	(157,686)	(197,159)
Interest and dividend income	389,251	318,210	368,870
Net realized gain (loss) on consolidated funds' investments	22,238	(105,957)	(17,773)
Net change in unrealized appreciation (depreciation) on consolidated funds' investments	122,517	(183,847)	9,937
Investment income	203,041	103,828	146,569
Other income, net	19	—	58
Total other income (loss)	581,801	(25,452)	310,502
Income before income taxes	1,169,766	91,946	396,958
Income taxes	(12,387)	(8,211)	(9,620)
Net income	1,157,379	83,735	387,338
Less:			
Net (income) loss attributable to non-controlling interests in consolidated funds	(186,515)	165,412	(93,620)
Net (income) attributable to non-controlling interests in consolidated subsidiaries	(339,204)	(83,428)	(138,879)
Net income attributable to Oaktree Capital Group, LLC	631,660	165,719	154,839
Net (income) attributable to preferred unitholders	(27,316)	(27,316)	(27,316)
Net income attributable to Oaktree Capital Group, LLC Class A unitholders	$ 604,344	$ 138,403	$ 127,523
Distributions declared per Class A unit	$ 4.68	$ 0.71	$ 4.96
Net income per unit (basic and diluted):			
Net income per Class A unit	$ 6.10	$ 1.40	$ 1.59
Weighted average number of Class A units outstanding	99,031	98,512	80,045

Please see accompanying notes to consolidated financial statements.

Oaktree Capital Group, LLC
Consolidated Statements of Comprehensive Income
(in thousands)

	Year Ended December 31,		
	2021	2020	2019
Net income	$ 1,157,379	$ 83,735	$ 387,338
Other comprehensive income (loss), net of tax:			
Foreign currency translation adjustments	4,418	(3,088)	(5,928)
Other comprehensive income (loss), net of tax	4,418	(3,088)	(5,928)
Total comprehensive income	1,161,797	80,647	381,410
Less:			
Comprehensive (income) loss attributable to non-controlling interests in consolidated funds	(186,515)	165,412	(93,620)
Comprehensive (income) attributable to non-controlling interests in consolidated subsidiaries	(341,542)	(82,253)	(137,505)
Comprehensive income attributable to OCG	633,740	163,806	150,285
Comprehensive (income) attributable to preferred unitholders	(27,316)	(27,316)	(27,316)
Comprehensive income attributable to OCG Class A unitholders	$ 606,424	$ 136,490	$ 122,969

Please see accompanying notes to consolidated financial statements.

Oaktree Capital Group, LLC
Consolidated Statements of Cash Flows
(in thousands)

	Year Ended December 31,		
	2021	2020	2019
Cash flows from operating activities:			
Net income	$ 1,157,379	$ 83,735	$ 387,338
Adjustments to reconcile net income to net cash used in operating activities:			
Investment income	(203,041)	(103,828)	(146,569)
Depreciation and amortization	2,332	2,052	20,287
Equity-based compensation	10,521	17,365	65,533
Net realized and unrealized (gain) loss from consolidated funds' investments	(144,755)	289,804	7,836
Accretion of original issue and market discount of consolidated funds' investments, net	(13,717)	(23,357)	(3,625)
Income distributions from corporate investments in funds and companies	201,983	52,988	134,512
SPAC deconsolidation gain and other non-cash items	(72,347)	46	2,929
Cash flows due to changes in operating assets and liabilities:			
(Increase) decrease in deferred tax assets	335	(1,039)	122
Decrease in other assets	2,601	1,227	4,365
Increase (decrease) in net due to affiliates	(232,783)	(51,128)	177,615
Increase (decrease) in accrued compensation expense	108,922	5,763	(155,900)
Increase (decrease) in accounts payable, accrued expenses and other liabilities	(3,871)	(3,786)	63,972
Cash flows due to changes in operating assets and liabilities of consolidated funds:			
Increase in dividends and interest receivable	(19,439)	(2,352)	(7,092)
(Increase) decrease in due from brokers	(15,201)	(7,953)	11,476
Increase in receivables for securities sold	(107,242)	(65,019)	(25,285)
(Increase) decrease in other assets	25,989	(50,331)	(5,251)
Increase (decrease) in accounts payable, accrued expenses and other liabilities	41,764	(16,875)	61,380
Increase in payables for securities purchased	462,772	250,552	56,694
Purchases of securities	(9,683,352)	(4,343,064)	(6,684,118)
Proceeds from maturities and sales of securities	5,749,329	2,887,947	2,900,134
Net cash used in operating activities	(2,731,821)	(1,077,253)	(3,133,647)
Cash flows from investing activities:			
Purchases of U.S. Treasury and other securities	(16,322)	(43,153)	(602,600)
Proceeds from maturities and sales of U.S. Treasury and other securities	23,938	43,053	1,129,930
Corporate investments in funds and companies	(179,996)	(225,603)	(264,673)
Distributions and proceeds from corporate investments in funds and companies	357,734	274,265	495,509
Purchases of fixed assets	(583)	(710)	(6,764)
Net cash provided by investing activities	184,771	47,852	751,402

(continued)

Please see accompanying notes to consolidated financial statements.

Oaktree Capital Group, LLC
Consolidated Statements of Cash Flows – (Continued)
(in thousands)

	Year Ended December 31,		
	2021	2020	2019
Cash flows from financing activities:			
Capital contributions, net	$ 183,684	$ 55,826	$ —
Repurchase and cancellation of units	—	—	(12,191)
Distributions to Class A unitholders	(465,669)	(69,797)	(439,433)
Distributions to OCGH unitholders	(286,647)	(43,678)	(360,321)
Distributions to preferred unitholders	(27,316)	(27,316)	(27,316)
Distributions to non-controlling interests	—	—	(3,421)
Cash flows from financing activities of consolidated funds:			
Contributions from non-controlling interests	1,189,486	940,191	664,679
Distributions to non-controlling interests	(171,883)	(223,674)	(107,499)
Proceeds from debt obligations issued by CLOs	5,367,766	1,054,403	4,754,098
Payment of debt issuance costs	(2,577)	(2,780)	(4,199)
Repayment on debt obligations issued by CLOs	(3,800,803)	(599,139)	(1,893,506)
Borrowings on credit facilities	760,999	446,300	531,411
Repayments on credit facilities	—	(48,490)	(372,000)
Net cash provided by financing activities	2,747,040	1,481,846	2,730,302
Effect of exchange rate changes on cash	(24,753)	7,251	(8,289)
Net increase in cash and cash-equivalents	175,237	459,696	339,768
Deconsolidation due to restructuring	—	—	(145,295)
Initial consolidation (deconsolidation) of funds	(216,459)	(101,148)	(184,407)
Cash and cash-equivalents, beginning balance	1,200,341	841,793	831,727
Cash and cash-equivalents, ending balance	$ 1,159,119	$ 1,200,341	$ 841,793

* * *

Supplemental cash flow disclosures:			
Cash paid for interest	$ 127,228	$ 150,033	$ 136,385
Cash paid for income taxes	8,208	12,198	8,887
Supplemental disclosure of non-cash activities:			
Net assets related to the initial consolidation of funds	$ —	$ 3,708	$ 162,630
Net assets related to the deconsolidation of funds	350,422	974,423	1,030,712
Net assets related to the deconsolidation due to restructuring	—	—	500,629
Reconciliation of cash and cash-equivalents			
Cash and cash-equivalents – Oaktree	$ 167,319	$ 329,253	$ 323,550
Cash and cash-equivalents – Consolidated Funds	991,800	871,088	518,243
Total cash and cash-equivalents	$ 1,159,119	$ 1,200,341	$ 841,793

Please see accompanying notes to consolidated financial statements.

Oaktree Capital Group, LLC
Consolidated Statements of Changes in Unitholders' Capital
(in thousands)

	Oaktree Capital Group, LLC								
	Class A Units	Class B Units	Series A Preferred Units	Series B Preferred Units	Paid-in Capital	Retained Earnings (Accumulated Deficit)	Accumulated Other Comprehensive Income (Loss)	Non-controlling Interests in Consolidated Subsidiaries	Total Unitholders' Capital
Unitholders' capital as of December 31, 2018	71,662	85,472	$ 173,669	$ 226,915	$ 893,043	$ 100,683	$ 1,053	$1,092,354	$2,487,717
Activity for the year ended December 31, 2019:									
Issuance of units	29,713	5,153	—	—	—	—	—	—	—
Cancellation of units	(3,149)	(3,429)	—	—	—	—	—	—	—
Repurchase and cancellation of units	(259)	(25,403)	—	—	(8,378)	—	—	(3,813)	(12,191)
Restructuring equity distribution of entities	—	—	—	—	(413,074)	—	—	(87,555)	(500,629)
Deferred tax effect resulting from the purchase of OCGH units	—	—	—	—	203,511	—	—	—	203,511
Equity reallocation between controlling and non-controlling interests	—	—	—	—	306,015	—	—	(306,015)	—
Capital increase related to equity-based compensation	—	—	—	—	31,943	—	—	34,519	66,462
Distributions declared	—	—	(11,924)	(15,392)	(262,761)	(176,672)	—	(363,742)	(830,491)
Net income	—	—	11,924	15,392	—	127,523	—	138,879	293,718
Foreign currency translation adjustment, net of tax	—	—	—	—	—	—	(4,554)	(1,374)	(5,928)
Unitholders' capital as of December 31, 2019	97,967	61,793	173,669	226,915	750,299	51,534	(3,501)	503,253	1,702,169
Activity for the year ended December 31, 2020:									
Cumulative-effect adjustment from adoption of accounting guidance	—	—	—	—	—	(220)	—	(136)	(356)
Issuance of units	—	319	—	—	—	—	—	—	—
Unit Exchange	710	(710)	—	—	—	—	—	—	—
Cancellation of units associated with forfeitures	—	(31)	—	—	—	—	—	—	—
Capital contributions	—	—	—	—	57,317	—	—	—	57,317
Equity reallocation between controlling and non-controlling interests	—	—	—	—	1,832	—	—	(3,323)	(1,491)
Capital increase related to equity-based compensation	—	—	—	—	10,515	—	—	6,566	17,081
Distributions declared	—	—	(11,924)	(15,392)	—	(69,797)	—	(43,678)	(140,791)
Net income	—	—	11,924	15,392	—	138,403	—	83,428	249,147
Foreign currency translation adjustment, net of tax	—	—	—	—	—	—	(1,913)	(1,175)	(3,088)
Unitholders' capital as of December 31, 2020	98,677	61,371	173,669	226,915	819,963	119,920	(5,414)	544,935	1,879,988
Activity for the year ended December 31, 2021:									
Issuance of units	—	4	—	—	—	—	—	—	—
Unit exchange	460	(460)	—	—	—	—	—	—	—
Cancellation of units associated with forfeitures	—	(132)	—	—	—	—	—	—	—
Capital contributions	—	—	—	—	196,015	—	—	5,226	201,241
Equity reallocation between controlling and non-controlling interests	—	—	—	—	(11,155)	—	—	7,339	(3,816)
Capital increase related to equity-based compensation	—	—	—	—	6,510	—	—	4,011	10,521
Distributions declared	—	—	(11,924)	(15,392)	—	(472,473)	—	(290,825)	(790,614)
Net income	—	—	11,924	15,392	—	604,344	—	339,204	970,864
Foreign currency translation adjustment, net of tax	—	—	—	—	—	—	2,080	2,338	4,418
Unitholders' capital as of December 31, 2021	99,137	60,783	$ 173,669	$ 226,915	$1,011,333	$ 251,791	$ (3,334)	$ 612,228	$2,272,602

Please see accompanying notes to consolidated financial statements.

1. ORGANIZATION AND BASIS OF PRESENTATION

As used in these consolidated financial statements:

"Oaktree" refers to (i) Oaktree Capital Group, LLC and, where applicable, its subsidiaries and affiliates prior to October 1, 2019 and (ii) the Oaktree Operating Group and, where applicable, their respective subsidiaries and affiliates after September 30, 2019; and

the "Company" refers to Oaktree Capital Group, LLC and, where applicable, its subsidiaries and affiliates, including, as the context requires, affiliated Oaktree Operating Group members after September 30, 2019.

Oaktree is a leader among global investment managers specializing in alternative investments. Oaktree emphasizes an opportunistic, value-oriented and risk-controlled approach to investments in credit, private equity, real assets and listed equities. Funds managed by Oaktree (the "Oaktree funds") include commingled funds, separate accounts, collateralized loan obligation vehicles ("CLOs") and business development companies ("BDCs"). Commingled funds include open-end and closed-end limited partnerships in which Oaktree makes an investment and for which it serves as the general partner. CLOs are structured finance vehicles in which Oaktree typically makes an investment and for which it serves as collateral manager.

Oaktree Capital Group, LLC is a Delaware limited liability company that was formed on April 13, 2007. Prior to the Mergers described below, the Company was owned by (i) its public Class A common unitholders, (ii) its public Series A and Series B preferred unitholders and (iii) Oaktree Capital Group Holdings, L.P. ("OCGH") who held 100% of the Company's Class B common units which did not represent an economic interest in the Company. OCGH is owned by Oaktree's senior executives, current and former employees, and certain other investors (collectively, the "OCGH unitholders"). The Class A units held by the public unitholders were entitled to one vote per unit and the Class B units held by OCGH were entitled to ten votes per unit. The number of Class B units held by OCGH increased or decreased in response to corresponding changes in OCGH's economic interest in the Oaktree Operating Group; consequently, the OCGH unitholders' economic interest in the Oaktree Operating Group is reflected within non-controlling interests in consolidated subsidiaries in the accompanying consolidated financial statements.

Subsequent to the Mergers, (i) all of the Company's Class A units, which are no longer publicly traded, are held by an affiliate of Brookfield Asset Management, Inc. ("Brookfield"), (ii) the Company's public preferred unitholders continue to hold the Series A and Series B preferred units listed on the NYSE and (iii) OCGH continues to hold all of the Company's Class B units. Subject to the operating agreement of the Company, to the extent the approval of any matter requires the vote of the Company's unitholders, the Class A units continue to be entitled to one vote per unit and the Class B units continue to be entitled to ten votes per unit, voting together as a single class.

Additionally, prior to the Restructuring as described below, the Company's operations were conducted through a group of six operating entities collectively referred to as the "Oaktree Operating Group," and the Company had an indirect economic interest in each of the members of the Oaktree Operating Group. However, after the Restructuring, the Company has an indirect economic interest in only two of the six Oaktree Operating Group members. OCGH has a direct economic interest in all six of the Oaktree Operating Group members. The interests in the Oaktree Operating Group are referred to as the "Oaktree Operating Group units." An Oaktree Operating Group unit is not a separate legal interest but represents one limited partnership interest in each of the Oaktree Operating Group entities.

As of October 1, 2019, Oaktree Capital Management, L.P. ("OCM"), a former indirect subsidiary of the Company, provides certain administrative and other services relating to the operations of the Company's business pursuant to a Services Agreement between the Company and OCM (as amended from time to time, the "Services Agreement").

Brookfield Merger

On March 13, 2019, Oaktree, Brookfield, Berlin Merger Sub, LLC, a Delaware limited liability company ("Merger Sub") and a wholly-owned subsidiary of Brookfield, Oslo Holdings LLC, a Delaware limited liability company ("SellerCo") and a wholly-owned subsidiary of OCGH, and Oslo Holdings Merger Sub LLC, a Delaware limited liability company and a wholly-owned subsidiary of Oaktree ("Seller MergerCo") entered into an Agreement and Plan of Merger (the "Merger Agreement"). Pursuant to the terms and conditions set forth in the Merger Agreement, on September 30, 2019, (i) Merger Sub merged with and into Oaktree (the "Merger"), with Oaktree continuing as the surviving entity, and (ii) immediately following the Merger, SellerCo merged with and into Seller MergerCo (the "Subsequent Merger" and together with the Merger, the "Mergers"), with Seller MergerCo continuing as the surviving entity.

Upon the completion of the Mergers on September 30, 2019, Brookfield acquired 61.2% of Oaktree's business in a stock and cash transaction. The remaining 38.8% of the business continued to be owned by OCGH, whose unitholders consist primarily of Oaktree's founders and certain other members of management and current and former employees. As part of the Merger, Brookfield acquired all outstanding vested OCG Class A units for, at the election of OCG Class A unitholders, either $49.00 in cash or 1.0770 Class A shares of Brookfield per OCG Class A unit (subject to pro-ration to ensure that no more than fifty percent (50%) of the aggregate merger consideration is paid in the form of cash or stock), in each case, without interest and subject to any applicable withholding taxes. In addition, as part of the Subsequent Merger the founders, senior management, and current and former employee-unitholders of OCGH sold 20% of their OCGH units to Brookfield for the same consideration as the OCG Class A unitholders received in the merger.

The aggregate amount of cash payable to Class A unitholders and OCGH unitholders in the transaction was approximately $2.4 billion and approximately 52.8 million Brookfield Class A shares were issued in the Mergers. In connection with the closing of the Merger, Oaktree Class A units were delisted from the New York Stock Exchange.

Upon completion of the Merger, each unvested Class A Unit held by current, or in certain cases former, employees, officers and directors of Oaktree and its subsidiaries was converted into one unvested OCGH Unit (each, a "Converted OCGH Unit") and became subject to the terms and conditions of the OCGH limited partnership agreement. The Converted OCGH Units will (i) be subject to the same vesting terms that were applicable to such units prior to the completion of the Merger, (ii) be entitled to receive ongoing distributions in respect of earnings, but not capital distributions and (iii) upon vesting, receive the accumulated value of capital distributions that accrued while such units were unvested. Please see note 15 for more information.

Restructuring Transaction

On the closing date of the Mergers, the Company and certain other entities entered into a Restructuring Agreement (the "Restructuring") pursuant to which the Company's direct and indirect ownership of general partner and limited partner interests in certain Oaktree Operating Group entities were transferred to newly-formed, indirect subsidiaries of Brookfield as of October 1, 2019. As a result, on October 1, 2019, four of the six Oaktree Operating Group entities were no longer indirect subsidiaries of the Company. Accordingly, subsequent to that date, the Company's consolidated financial statements reflect its indirect economic interest in only two of the Oaktree Operating Group entities: (i) Oaktree Capital I, L.P. ("Oaktree Capital I"), which acts as or controls the general partner of certain Oaktree funds and which holds a majority of Oaktree's investments in its funds and (ii) Oaktree Capital Management (Cayman), L.P. ("OCM Cayman"), which represents Oaktree's non-U.S. fee business. As of October 1, 2019, the Company's consolidated financial statements no longer reflect any economic interests in the remaining four Oaktree Operating Group entities: (i) Oaktree Capital II, L.P. ("Oaktree Capital II"), which acts as or controls the general partner of certain Oaktree funds and which includes Oaktree's investments in certain funds and other businesses, including Oaktree's investment in DoubleLine Capital, L.P., (ii) OCM, an entity that serves as the U.S. registered investment adviser to most of the Oaktree funds, (iii) Oaktree Investment Holdings, L.P. ("Oaktree Investment Holdings"), which holds certain corporate investments in other entities and (iv) Oaktree AIF Investments, L.P. ("Oaktree AIF"), which primarily holds interests in certain Oaktree fund investments for regulatory and structuring purposes. As a consequence, the assets of Oaktree Capital II, OCM, Oaktree Investment Holdings and Oaktree AIF will no longer directly support the Company's operations.

As a result of the Restructuring of the Company's business, references to "Oaktree" in these financial statements will generally refer to the collective business of the Oaktree Operating Group, of which the Company is a component.

Basis of Presentation

The accompanying consolidated financial statements are prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP"). The consolidated financial statements include the accounts of the Company, its wholly-owned or majority-owned subsidiaries and entities in which the Company is deemed to have a direct or indirect controlling financial interest based on either a variable interest model or voting interest model. Certain of the Oaktree funds consolidated by the Company are investment companies that follow a specialized basis of accounting established by GAAP. All intercompany transactions and balances have been eliminated in consolidation.

The Restructuring was a transfer of assets among entities under common control, since both the transferring and receiving entities are under control of OCGH. Accordingly, the assets and liabilities were removed at book value and the transfer did not result in a gain or loss to the Company. The deconsolidation of the Oaktree Operating Group entities whose interests were transferred in the Restructuring was accounted for prospectively and did not require a recast of the Company's historical financial information. On October 1, 2019, the deconsolidation of entities whose interests were transferred in the Restructuring resulted in decreases in total assets of $1.7 billion, total liabilities of $1.2 billion, and total unitholders capital of $0.5 billion. Additionally, because the deconsolidation of the remaining four Oaktree Operating Group entities was not required to be presented on a retrospective basis, the Company's results of operations for the year ended December 31, 2019 reflect a full year of activities for Oaktree Capital I and OCM Cayman and related funds and investment vehicles and only nine months of activities for the remaining four Oaktree Operating Group entities and related funds and investment vehicles and, as a result, are not directly comparable to prior periods. The Company's results of operations for the years ended December 31, 2021 and 2020 only reflect activities for Oaktree Capital I and OCM Cayman and related funds and investment vehicles and do not include any activity for the remaining four Oaktree Operating Group entities and related funds and investment vehicles and, as a result, are not directly comparable to prior periods.

Use of Estimates

The preparation of the consolidated financial statements in accordance with GAAP requires the Company to make estimates and assumptions that affect the reported amounts of assets and liabilities as of the date of the consolidated financial statements, as well as the reported amounts of income and expenses during the period then ended. Actual results could differ from these estimates.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Accounting Policies of the Company

Consolidation

The Company consolidates entities in which it has a direct or indirect controlling financial interest based on either a variable interest model or voting interest model. A limited partnership or similar entity is a variable interest entity ("VIE") if the unaffiliated limited partners do not have substantive kick-out or participating rights. Most of the Oaktree funds are VIEs because they have not granted unaffiliated limited partners substantive kick-out or participating rights. The Company consolidates those VIEs in which it is the primary beneficiary. An entity is deemed to be the primary beneficiary if it holds a controlling financial interest. A controlling financial interest is defined as (a) the power to direct the activities of a VIE that most significantly impact the entity's economic performance and (b) the obligation to absorb losses of the entity or the right to receive benefits from the entity that could potentially be significant to the VIE. The consolidation guidance requires an analysis to determine (a) whether an entity in which the Company holds a variable interest is a VIE and (b) whether the Company's involvement, through holding interests directly or indirectly in the entity or contractually through other variable interests (e.g., management and performance-based fees), would give it a controlling financial interest. A decision maker's fee arrangement is not considered a variable interest if (a) it is compensation for services provided, commensurate with the level of effort required to provide those services, and part of a compensation arrangement that includes only terms, conditions or amounts that are customarily present in arrangements for similar services negotiated at arm's length ("at-market"), and (b) the decision maker does not hold any other variable interests that absorb more than an insignificant amount of the potential VIE's expected residual returns.

The Company determines whether it is the primary beneficiary of a VIE at the time it becomes involved with a VIE and reconsiders that conclusion at each reporting date. In evaluating whether the Company is the primary beneficiary, the Company evaluates its economic interests in the entity held either directly by the Company or indirectly through related parties. The consolidation analysis can generally be performed qualitatively; however, if it is not readily apparent that the Company is not the primary beneficiary, a quantitative analysis may also be performed. Investments and redemptions (either by the Company, affiliates of the Company or third parties) or amendments to the governing documents of the respective Oaktree funds could affect an entity's status as a VIE or the determination of the primary beneficiary. The Company does not consolidate most of the Oaktree funds because it is not the primary beneficiary of those funds due to the fact that its fee arrangements are considered at-market and thus not deemed to be variable interests, and it does not hold any other interests in those funds that are considered to be more than insignificant. Please see note 4 for more information regarding both consolidated and unconsolidated VIEs. For entities that are not VIEs, consolidation is evaluated through a majority voting interest model.

"Consolidated funds" refers to Oaktree-managed funds and CLOs that the Company is required to consolidate. When funds or CLOs are consolidated, the Company reflects the assets, liabilities, revenues, expenses and cash flows of the funds or CLOs on a gross basis, and the majority of the economic interests in those funds or CLOs, which are held by third-party investors, are reflected as non-controlling interests in consolidated funds or debt obligations of CLOs in the consolidated financial statements. All of the revenues earned by the Company as investment manager of the consolidated funds are eliminated in consolidation. However, because the eliminated amounts are earned from and funded by third-party investors, the consolidation of a fund does not impact net income or loss attributable to the Company.

Certain entities in which the Company has the ability to exert significant influence, including unconsolidated Oaktree funds for which the Company acts as general partner, are accounted for under the equity method of accounting.

Non-controlling Redeemable Interests in Consolidated Funds

The Company records non-controlling interests to reflect the economic interests of the unaffiliated limited partners in Oaktree-managed funds and the class A ordinary shareholders in Oaktree sponsored SPACs. These interests are presented as non-controlling redeemable interests in consolidated funds within the consolidated statements of financial condition, outside of the permanent capital section. Limited partners in open-end and evergreen funds generally have the right to withdraw their capital, subject to the terms of the respective limited

partnership agreements, over periods ranging from one month to three years. While limited partners in consolidated closed-end funds generally have not been granted redemption rights, these limited partners do have withdrawal or redemption rights in certain limited circumstances that are beyond the control of the Company, such as instances in which retaining the limited partnership interest could cause the limited partner to violate a law, regulation or rule. For Oaktree sponsored SPACs, the class A ordinary shareholders have redemption rights that are considered to be outside of the Company's control. These shares are presented as non-controlling redeemable interests on the Company's consolidated statements of financial condition.

The allocation of net income or loss to non-controlling redeemable interests in consolidated funds and Oaktree sponsored SPACs is based on the relative ownership interests of the unaffiliated limited partners after the consideration of contractual arrangements that govern allocations of income or loss. At the consolidated level, potential incentives are allocated to non-controlling redeemable interests in consolidated funds until such incentives become allocable to the Company under the substantive contractual terms of the limited partnership agreements of the funds.

Non-controlling Interests in Consolidated Funds

Non-controlling interests in consolidated funds represent the equity interests held by third-party investors in CLOs that had not yet priced as of the respective period end. All non-controlling interests in those CLOs are attributed a share of income or loss arising from the respective CLO based on the relative ownership interests of third-party investors after consideration of contractual arrangements that govern allocations of income or loss. Investors in those CLOs are generally unable to redeem their interests until the respective CLO liquidates, is called or otherwise terminates.

Non-controlling Interests in Consolidated Subsidiaries

Non-controlling interests in consolidated subsidiaries reflect the portion of unitholders' capital attributable to OCGH unitholders ("OCGH non-controlling interest") and third parties. All non-controlling interests in consolidated subsidiaries are attributed a share of income or loss in the respective consolidated subsidiary based on the relative economic interests of the OCGH unitholders or third parties after consideration of contractual arrangements that govern allocations of income or loss. Please see note 13 for more information.

Fair Value of Financial Instruments

GAAP establishes a hierarchical disclosure framework that prioritizes the inputs used in measuring financial instruments at fair value into three levels based on their market observability. Market price observability is affected by a number of factors, such as the type of instrument and the characteristics specific to the instrument. Financial instruments with readily available quoted prices from an active market or for which fair value can be measured based on actively quoted prices generally will have a higher degree of market price observability and a lesser degree of judgment inherent in measuring fair value.

Financial assets and liabilities measured and reported at fair value are classified as follows:

- *Level I* – Quoted unadjusted prices for identical instruments in active markets to which the Company has access at the date of measurement. The types of investments in Level I include exchange-traded equities, debt and derivatives with quoted prices.
- *Level II* – Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations in which all significant inputs are directly or indirectly observable. Level II inputs include interest rates, yield curves, volatilities, prepayment risks, loss severities, credit risks and default rates. The types of investments in Level II generally include corporate bonds and loans, government and agency securities, less liquid and restricted equity investments, over-the-counter traded derivatives, debt obligations of consolidated CLOs, and other investments where the fair value is based on observable inputs.
- *Level III* – Valuations for which one or more significant inputs are unobservable. These inputs reflect the Company's assessment of the assumptions that market participants use to value the investment based on the best available information. Level III inputs include prices of quoted securities in markets for which there are few transactions, less public information exists or prices vary among brokered

market makers. The types of investments in Level III include non-publicly traded equity, debt, real estate and derivatives.

In some instances, the inputs used to value an instrument may fall into multiple levels of the fair-value hierarchy. In such instances, the instrument's level within the fair-value hierarchy is based on the lowest of the three levels (with Level III being the lowest) that is significant to the fair-value measurement. The Company's assessment of the significance of an input requires judgment and considers factors specific to the instrument. Transfers of assets into or out of each fair value hierarchy level as a result of changes in the observability of the inputs used in measuring fair value are accounted for as of the beginning of the reporting period. Transfers resulting from a specific event, such as a reorganization or restructuring, are accounted for as of the date of the event that caused the transfer.

In the absence of observable market prices, the Company values Level III investments inclusive of the Company's investments in unconsolidated Oaktree funds using valuation methodologies applied on a consistent basis. The quarterly valuation process for Level III investments begins with each portfolio company, property or security being valued by the investment and/or valuation teams. With the exception of open-end funds, all unquoted Level III investment values are reviewed and approved by (i) the Company's valuation officer, who is independent of the investment teams, (ii) a designated investment professional of each strategy and (iii) for a substantial majority of unquoted Level III holdings as measured by market value, a valuation committee of the respective strategy. For open-end funds, unquoted Level III investment values are reviewed and approved by the Company's valuation officer. For certain investments, the valuation process also includes a review by independent valuation parties, at least annually, to determine whether the fair values determined by management are reasonable. Results of the valuation process are evaluated each quarter, including an assessment of whether the underlying calculations should be adjusted or recalibrated. In connection with this process, the Company periodically evaluates changes in fair-value measurements for reasonableness, considering items such as industry trends, general economic and market conditions, and factors specific to the investment.

Certain assets are valued using prices obtained from pricing vendors or brokers. The Company seeks to obtain prices from at least two pricing vendors for the subject or similar securities. In cases where vendor pricing is not reflective of fair value, a secondary vendor is unavailable, or no vendor pricing is available, a comparison value made up of quotes for the subject or similar securities received from broker dealers may be used. These investments may be classified as Level III because the quoted prices may be indicative in nature for securities that are in an inactive market, may be for similar securities, or may require adjustment for investment-specific factors or restrictions. The Company evaluates the prices obtained from brokers or pricing vendors based on available market information, including trading activity of the subject or similar securities, or by performing a comparable security analysis to ensure that fair values are reasonably estimated. The Company also performs back-testing of valuation information obtained from pricing vendors and brokers against actual prices received in transactions. In addition to ongoing monitoring and back-testing, the Company performs due diligence procedures surrounding pricing vendors to understand their methodology and controls to support their use in the valuation process.

Fair Value Option

The Company has elected the fair value option for the financial assets and financial liabilities of its consolidated CLOs. The assets and liabilities of CLOs are primarily reflected within the investments, at fair value and within the debt obligations of CLOs line items in the condensed consolidated statements of financial condition. The Company's accounting for CLO assets is similar to its accounting for its funds with respect to both carrying investments held by CLOs at fair value and the valuation methods used to determine the fair value of those investments. The fair value of CLO liabilities are measured as the fair value of CLO assets less the sum of (a) the fair value of any beneficial interests held by the Company and (b) the carrying value of any beneficial interests that represent compensation for services. Realized gains or losses and changes in the fair value of CLO assets, respectively, are included in net realized gain on consolidated funds' investments and net change in unrealized appreciation (depreciation) on consolidated funds' investments in the condensed consolidated statements of operations. Interest income of CLOs is included in interest and dividend income, and interest expense and other expenses, respectively, are included in interest expense and consolidated fund expenses in the condensed consolidated statements of operations. Changes in the fair value of a CLO's financial liabilities in accordance with the CLO measurement guidance are included in net change in unrealized appreciation (depreciation) on

consolidated funds' investments in the condensed consolidated statements of operations. Please see notes 6 and 8 for more information.

Foreign Currency

The assets and liabilities of the Company's foreign subsidiaries with non-U.S. dollar functional currencies are translated at exchange rates prevailing at the end of each reporting period. The results of foreign operations are translated at the weighted average exchange rate for each reporting period. Translation adjustments are included in other comprehensive income (loss) within the consolidated statements of financial condition until realized. Gains and losses resulting from foreign-currency transactions are included in general and administrative expense.

Derivatives and Hedging

A derivative is a financial instrument whose value is derived from an underlying financial instrument or index, such as interest rates, equity securities, currencies, commodities or credit spreads. Derivatives include futures, forwards, swaps or option contracts, and other financial instruments with similar characteristics. Derivative contracts often involve future commitments to exchange interest payment streams or currencies based on a notional or contractual amount (e.g., interest-rate swaps, foreign-currency forwards or cross-currency swaps).

The Company enters into derivatives as part of its overall risk management strategy or to facilitate its investment management activities. The Company manages its exposure to interest rate and foreign exchange market risks, when deemed appropriate, through the use of derivatives, including foreign currency forward and option contracts, interest-rate and cross currency swaps with financial counterparties. Risks associated with fluctuations in interest rates and foreign-currency exchange rates in the normal course of business are addressed as part of the Company's overall risk management strategy that may result in the use of derivatives to economically hedge or reduce these exposures. From time to time, the Company may enter into (a) foreign-currency option and forward contracts to reduce earnings and cash-flow volatility associated with changes in foreign-currency exchange rates, and (b) interest-rate swaps to manage all or a portion of the interest-rate risk associated with its variable-rate borrowings. As a result of the use of these or other derivative contracts, the Company is exposed to the risk that counterparties will fail to fulfill their contractual obligations. The Company attempts to mitigate this counterparty risk by entering into derivative contracts only with major financial institutions that have investment-grade credit ratings. Counterparty credit risk is evaluated in determining the fair value of derivatives.

The Company recognizes all derivatives as assets or liabilities in its consolidated statements of financial condition at fair value. In connection with its derivative activities, the Company generally enters into agreements subject to enforceable master netting arrangements that allow the Company to offset derivative assets and liabilities in the same currency by specific derivative type or, in the event of default by the counterparty, to offset derivative assets and liabilities with the same counterparty. While these derivatives are eligible to be offset in accordance with applicable accounting guidance, the Company has elected to present derivative assets and liabilities based on gross fair value in its consolidated statements of financial condition.

When the Company enters into a derivative contract, it may or may not elect to designate the derivative as a hedging instrument and apply hedge accounting as part of its overall risk management strategy. In other situations, when a derivative does not qualify for hedge accounting or when the derivative and the hedged item are both recorded in current-period earnings and thus deemed to be economic hedges, hedge accounting is not applied. Freestanding derivatives are financial instruments that we enter into as part of our overall risk management strategy but do not utilize hedge accounting. These financial instruments may include foreign-currency exchange contracts, interest-rate swaps and other derivative contracts.

Leases

The Company determines whether an arrangement contains a lease at inception. A lease is a contract that provides the right to control an identified asset for a period of time in exchange for consideration. For identified leases, the Company determines whether it should be classified as an operating or finance lease. Operating leases are recorded in the consolidated statements of financial condition as separate line items: right-of-use assets and operating lease liabilities. Right-of-use assets represent the Company's right to use an underlying asset for the lease term and operating lease liabilities represent the Company's obligation to make lease payments arising from

the lease. Right-of-use assets and operating lease liabilities are recognized at the commencement date of the lease and measured based on the present value of lease payments over the lease term. The right-of-use asset amount also includes deferred rent liabilities and lease incentives. The Company's lease arrangements generally do not provide an implicit rate. As a result, in such situations the Company uses its incremental borrowing rate based on the information available at commencement date in determining the present value of lease payments. The Company may also include options to extend or terminate the lease when it is reasonably certain that it will exercise that option in the measurement of its right-of-use assets and liabilities. Lease expense for operating leases is recognized on a straight-line basis over the lease term. The Company has lease agreements with lease and non-lease components, which are generally accounted for separately. Please see note 11 for more information.

Cash and Cash-equivalents

Cash and cash-equivalents include demand deposit accounts, money market funds and other short-term investments with maturities of three months or less at the date of acquisition.

U.S. Treasury and Other Securities

U.S. Treasury and other securities include holdings of U.S. Treasury bills, time deposit securities, notes and bonds, commercial paper and investment grade debt securities that are issued or guaranteed by U.S. government-sponsored entities, sovereign debt, domestic and international corporate fixed and floating rate debt, and structured credit with maturities greater than three months from the date of acquisition. These securities are classified as trading and are recorded at fair value with changes in fair value included in investment income.

Corporate Investments

Corporate investments may consist of investments in funds, companies in which the Company does not have a controlling financial interest and non-investment grade debt securities. Investments for which the Company is deemed to exert significant influence are accounted for under the equity method of accounting and reflect Oaktree's ownership interest in each fund or company. In the case of investments for which the Company is not deemed to exert significant influence or control, the fair value option of accounting has been elected. Investment income represents the Company's pro-rata share of income or loss from these funds or companies, or the change in fair value of the investment, as applicable. Oaktree's general partnership interests are generally illiquid. While investments in funds reflect each respective fund's holdings at fair value, equity-method investments in companies are not adjusted to reflect the fair value of the underlying company. The fair value of the underlying investments in Oaktree funds is based on the Company's assessment, which takes into account expected cash flows, earnings multiples and/or comparisons to similar market transactions, among other factors. Valuation adjustments reflecting consideration of credit quality, concentration risk, sales restrictions and other liquidity factors are integral to valuing these instruments.

Non-investment grade debt securities include domestic and international corporate fixed and floating rating debt and structured credit investments. These securities are classified as trading and are recorded at fair value with changes in fair value included in investment income.

Revenue Recognition

The Company earns management fees and incentive income from the investment advisory services it provides to its customers. Revenue is recognized when control of the promised services is transferred to customers in an amount that reflects the consideration the Company expects to receive in exchange for those services. The Company typically enters into contracts with investment funds to provide investment management and administrative services. These services are generally capable of being distinct and each is accounted for as separate performance obligations comprised of distinct service periods because the services are performed over time. The Company determined that for accounting purposes, based on certain facts and circumstances specific to each investment fund structure, that either the investment fund or individual investors may be considered the customer with respect to commingled funds, while the individual investors are the customers with respect to separate account and fund-of-one vehicles. The Company receives management fees and/or incentive income with respect to its investment management services, and it is reimbursed by the funds for expenses incurred or paid on behalf of the funds with respect to its investment advisory services and its administrative services. The Company evaluates whether it is the principal (i.e., report as management fees on a gross basis) or agent (i.e., report as

management fees on a net basis) with respect to each performance obligation and associated reimbursement arrangements. The Company has elected to apply the variable consideration exemption for its fee arrangements with its customers. Please see note 3 for more information on revenues.

Management Fees

Management fees are recognized over the period in which the investment management services are performed because customers simultaneously consume and receive benefits that are satisfied over time. The contractual terms of management fees generally vary by fund structure. For closed-end funds, the management fee rate is generally applied against committed capital, contributed capital, or cost basis during the fund's investment period and the lesser of aggregate contributed capital or cost basis of assets in the liquidation period. For closed-end funds that pay management fees based on committed capital, the Company may elect to delay the start of the fund's investment period and thus its full management fees, in which case it earns management fees based on contributed capital, until the Company elects to start the fund's investment period. The Company's right to receive management fees typically ends after 10 or 11 years from either the initial closing date or the start of the investment period, even if assets remain in the fund. In the case of CLOs, the management fee is based on the aggregate par value of collateral assets and principal cash, as defined in the applicable CLO indentures, and a portion of the management fees is dependent on the sufficiency of the particular vehicle's cash flow. For open-end and evergreen funds, the management fee is generally based on the NAV of the fund. For the BDCs, the management fee is based on gross assets (including assets acquired with leverage), net of cash. In the case of certain open-end fund accounts, the Company has the potential to earn performance-based fees, typically in reference to a relevant benchmark index or hurdle rate, which are classified as management fees. The Company also earns quarterly incentive fees on the investment income from certain evergreen funds, such as the BDCs and other fund accounts, which are generally recurring in nature and reflected as management fees.

The ultimate amount of management fees that will be earned over the life of the contract is subject to a large number and broad range of possible outcomes due to market volatility and other factors outside of the Company's control. As a result, the amount of revenue earned in any given period is generally determined at the end of each reporting period and relates to services performed during that period. Included in this amount is a gross-up for reimbursable costs incurred on behalf of the Oaktree funds in which the Company has determined it is the principal within the principal and agent relationship of the related fund. Such reimbursable costs are presented in compensation and benefits and general and administrative expenses.

Subsequent to the Restructuring, our management fees consist primarily of fees earned from funds managed by OCM Cayman and sub-advisory fees for services provided to OCM. Our revenue recognition for sub-advisory fees is substantially similar to revenue recognition for management fees.

Incentive Income

Incentive income generally represents 20% of each closed-end fund's profits, subject to the return of contributed capital and a preferred return of typically 8% per annum, and up to 20% of certain evergreen fund's annual profits, subject to high-water marks or hurdle rates. Incentive income is recognized when it is probable that a significant reversal will not occur. Revenue recognition is typically met (a) for closed-end funds, only after all contributed capital and the preferred return on that capital have been distributed to the fund's investors, and (b) for certain evergreen funds, at the conclusion of each annual measurement period. Potential incentive income is highly susceptible to market volatility, the judgment and actions of third parties, and other factors outside of the Company's control. The Company's experience has demonstrated little predictive value in the amount of potential incentive income ultimately earned due to the highly uncertain nature of returns inherent in the markets and contingencies associated with many realization events. As a result, the amount of incentive income recognized in any given period is generally determined after giving consideration to a number of factors, including whether the fund is in its investment or liquidation period, and the nature and level of risk associated with changes in fair value of the remaining assets in the fund. In general, it would be unlikely that any amount of potential incentive income would be recognized until (a) the uncertainty is resolved or (b) the fund is near final liquidation, assets are under contract for sale or are at low risk of significant fluctuation in fair value, and the assets are significantly in excess of the threshold at which incentive income would be earned.

Incentives received by the Company before the revenue recognition criteria have been met are deferred and recorded as a deferred incentive income liability within accounts payable, accrued expenses and other liabilities in the consolidated statements of financial condition. The Company may receive tax distributions related to taxable income allocated by funds, which are treated as an advance of incentive income and subject to the same recognition criteria. Tax distributions are contractually not subject to clawback.

The Company may earn incentive income upon deconsolidation of a SPAC arising from the completion of a merger with an identified target. Upon deconsolidation, the Company will derecognize the net assets of the entity and record any gain or loss related to the remeasurement of its investments to fair value as incentive income in its consolidated statements of operations. Subsequent fair value changes in the Company's investments held in the entity will be recorded in investment income in its consolidated statements of operations. For the year ended December 31, 2021, the Company recorded $72.3 million of incentive income related to the deconsolidation of a SPAC.

Total Compensation and Benefits

Compensation and Benefits

Compensation and benefits expense reflects all compensation-related items not directly related to incentive income, investment income or equity-based compensation, and includes salaries, bonuses, compensation based on management fees or a definition of profits, employee benefits, payroll taxes, phantom equity awards, and long-term incentive plan. Bonuses are generally accrued over the related service period. Phantom equity awards represent liability-classified awards subject to vesting and remeasurement at the end of each reporting period. Prior to the Merger, the remeasurement was based on changes in the Company's Class A unit trading price. After the Merger, the remeasurement is based on changes in the value of Converted OCGH Units or other OCGH units, as applicable. Subsequent to the Restructuring, our consolidated operating results include compensation and benefits expense primarily related to employees of OCM Cayman.

Equity-based Compensation

Equity-based compensation expense reflects the non-cash charge associated with grants of Converted OCGH Units, OCGH units, deferred equity units and other performance-based units, and is calculated based on the grant-date fair value of the unit award. Prior to the Merger, the value of the OCGH unit was based on the market price of the Class A units as well as other pertinent factors. A discount was then applied to the Class A unit market price to reflect the lack of marketability for equity-classified awards, if applicable. The determination of an appropriate discount for lack of marketability was based on a review of discounts on the sale of restricted shares of publicly-traded companies and multi-period put-based quantitative methods. Factors that influenced the size of the discount for lack of marketability applicable to OCGH units included (a) the estimated time it would take for an OCGH unitholder to exchange units into Class A units, (b) the volatility of the Company's business and (c) thin trading of the Class A units. Each of these factors was subject to significant judgment. After the Merger, OCGH unit grants are valued based on a formula as described in note 15 under "Restated Exchange Agreement—*Valuation"* and reflect a discount for lack of marketability due to the post-vesting restrictions described in note 15. Factors that influence the formula-based valuation include the estimated time it would take for an OCGH unitholder to exchange units for value pursuant to the Restated Exchange Agreement and estimates of the Company's future results, which are inputs to the valuation formula. Each of these factors is subject to significant judgment.

Equity-based awards that do not require future service (i.e., awards vested at grant) are expensed immediately. Equity-based awards that require future service are expensed on a straight-line basis over the requisite service period. Cash-settled equity-based awards are classified as liabilities and are remeasured at the end of each reporting period.

With respect to forfeitures, the Company made an accounting policy election to account for forfeitures when they occur. Accordingly, no forfeitures have been assumed in the calculation of compensation expense.

Incentive Income Compensation

Incentive income compensation expense primarily reflects compensation directly related to incentive income, which generally consists of percentage interests (sometimes referred to as "points" or an allocation of

shares received upon the completion of a successful SPAC merger) that the Company grants to its investment professionals associated with the particular fund or SPAC that generated the incentive income, and secondarily, compensation directly related to investment income. The Company has an obligation to pay a fixed percentage of the incentive income earned from a particular fund or SPAC, including income from consolidated funds that is eliminated in consolidation, to specified investment professionals responsible for the management of the fund or SPAC. Amounts payable pursuant to these arrangements are recorded as compensation expense when they have become probable and reasonably estimable. The Company's determination of the point at which it becomes probable and reasonably estimable that incentive income compensation expense should be recorded is based on its assessment of numerous factors, particularly those related to the profitability, realizations, distribution status, investment profile and commitments or contingencies of the individual funds that may give rise to incentive income or the completion of a merger by an Oaktree sponsored SPAC. Incentive income compensation is generally expensed in the period in which the underlying income is recognized. Payment of incentive income compensation generally occurs in the same period the related income is received or in the next period. Participation in incentive income generated by the funds or SPACs is subject to forfeiture upon departure and to vesting provisions (generally over a period of five years), in each case, under certain circumstances set forth in the applicable governing documents. These provisions are generally only applicable to incentive income compensation that has not yet been recognized as an expense by the Company or paid to the participant.

Depreciation and Amortization

Depreciation and amortization expense includes costs associated with the purchase of furniture and equipment, capitalized software, office leasehold improvements, corporate aircraft and acquired intangibles. Furniture and equipment and capitalized software costs are depreciated using the straight-line method over the estimated useful life of the asset, generally three to five years beginning in the first full month after the asset is placed in service. Leasehold improvements are amortized using the straight-line method over the shorter of the respective estimated useful life or the lease term. The corporate aircraft is depreciated using the straight-line method over their estimated useful life. Acquired intangibles primarily relate to contractual rights and are amortized over their estimated useful lives on a straight-line basis, which range from seven to 25 years.

In connection with the Restructuring, the Company's indirect subsidiaries that held the acquired intangibles and corporate aircraft were deconsolidated, and these assets are no longer reflected on the statement of financial condition after September 30, 2019.

Other Income (Expense), Net

Other income (expense), net represents non-operating income or expense items.

Income Taxes

The Company is a publicly traded partnership. Because it satisfies the qualifying income test, it is not required to be treated as a corporation for U.S. federal and state income tax purposes; rather it is taxed as a partnership. The Company currently holds interests in Oaktree Capital I, L.P. (a non-corporate entity that is not subject to U.S. federal corporate income tax) and Oaktree Capital Management (Cayman), L.P. (which holds subsidiaries that are taxable in non-U.S. jurisdictions). Prior to the Restructuring on October 1, 2019, Oaktree Holdings, Inc. and Oaktree AIF Holdings, Inc., which were two of the Company's Intermediate Holding Companies and wholly-owned corporate subsidiaries, were subject to U.S. federal and state income taxes. The remainder of the Company's income was generally not subject to U.S. corporate-level taxation.

Upon the Restructuring, Oaktree Holdings, Inc. and Oaktree AIF Holdings, Inc. merged with and into newly formed, indirect subsidiaries of Brookfield, with those subsidiaries surviving the mergers. As a result, as of October 1, 2019, Oaktree Holdings, Inc. and Oaktree AIF Holdings, Inc. ceased to exist and the Company no longer includes on our financial statements economic interests in Oaktree Capital II, Oaktree Investment Holdings, OCM, and Oaktree AIF. All deferred tax balances related to these entities were deconsolidated as part of the Restructuring effective October 1, 2019.

Income taxes are accounted for using the liability method of accounting. Under this method, deferred tax assets and liabilities are recognized for the expected future tax consequences of differences between the carrying amount of assets and liabilities and their respective tax bases, using currently enacted tax rates. The effect on

deferred tax assets and liabilities of a change in tax rates is recognized in income in the period when the change is enacted. Deferred tax assets would be reduced by a valuation allowance if it becomes more likely than not that some portion or all of the deferred tax assets will not be realized.

The Company analyzes its tax filing positions for all open tax years in all of the U.S. federal, state, local and foreign tax jurisdictions where it is required to file income tax returns. If the Company determines that uncertainties in tax positions exist, a reserve is established. The Company recognizes accrued interest and penalties related to uncertain tax positions within income tax expense in the consolidated statements of operations.

Tax laws are complex and subject to different interpretations by the taxpayer and respective governmental taxing authorities. Significant judgment is required in determining tax expense and in evaluating tax positions, including evaluating uncertainties. The Company reviews its tax positions quarterly and adjusts its tax balances as new information becomes available.

The Oaktree funds are generally not subject to U.S. federal and state income taxes and, consequently, no income tax provision has been made in the accompanying consolidated financial statements because individual partners are responsible for their proportionate share of the taxable income.

Comprehensive Income (Loss)

Comprehensive income (loss) consists of net income (loss) and other gains and losses affecting unitholders' capital that are excluded from net income (loss). Other gains and losses result from foreign-currency translation adjustments, net of tax.

Accounting Policies of Consolidated Funds

Investment Transactions and Income Recognition

The consolidated funds record investment transactions at cost on trade date for publicly-traded securities or when they have an enforceable right to acquire the security, which is generally on the closing date if not publicly traded. Realized gains and losses on investments are recorded on a specific-identification basis. The consolidated funds record dividend income on the ex-dividend date and interest income on an accrual basis, unless the related investment is in default or if collection of the income is otherwise considered doubtful. The consolidated funds may hold investments that provide for interest payable in-kind rather than in cash, in which case the related income is recorded at its estimated net realizable amount.

Income Taxes

The consolidated funds may invest in operating entities that are treated as partnerships for U.S. federal income tax purposes which may give rise to unrelated business taxable income or income effectively connected with a U.S. trade or business. In such situations, the consolidated funds permit certain investors to elect to participate in these investments through a "blocker structure" using entities that are treated as corporations for U.S. federal income tax purposes and are generally subject to U.S. federal, state and local taxes. The consolidated funds withhold blocker expenses and tax payments from electing limited partners, which are treated as deemed distributions to such limited partners pursuant to the terms of the respective limited partnership agreement.

Foreign Currency

Investments denominated in non-U.S. currencies are recorded in the consolidated financial statements after translation into U.S. dollars utilizing rates of exchange on the last business day of the period. Interest and dividend income is recorded net of foreign withholding taxes and calculated using the exchange rate in effect when the income is recognized. The effect of changes in exchange rates on assets and liabilities, income, and realized gains or losses is included as part of net realized gain (loss) on consolidated funds' investments and net change in unrealized appreciation (depreciation) on consolidated funds' investments in the consolidated statements of operations.

Cash and Cash-equivalents

Cash and cash-equivalents held at the consolidated funds represent cash that, although not legally restricted, is not available to support the general liquidity needs of the Company as the use of such amounts is generally limited to the investment activities of the consolidated funds. Cash-equivalents, a Level I valuation, include highly liquid investments such as money market funds, whose carrying value approximates fair value due to its short-term nature.

Receivable for Investments Sold

Receivables for investments sold by the consolidated funds are recorded at net realizable value. Changes in net realizable value are reflected within net change in unrealized appreciation (depreciation) on consolidated funds' investments and realizations are reflected within net realized gain on consolidated funds' investments in the consolidated statements of operations.

Investments, at Fair Value

The consolidated funds include investment limited partnerships and CLOs that reflect their investments, including majority-owned and controlled investments, at fair value. The Company has retained the specialized investment company accounting guidance for investment limited partnerships with respect to consolidated investments and has elected the fair value option for the financial assets of CLOs. Thus, the consolidated investments are reflected in the consolidated statements of financial condition at fair value, with unrealized gains and losses resulting from changes in fair value reflected as a component of net change in unrealized appreciation (depreciation) on consolidated funds' investments in the consolidated statements of operations. Fair value is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., the exit price).

Non-publicly traded debt and equity securities and other securities or instruments for which reliable market quotations are not available are valued by management using valuation methodologies applied on a consistent basis. These securities may initially be valued at the acquisition price as the best indicator of fair value. The Company reviews the significant unobservable inputs, valuations of comparable investments and other similar transactions for investments valued at acquisition price to determine whether another valuation methodology should be utilized. Subsequent valuations will depend on the facts and circumstances known as of the valuation date and the application of valuation methodologies as further described below under "—Non-publicly Traded Equity and Real Estate Investments." The fair value may also be based on a pending transaction expected to close after the valuation date.

Exchange-traded Investments

Securities listed on one or more national securities exchanges are valued at their last reported sales price on the date of valuation. If no sale occurred on the valuation date, the security is valued at the mean of the last "bid" and "ask" prices on the valuation date. Securities that are not readily marketable due to legal restrictions that may limit or restrict transferability are generally valued at a discount from quoted market prices. The discount would reflect the amount market participants would require due to the risk relating to the inability to access a public market for the security for the specified period and would vary depending on the nature and duration of the restriction and the perceived risk and volatility of the underlying securities. Securities with longer duration restrictions or higher volatility are generally valued at a higher discount. Such discounts are generally estimated based on put option models or an analysis of market studies. Instances where the Company has applied discounts to quoted prices of restricted listed securities have been infrequent. The impact of such discounts is not material to the Company's consolidated statements of financial condition and results of operations for all periods presented.

Credit-oriented Investments (including Real Estate Loan Portfolios)

Investments in corporate and government debt which are not listed or admitted to trading on any securities exchange are valued at the mean of the last bid and ask prices on the valuation date based on quotations supplied by recognized quotation services or by reputable broker-dealers.

The market-yield approach is considered in the valuation of non-publicly traded debt securities, utilizing expected future cash flows and discounted using estimated current market rates. Discounted cash-flow calculations

may be adjusted to reflect current market conditions and/or the perceived credit risk of the borrower. Consideration is also given to a borrower's ability to meet principal and interest obligations; this may include an evaluation of collateral and/or the underlying value of the borrower utilizing techniques described below under "—Non-publicly Traded Equity and Real Estate Investments."

Non-publicly Traded Equity and Real Estate Investments

The fair value of equity and real estate investments is determined using a cost, market or income approach. The cost approach is based on the current cost of reproducing a real estate investment less deterioration and functional and economic obsolescence. The market approach utilizes valuations of comparable public companies and transactions, and generally seeks to establish the enterprise value of the portfolio company or investment property using a market-multiple methodology. This approach takes into account the financial measure (such as EBITDA, adjusted EBITDA, free cash flow, net operating income, net income, book value or net asset value) believed to be most relevant for the given company or investment property. Consideration also may be given to factors such as acquisition price of the security or investment property, historical and projected operational and financial results for the portfolio company, the strengths and weaknesses of the portfolio company or investment property relative to its comparable companies or properties, industry trends, general economic and market conditions, and others deemed relevant. The income approach is typically a discounted cash-flow method that incorporates expected timing and level of cash flows. It incorporates assumptions in determining growth rates, income and expense projections, discount and capitalization rates, capital structure, terminal values, and other factors. The applicability and weight assigned to market and income approaches are determined based on the availability of reliable projections and comparable companies and transactions.

The valuation of securities may be impacted by expectations of investors' receptiveness to a public offering of the securities, the size of the holding of the securities and any associated control, information with respect to transactions or offers for the securities (including the transaction pursuant to which the investment was made and the elapsed time from the date of the investment to the valuation date), and applicable restrictions on the transferability of the securities.

These valuation methodologies involve a significant degree of management judgment. Accordingly, valuations by the Company do not necessarily represent the amounts that eventually may be realized from sales or other dispositions of investments. Fair values may differ from the values that would have been used had a ready market for the investment existed, and the differences could be material to the consolidated financial statements.

Securities Sold Short

Securities sold short represent obligations of the consolidated funds to make a future delivery of a specific security and, correspondingly, create an obligation to purchase the security at prevailing market prices (or deliver the security, if owned by the consolidated funds) as of the delivery date. As a result, these short sales create the risk that the funds' obligations to satisfy the delivery requirement may exceed the amount recorded in the accompanying consolidated statements of financial condition.

Securities sold short are recorded at fair value, with the resulting change in value reflected as a component of net change in unrealized appreciation (depreciation) on consolidated funds' investments in the consolidated statements of operations. When the securities are delivered, any gain or loss is included in net realized gain on consolidated funds' investments. The funds maintain cash deposits with prime brokers in order to cover their obligations on short sales. These amounts are included in due from brokers in the consolidated statements of financial condition.

Options

The purchase price of a call option or a put option is recorded as an investment, which is carried at fair value. If a purchased option expires, a loss in the amount of the cost of the option is realized. When there is a closing sale transaction, a gain or loss is realized if the proceeds are greater or less than, respectively, the cost of the option. When a call option is exercised, the cost of the security purchased upon exercise is increased by the premium originally paid.

When a consolidated fund writes an option, the premium received is recorded as a liability and is subsequently adjusted to the current fair value of the option written. If a written option expires, a gain is realized in the amount of the premium received. The difference between the premium and the amount paid on effecting a closing purchase transaction, including brokerage commissions, is also treated as a realized gain or loss. The writer of an option bears the market risk of an unfavorable change in the price of the security underlying the written option. Options written are included in accounts payable, accrued expenses and other liabilities in the consolidated statements of financial condition.

Total-return Swaps

A total-return swap is an agreement to exchange cash flows based on an underlying asset. Pursuant to these agreements, a fund may deposit collateral with the counterparty and may pay a swap fee equal to a fixed percentage of the value of the underlying security (notional amount). A fund earns interest on cash collateral held on account with the counterparty and may be required to deposit additional collateral equal to the unrealized appreciation or depreciation on the underlying asset. Changes in the value of the swaps, which are recorded as unrealized gains or losses, are based on changes in the underlying value of the security. All amounts exchanged with the swap counterparty representing capital appreciation or depreciation, dividend income and expense, items of interest income on short proceeds, borrowing costs on short sales, and commissions are recorded as realized gains or losses. Dividend income and expense on the underlying assets are accrued as unrealized gains or losses on the ex-date.

Due From Brokers

Due from brokers represents cash owned by the consolidated funds and cash collateral on deposit with brokers and counterparties that are used as collateral for the consolidated funds' securities and swaps.

Risks and Uncertainties

Certain consolidated funds invest primarily in the securities of entities that are undergoing, or are considered likely to undergo, reorganization, debt restructuring, liquidation or other extraordinary transactions. Investments in such entities are considered speculative and involve substantial risk of principal loss. Certain of the consolidated funds' investments may also consist of securities that are thinly traded, securities and other assets for which no market exists, and securities which are restricted as to their transferability. Additionally, investments are subject to concentration and industry risks, reflecting numerous factors, including political, regulatory or economic issues that could cause the investments and their markets to be relatively illiquid and their prices relatively volatile. Investments denominated in non-U.S. currencies or involving non-U.S. domiciled entities are subject to risks and special considerations not typically associated with U.S. investments. Such risks may include, but are not limited to, investment and repatriation restrictions; currency exchange-rate fluctuations; adverse political, social and economic developments; less liquidity; smaller capital markets; and certain local tax law considerations.

Credit risk is the potential loss that may be incurred from the failure of a counterparty or an issuer to make payments according to the terms of a contract. Some consolidated funds are subject to additional credit risk due to strategies of investing in debt of financially distressed issuers or derivatives, as well as involvement in privately-negotiated structured notes and structured-credit transactions. Counterparties include custodian banks, major brokerage houses and their affiliates. The Company monitors the creditworthiness of the financial institutions with which it conducts business.

Bank debt has exposure to certain types of risk, including interest rate, market, and the potential non-payment of principal and interest as a result of default or bankruptcy of the issuer. Loans are generally subject to prepayment risk, which will affect the maturity of such loans. The consolidated funds may enter into bank debt participation agreements through contractual relationships with a third-party intermediary, causing the consolidated funds to assume the credit risk of both the borrower and the intermediary.

Certain consolidated funds may invest in real property and real estate-related investments, including commercial mortgage-backed securities ("CMBS") and real estate loans, that entail substantial inherent risks. There can be no assurance that such investments will increase in value or that significant losses will not be incurred. CMBS are subject to a number of risks, including credit, interest rate, prepayment and market. These risks can be affected by a number of factors, including general economic conditions, particularly those in the area

where the related mortgaged properties are located, the level of the borrowers' equity in the mortgaged properties, and the relative timing and rate of delinquencies and prepayments of mortgage loans bearing a higher rate of interest. Real estate loans include residential or commercial loans that are non-performing at the time of their acquisition or that become non-performing following their acquisition. Non-performing real estate loans may require a substantial amount of workout negotiations or restructuring, which may entail, among other things, a substantial reduction in the interest rate and/or write-down of the principal balance. Moreover, foreclosure on collateral securing one or more real estate loans held by the consolidated funds may be necessary, which may be lengthy and expensive. Residential loans are typically subject to risks associated with the value of the underlying properties, which may be affected by a number of factors including general economic conditions, mortgage qualification standards, local market conditions such as employment levels, the supply of homes, and the safety, convenience and attractiveness of the properties and neighborhoods. Commercial loans are typically subject to risks associated with the ability of the borrower to repay, which may be impacted by general economic conditions, as well as borrower-specific factors including the quality of management, the ability to generate sufficient income to make scheduled principal and interest payments, or the ability to obtain alternative financing to repay the loan.

Certain consolidated funds hold over-the-counter derivatives that may allow counterparties to terminate derivative contracts prior to maturity under certain circumstances, thereby resulting in an accelerated payment of any net liability owed to the counterparty.

Recent Accounting Developments

In March 2020, the Financial Accounting Standards Board ("FASB") issued guidance which provides temporary optional expedients and exceptions to the U.S. GAAP guidance on contract modifications and hedge accounting to ease the financial reporting burdens of the expected market transition from LIBOR and other interbank offered rates to alternative reference rates. The guidance is effective upon issuance and generally may be elected over time through December 31, 2022. The Company has not adopted any of the optional expedients or exceptions through December 31, 2021, but will continue to evaluate the possible adoption (including potential impact) of any such expedients or exceptions during the effective period as circumstances evolve.

In August 2018, the FASB issued guidance that changes the fair value measurement disclosure requirements. The amendments remove or modify certain disclosures, while adding others. The guidance was effective for the Company in the first quarter of 2020. The Company adopted this guidance and it did not have a material impact on the consolidated financial statements.

In January 2017, the FASB issued guidance to simplify the accounting for goodwill impairments by eliminating step 2 of the goodwill impairment test. This step currently requires an entity to perform a hypothetical purchase price allocation to derive the implied fair value of goodwill. Under the new guidance, an impairment loss is recognized if the carrying value of a reporting unit exceeds its fair value. The impairment loss would equal the amount of that excess, limited to the total amount of goodwill. All other goodwill impairment guidance remains largely unchanged. Entities will continue to have the option to perform a qualitative assessment to determine if a quantitative impairment test is necessary. The guidance was effective for the Company in the first quarter of 2020 on a prospective basis. The Company adopted this guidance and it did not have a material impact on the consolidated financial statements.

In June 2016, the FASB issued guidance that significantly changes how entities will measure credit losses for most financial assets and certain other instruments that are not measured at fair value through net income. The revised credit loss guidance will replace the existing "incurred loss" model with an "expected loss" model for instruments measured at amortized cost, and require entities to record allowances for available-for-sale debt securities rather than reduce the carrying amount, as is required with the current other-than-temporary impairment credit loss model. It also simplifies the accounting model for purchased credit-impaired debt securities and loans. The Company reviewed its consolidated financial statements and determined that the amounts in scope were primarily related to short term receivables from Oaktree funds. The guidance was effective for the Company in the first quarter of 2020 and was adopted through a cumulative-effect adjustment to retained earnings as of January 1, 2020. The adoption of this guidance in the first quarter of 2020 did not have a material impact on the Company's consolidated financial statements. Upon adoption the Company recorded a cumulative-effect adjustment to retained earnings of $0.4 million in its consolidated financial statements.

($ in thousands, except where noted)

3. REVENUES

The Company provides investment management services through funds and separate accounts. The Company earns revenues from the management fees and incentive income generated by the funds that it manages. Additionally, for acting as a sub-investment manager, or sub-advisor, to certain Oaktree funds, the Company earns sub-advisory fees. Under certain subsidiary services agreements the Company provides certain investment and marketing related services to Oaktree affiliated entities. As a result of the Restructuring, which was effective October 1, 2019, sub-advisory fees are no longer eliminated in the consolidated operating results of the Company while management fees earned by OCM are no longer included in the Company's consolidated operating results. Revenues are affected by economic factors related to the asset class composition of the holdings and the contractual terms such as the basis for calculating the management fees and investors' ability to redeem. Revenues by fund structure and sub-advisory fees are set forth below.

	Year Ended December 31,		
	2021	2020	2019
Management Fees			
Closed-end	$ 4,572	$ 1,982	$ 345,026
Open-end	6,124	9,262	93,401
Evergreen	—	—	89,227
Sub-advisory fees	224,090	174,483	51,209
Total	$ 234,786	$ 185,727	$ 578,863
Incentive Income			
Closed-end	$ 1,156,472	$ 218,660	$ 334,287
Evergreen	63,152	24,677	15,837
Total	$ 1,219,624	$ 243,337	$ 350,124

Contract Balances

The Company receives management fees monthly or quarterly in accordance with its contracts with customers. Incentive income is received generally after all contributed capital and the preferred return on that capital have been distributed to the fund's investors. Contract assets relate to the Company's conditional right to receive payment for its performance completed under the contract. Receivables are recorded when the right to consideration becomes unconditional (i.e., only requires the passage of time). Contract liabilities (i.e., deferred revenues) relate to payments received in advance of performance under the contract. Contract liabilities are recognized as revenues when the Company provides investment management services.

The table below sets forth contract balances for the periods indicated:

	As of December 31,	
	2021	2020
Receivables	$ 138,435	$ 80,390
Contract assets [(1)]	151,360	64,532
Contract liabilities [(2)]	—	(100)

(1) The changes in the balances primarily relate to accruals, net of payments received.

($ in thousands, except where noted)

4. VARIABLE INTEREST ENTITIES

The Company consolidates VIEs for which it is the primary beneficiary. VIEs include funds managed by Oaktree and CLOs for which Oaktree acts as collateral manager. The purpose of these VIEs is to provide investment opportunities for investors in exchange for management fees and, in certain cases, performance-based fees. While the investment strategies of the funds and CLOs differ by product, in general the fundamental risks of the funds and CLOs have similar characteristics, including loss of invested capital and reduction or absence of management and performance-based fees. As general partner or collateral manager, respectively, Oaktree generally considers itself the sponsor of the applicable fund or CLO. The Company does not provide performance guarantees and, other than capital commitments, has no financial obligation to provide funding to VIEs.

Consolidated VIEs

As of December 31, 2021, the Company consolidated 25 VIEs for which it was the primary beneficiary, including 10 funds managed by Oaktree and 15 CLOs for which Oaktree serves as collateral manager. As of December 31, 2020, the Company consolidated 23 VIEs.

As of December 31, 2021, the assets and liabilities of the 25 consolidated VIEs representing funds and CLOs amounted to $12.8 billion and $10.1 billion, respectively. The assets of these consolidated VIEs primarily consisted of investments in debt and equity securities, while their liabilities primarily represented debt obligations issued by CLOs. The assets of these VIEs may be used only to settle obligations of the same VIE. In addition, there is no recourse to the Company for the VIEs' liabilities. In exchange for managing either the funds' or CLOs' collateral, the Company typically earns management fees and may earn performance fees, all of which are eliminated in consolidation. As of December 31, 2021, the Company's investments in consolidated VIEs had a carrying value of $938.4 million, which represented its maximum risk of loss as of that date. The Company's investments in CLOs are generally subordinated to other interests in the CLOs and entitle the Company to receive a pro-rata portion of the residual cash flows, if any, from the CLOs. Please see note 10 for more information on CLO debt obligations.

Unconsolidated VIEs

The Company holds variable interests in certain VIEs in the form of direct equity interests that are not consolidated because it is not the primary beneficiary, inasmuch as its fee arrangements are considered at-market and it does not hold interests in those entities that are considered more than insignificant.

The carrying value of the Company's investments in VIEs that were not consolidated are shown below.

	As of December 31,	
	2021	2020
Corporate investments	$ 895,116	$ 812,264
Due from affiliates	188,237	48,587
Maximum exposure to loss	$ 1,083,353	$ 860,851

($ in thousands, except where noted)

5. INVESTMENTS

Corporate Investments

Corporate investments may consist of investments in funds, companies in which the Company does not have a controlling financial interest, and non-investment grade debt securities. Investments for which the Company is deemed to exert significant influence are accounted for under the equity method of accounting and reflect the Company's ownership interest in each fund or company. In the case of investments for which the Company is not deemed to exert significant influence or control, the fair value option of accounting has been elected. Investment income represents the Company's pro-rata share of income or loss from these funds or companies, or the change in fair value of the investment, as applicable. The Company's general partnership interests are substantially illiquid. While investments in funds reflect each respective fund's holdings at fair value, equity-method investments in companies are not adjusted to reflect the fair value of the underlying company. The fair value of the underlying investments in Oaktree funds is based on the Company's assessment, which takes into account expected cash flows, earnings multiples and/or comparisons to similar market transactions, among other factors. Valuation adjustments reflecting consideration of credit quality, concentration risk, sales restrictions and other liquidity factors are integral to valuing these instruments.

Corporate investments consisted of the following:

	As of December 31,	
Corporate Investments	**2021**	**2020**
Equity-method investments:		
Funds	$ 915,185	$ 951,660
Companies	36,225	4,863
Other investments, at fair value	71,154	15,429
Total corporate investments	$ 1,022,564	$ 971,952

The components of investment income are set forth below:

	Year Ended December 31,		
Investment Income (Loss)	**2021**	**2020**	**2019**
Equity-method investments:			
Funds	$ 203,142	$ 117,866	$ 68,145
Companies	9,086	1,008	57,475
Other investments, at fair value	(9,187)	(15,046)	20,949
Total investment income	$ 203,041	$ 103,828	$ 146,569

Equity-method Investments

The Company's equity-method investments include its investments in Oaktree funds for which it serves as general partner, and other third-party funds and companies that are not consolidated, but for which the Company is deemed to exert significant influence. The Company's share of income or loss generated by these investments is recorded within investment income in the consolidated statements of operations. The Company's equity-method investments in Oaktree funds principally reflect the Company's general partner interests in those funds, which typically does not exceed 2.5% in each fund. The Oaktree funds are investment companies that follow a specialized basis of accounting established by GAAP.

Each reporting period, the Company evaluates each of its equity-method investments to determine if any are considered significant, as defined by the SEC. As of December 31, 2021 and 2020, or for the years ended December 31, 2021, 2020 and 2019, no individual equity-method investment met the significance criteria.

($ in thousands, except where noted)

Summarized financial information of the Company's equity-method investments is set forth below:

	As of December 31,	
Statements of Financial Condition	**2021**	**2020**
Assets:		
Cash and cash-equivalents	$ 4,116,251	$ 3,627,763
Investments, at fair value	52,629,756	42,314,215
Other assets	1,216,301	1,512,269
Total assets	$ 57,962,308	$ 47,454,247
Liabilities and Capital:		
Debt obligations	$ 3,477,050	$ 5,959,409
Other liabilities	8,112,941	3,018,263
Total liabilities	11,589,991	8,977,672
Total capital	46,372,317	38,476,575
Total liabilities and capital	$ 57,962,308	$ 47,454,247

	Year Ended December 31,		
	2021	**2020**	**2019**
Statements of Operations			
Revenues / investment income	$ 1,932,884	$ 5,061,676	$ 766,096
Interest expense	(184,829)	(341,823)	(150,078)
Other expenses	(795,570)	(1,607,354)	(402,814)
Net realized and unrealized gain on investments	10,242,513	7,202,148	1,077,761
Net income	$ 11,194,998	$ 10,314,647	$ 1,290,965

Other Investments, at Fair Value

Other investments, at fair value primarily consist of: (a) investments in certain Oaktree and non-Oaktree funds, (b) non-investment grade debt securities, and (c) derivatives utilized to hedge the Company's exposure to investment income earned from its funds.

The following table summarizes net gains (losses) attributable to the Company's other investments:

	Year Ended December 31,		
	2021	**2020**	**2019**
Realized gain	$ 9,306	$ 8,946	$ 7,763
Net change in unrealized gain (loss)	(18,493)	(23,992)	13,186
Total gain (loss)	$ (9,187)	$ (15,046)	$ 20,949

($ in thousands, except where noted)

Investments of Consolidated Funds

Investments, at Fair Value

Investments held and securities sold short by the consolidated funds are summarized below:

Investments	Fair Value as of December 31, 2021	Fair Value as of December 31, 2020	Fair Value as a Percentage of Investments of Consolidated Funds as of December 31, 2021	Fair Value as a Percentage of Investments of Consolidated Funds as of December 31, 2020
United States:				
Debt securities:				
Communication services	$ 635,930	$ 554,779	5.6 %	7.1 %
Consumer discretionary	665,405	568,195	5.8	7.3
Consumer staples	190,391	118,641	1.7	1.5
Energy	354,585	232,309	3.1	3.0
Financials	463,412	287,291	4.0	3.7
Health care	459,713	410,317	4.0	5.3
Industrials	891,850	727,471	7.8	9.3
Information technology	685,959	504,442	6.0	6.5
Materials	436,434	251,978	3.8	3.2
Real estate	202,131	111,622	1.8	1.4
Utilities	305,220	264,758	2.7	3.4
Other	10,683	11,847	0.1	0.2
Total debt securities (cost: $5,303,858 and $4,064,289 as of December 31, 2021 and 2020, respectively)	5,301,713	4,043,650	46.3	51.9
Equity securities:				
Communication services	54,635	16,822	0.5	0.2
Consumer discretionary	126,978	604	1.1	0.0
Energy	369,912	21,747	3.2	0.3
Financials	151,501	85,715	1.3	1.1
Health care	33,475	—	0.3	—
Industrials	246,856	8,752	2.2	0.1
Materials	82,273	—	0.7	—
Utilities	81,989	77,085	0.7	1.0
Total equity securities (cost: $1,086,667 and $282,682 as of December 31, 2021 and 2020, respectively)	1,147,619	210,725	10.0	2.7
Real estate:				
Real estate	—	6,879	—	0.1
Total real estate securities (cost: $— and $6,760 as of December 31, 2021 and 2020, respectively)	—	6,879	—	0.1

($ in thousands, except where noted)

	Fair Value as of December 31,		Fair Value as a Percentage of Investments of Consolidated Funds as of December 31,	
Investments	**2021**	**2020**	**2021**	**2020**
Europe:				
Debt securities:				
Communication services	$ 756,728	$ 471,595	6.6 %	6.0 %
Consumer discretionary	915,535	755,084	8.0	9.7
Consumer staples	206,590	219,934	1.8	2.8
Energy	1,251	8,033	0.0	0.1
Financials	98,126	75,988	0.9	1.0
Health care	751,936	629,210	6.6	8.1
Industrials	656,033	487,243	5.7	6.2
Information technology	383,041	255,662	3.3	3.3
Materials	466,181	303,468	4.1	3.9
Real estate	34,116	26,100	0.3	0.3
Utilities	1,777	9,397	0.0	0.1
Other	15,049	4,628	0.1	0.1
Total debt securities (cost: $4,289,708 and $3,233,125 as of December 31, 2021 and 2020, respectively)	4,286,363	3,246,342	37.4	41.6
Equity securities:				
Consumer discretionary	102,919	—	0.9	—
Financials	19,987	2,917	0.2	0.0
Industrials	27,475	—	0.2	—
Total equity securities (cost: $119,114 and $2,919 as of December 31, 2021 and 2020, respectively)	150,381	2,917	1.3	0.0
Real estate:				
Real estate	33,834	—	0.3	—
Total real estate securities (cost: $34,927 and $— as of December 31, 2021 and 2020, respectively)	33,834	—	0.3	—
Asia and other:				
Debt securities:				
Communication services	6,087	18,741	0.1	0.2
Consumer discretionary	71,082	35,580	0.6	0.5
Consumer staples	13,378	23,755	0.1	0.3
Energy	24,325	9,247	0.2	0.1
Financials	14,739	12,335	0.1	0.2
Health care	4,084	1,084	0.0	0.0
Industrials	7,084	4,759	0.1	0.1
Information technology	714	3,631	0.0	0.0
Materials	121,151	68,791	1.1	0.9
Real estate	131,155	75,187	1.1	1.0
Utilities	3,743	9,619	0.0	0.1
Other	9,482	26,067	0.1	0.3
Total debt securities (cost: $417,825 and $288,452 as of December 31, 2021 and 2020, respectively)	407,024	288,796	3.6	3.7

($ in thousands, except where noted)

Investments	Fair Value as of December 31, 2021	Fair Value as of December 31, 2020	Fair Value as a Percentage of Investments of Consolidated Funds as of December 31, 2021	Fair Value as a Percentage of Investments of Consolidated Funds as of December 31, 2020
Asia and other:				
Equity securities:				
Consumer discretionary	$ 1,057	$ —	0.0 %	— %
Energy	8,332	—	0.1	—
Industrials	81,782	—	0.7	—
Real estate	38,614	—	0.3	—
Utilities	176	—	0.0	—
Total equity securities (cost: $120,308 and $0 as of December 31, 2021 and 2020, respectively)	129,961	—	1.1	—
Total debt securities	9,995,100	7,578,788	87.2	97.2
Total equity securities	1,427,961	213,642	12.5	2.7
Total real estate	33,834	6,879	0.3	0.1
Total investments, at fair value	$ 11,456,895	$ 7,799,309	100.0 %	100.0 %

As of December 31, 2021 and 2020, no single issuer or investment had a fair value that exceeded 5% of Oaktree's total consolidated net assets.

Net Gains (Losses) From Investment Activities of Consolidated Funds

Net gains (losses) from investment activities in the consolidated statements of operations consist primarily of realized and unrealized gains and losses on the consolidated funds' investments (including foreign exchange gains and losses attributable to foreign-denominated investments and related activities) and other financial instruments. Unrealized gains or losses result from changes in the fair value of these investments and other financial instruments. Upon disposition of an investment, unrealized gains or losses are reversed and an offsetting realized gain or loss is recognized in the current period.

The following table summarizes net gains (losses) from investment activities:

	Year Ended December 31,					
	2021		2020		2019	
	Net Realized Gain (Loss) on Investments	Net Change in Unrealized Appreciation (Depreciation) on Investments	Net Realized Gain (Loss) on Investments	Net Change in Unrealized Appreciation (Depreciation) on Investments	Net Realized Gain (Loss) on Investments	Net Change in Unrealized Appreciation (Depreciation) on Investments
Investments and other financial instruments	$ 25,599	$ 135,306	$ (8,926)	$ (137,882)	$ (11,227)	$ 137,521
CLO liabilities [1]	(6,951)	(14,370)	(85,592)	(21,971)	—	(131,948)
Foreign-currency forward contracts [2]	6,232	4,477	(11,184)	(23,813)	(6,546)	4,364
Total-return and interest-rate swaps [2]	(92)	(57)	(148)	(69)	—	—
Options and futures [2]	(2,550)	(3,697)	(107)	(112)	—	—
Warrants [2]	—	858	—	—	—	—
Total	$ 22,238	$ 122,517	$ (105,957)	$ (183,847)	$ (17,773)	$ 9,937

(1) Represents the net change in the fair value of CLO liabilities based on the more observable fair value of CLO assets, as measured under the CLO measurement guidance. Please see note 2 for more information.
(2) Please see note 7 for additional information.

($ in thousands, except where noted)

6. FAIR VALUE

Fair Value of Financial Assets and Liabilities

The short-term nature of cash and cash-equivalents, receivables and accounts payable causes each of their carrying values to approximate fair value. The fair value of short-term investments included in cash and cash-equivalents is a Level I valuation. The Company's other financial assets and financial liabilities by fair-value hierarchy level are set forth below. Please see notes 10 and 18 for the fair value of the Company's outstanding debt obligations and amounts due from/to affiliates, respectively.

	As of December 31, 2021				As of December 31, 2020			
	Level I	Level II	Level III	Total	Level I	Level II	Level III	Total
Assets								
U.S. Treasury and other securities [1]	$ 2,086	$ —	$ —	$ 2,086	$ 9,562	$ —	$ —	$ 9,562
Corporate investments	62,124	7,316	1,714	71,154	—	4,575	27,045	31,620
Foreign-currency forward contracts [2]	—	11,213	—	11,213	—	459	—	459
Total assets	$ 64,210	$ 18,529	$ 1,714	$ 84,453	$ 9,562	$ 5,034	$ 27,045	$ 41,641
Liabilities								
Foreign-currency forward contracts [3]	$ —	$ (536)	$ —	$ (536)	$ —	$ (20,051)	$ —	$ (20,051)

(1) For U.S. Treasury securities the carrying value approximates fair value due to their short-term nature and are classified as Level I investments within the fair value hierarchy detailed above.
(2) Amounts are included in other assets, except for $6,414 as of December 31, 2021, which is included within corporate investments in the consolidated statements of financial condition.
(3) Amounts are included in accounts payable, accrued expenses and other liabilities in the consolidated statements of financial condition, except for $494 and $16,191 as of December 31, 2021 and 2020, respectively, which are included within corporate investments in the consolidated statements of financial condition.

The table below sets forth a summary of changes in the fair value of Level III financial instruments:

	Year Ended December 31,	
	2021	2020
	Corporate Investments	Corporate Investments
Corporate Investments:		
Beginning balance	$ 27,045	$ 30,311
Contributions or additions	—	2,562
Distributions	(485)	(6,993)
Transfers into Level III	2,101	—
Transfers out of Level III	(27,045)	—
Net gain included in earnings	98	1,165
Ending balance	$ 1,714	$ 27,045
Net change in unrealized gains (losses) attributable to financial instruments still held at end of period	$ (189)	$ 2,320

($ in thousands, except where noted)

The Company's Level III financial instruments held as of December 31, 2021 primarily include the CLO beneficial interest of one unconsolidated CLO. The fair value of the Company's CLO beneficial interests held at December 31, 2021 was calculated using a discounted cash flow model specific to each investment structure. The significant valuation inputs, including the input range and weighted average rate, are as follows:

Valuation Input	Low	High	Weighted Average Rate
Discount rates	8.0%	20.0%	13.4%
Constant default rates	2.0%	2.0%	2.0%
Recovery rates	60.0%	60.0%	60.0%

Fair Value of Financial Instruments Held By Consolidated Funds

The short-term nature of cash and cash-equivalents held at the consolidated funds causes their carrying value to approximate fair value. The fair value of cash-equivalents is a Level I valuation. Derivatives may relate to a mix of Level I, II or III investments, and therefore their fair-value hierarchy level may not correspond to the fair-value hierarchy level of the economically hedged investment. The table below summarizes the investments and other financial instruments of the consolidated funds by fair-value hierarchy level:

	As of December 31, 2021				As of December 31, 2020			
	Level I	Level II	Level III	Total	Level I	Level II	Level III	Total
Assets								
Investments:								
Corporate debt – bank debt	$ —	$ 7,867,741	$ 597,188	$ 8,464,929	$ —	$ 6,363,403	$ 255,282	$ 6,618,685
Corporate debt – all other	—	1,300,595	229,576	1,530,171	—	881,018	79,085	960,103
Equities – common stock	206,133	76,751	581,748	864,632	3,052	1	187,370	190,423
Equities – preferred stock	77,299	—	486,030	563,329	—	—	23,219	23,219
Real estate	—	—	33,834	33,834	—	6,879	—	6,879
Total investments	283,432	9,245,087	1,928,376	11,456,895	3,052	7,251,301	544,956	7,799,309
Derivatives:								
Foreign-currency forward contracts	—	5,062	—	5,062	—	482	—	482
Swaps	—	1,162	—	1,162	—	—	—	—
Options and futures	509	—	—	509	26	—	—	26
Total derivatives [1]	509	6,224	—	6,733	26	482	—	508
Total assets	$ 283,941	$ 9,251,311	$ 1,928,376	$ 11,463,628	$ 3,078	$ 7,251,783	$ 544,956	$ 7,799,817
Liabilities								
CLO debt obligations:								
Senior secured notes	$ —	$ (7,472,521)	$ —	$ (7,472,521)	$ —	$ (6,321,580)	$ —	$ (6,321,580)
Subordinated notes	—	(333,742)	—	(333,742)	—	(215,278)	—	(215,278)
Total CLO debt obligations [2]	—	(7,806,263)	—	(7,806,263)	—	(6,536,858)	—	(6,536,858)
Derivatives:								
Foreign-currency forward contracts	—	(886)	—	(886)	—	(933)	—	(933)
Swaps	(4,100)	(235)	—	(4,335)	—	—	—	—
Warrants	—	(6,626)	—	(6,626)	—	—	—	—
Total derivatives [3]	(4,100)	(7,747)	—	(11,847)	—	(933)	—	(933)
Total liabilities	$ (4,100)	$ (7,814,010)	$ —	$ (7,818,110)	$ —	$ (6,537,791)	$ —	$ (6,537,791)

(1) Amounts are included in other assets under "assets of consolidated funds" in the consolidated statements of financial condition.
(2) The fair value of CLO liabilities is classified based on the more observable fair value of CLO assets. Please see notes 2 and 10 for more information.
(3) Amounts are included in accounts payable, accrued expenses and other liabilities under "liabilities of consolidated funds" in the consolidated statements of financial condition.

($ in thousands, except where noted)

The following tables set forth a summary of changes in the fair value of Level III investments:

	Corporate Debt – Bank Debt	Corporate Debt – All Other	Equities – Common Stock	Equities – Preferred Stock	Real Estate	Total
2021						
Beginning balance	$ 255,282	$ 79,085	$ 187,370	$ 23,219	$ —	$ 544,956
Deconsolidation of funds	(3,065)	(12,598)	—	—	—	(15,663)
Transfers into Level III	69,877	2,960	209	—	—	73,046
Transfers out of Level III	(96,862)	(26,215)	—	(32,190)	—	(155,267)
Purchases	531,414	185,404	536,239	463,529	57,732	1,774,318
Sales	(150,525)	(4,919)	(105,609)	(17,771)	(22,233)	(301,057)
Realized gain (loss), net	4,222	450	(8,948)	3,122	(572)	(1,726)
Unrealized appreciation (depreciation), net	(13,155)	5,409	(27,513)	46,121	(1,093)	9,769
Ending balance	$ 597,188	$ 229,576	$ 581,748	$ 486,030	$ 33,834	$ 1,928,376
Net change in unrealized appreciation (depreciation) attributable to assets still held at end of period	$ (13,869)	$ 4,956	$ 37,345	$ 46,122	$ (1,091)	$ 73,463
2020						
Beginning balance	$ 149,642	$ 31,266	$ 130,437	$ 657	$ 230,741	$ 542,743
Deconsolidation of funds	(150,358)	(14,601)	(264,513)	—	(269,404)	(698,876)
Transfers into Level III	164,888	60,315	26,192	—	—	251,395
Transfers out of Level III	(76,444)	(27,809)	(53,532)	—	—	(157,785)
Purchases	310,696	78,242	369,766	23,133	38,663	820,500
Sales	(122,416)	(39,784)	(110)	—	—	(162,310)
Realized loss, net	(8,966)	(366)	(13,115)	—	—	(22,447)
Unrealized depreciation, net	(11,760)	(8,178)	(7,755)	(571)	—	(28,264)
Ending balance	$ 255,282	$ 79,085	$ 187,370	$ 23,219	$ —	$ 544,956
Net change in unrealized depreciation attributable to assets still held at end of period	$ (9,637)	$ (1,002)	$ (11,957)	$ (557)	$ —	$ (23,153)

Total realized and unrealized gains and losses recorded for Level III investments are included in net realized gain on consolidated funds' investments or net change in unrealized appreciation (depreciation) on consolidated funds' investments in the consolidated statements of operations.

Transfers out of Level III are generally attributable to certain investments that experienced a more significant level of market trading activity or completed an initial public offering during the respective period and thus were valued using observable inputs. Transfers into Level III typically reflect either investments that experienced a less significant level of market trading activity during the period or portfolio companies that undertook restructurings or bankruptcy proceedings and thus were valued in the absence of observable inputs.

($ in thousands, except where noted)

The following table sets forth a summary of the valuation techniques and quantitative information utilized in determining the fair value of the consolidated funds' Level III investments as of December 31, 2021:

Investment Type	Fair Value	Valuation Technique	Significant Unobservable Inputs [1][2]	Range	Weighted Average [3]
Credit-oriented investments:					
Consumer discretionary:	$ 20,954	Recent transaction price [4]	Quoted prices	Not applicable	Not applicable
	12,677	Recent market information [5]	Quoted prices	Not applicable	Not applicable
	6,864	Discounted cash flow [6]	Discount rate	9% – 11%	10%
Communication services:	60,384	Market approach (comparable companies) [7]	Revenue multiple [8]	2x - 4x	3x
	38,352	Recent market information [5]	Quoted prices	Not applicable	Not applicable
	3,402	Recent transaction price [4]	Quoted prices	Not applicable	Not applicable
Energy:	51,012	Discounted cash flow [6]	Discount rate	12% – 13%	12%
	33,987	Recent transaction price [4]	Quoted prices	Not applicable	Not applicable
	13,640	Recent market information [5]	Quoted prices	Not applicable	Not applicable
Financials:	29,519	Discounted cash flow [6]	Discount rate	10% – 12%	11%
	23,129	Recent market information [5]	Quoted prices	Not applicable	Not applicable
	13,187	Recent transaction price [4]	Quoted prices	Not applicable	Not applicable
Industrials:	87,727	Discounted cash flow [6]	Discount rate	8% – 13%	10%
	1,852	Recent market information [5]	Quoted prices	Not applicable	Not applicable
Materials:	136,117	Discounted cash flow [6]	Discount rate	8% – 14%	9%
	24,420	Recent transaction price [4]	Quoted prices	Not applicable	Not applicable
	6,674	Recent market information [5]	Quoted prices	Not applicable	Not applicable
Real estate:	76,503	Recent transaction price [4]	Quoted prices	Not applicable	Not applicable
	60,643	Market approach (comparable companies) [7]	Multiple of underlying assets [9]	0.7x - 0.9x	0.8x
	27,235	Recent market information [5]	Quoted prices	Not applicable	Not applicable
Other:	78,631	Recent market information [5]	Quoted prices	Not applicable	Not applicable
	11,425	Recent transaction price [4]	Quoted prices	Not applicable	Not applicable
	8,430	Market approach (comparable companies) [7]	Multiple of underlying assets [9]	0.9x - 1.1x	1.0x
Equity investments:					
	411,574	Recent transaction price [4]	Quoted prices	Not applicable	Not applicable
	364,851	Market approach (comparable companies) [7]	Multiple of underlying assets [9]	0.9x - 1.0x	1.0x
	110,973	Market approach (comparable companies) [7]	Earnings multiple [10]	6x - 16x	11x
	83,999	Discounted cash flow [6]	Discount rate	7% – 16%	16%
	59,805	Market approach (comparable companies) [7]	Revenue multiple [8]	3x - 11x	9x
	36,576	Recent market information [5]	Quoted prices	Not applicable	Not applicable
Real estate-oriented:					
	18,526	Recent transaction price [4]	Quoted prices	Not applicable	Not applicable
	15,308	Discounted cash flow [6]	Discount rate	24% – 26%	25%
Total Level III investments	$ 1,928,376				

($ in thousands, except where noted)

The following table sets forth a summary of the valuation techniques and quantitative information utilized in determining the fair value of the consolidated funds' Level III investments as of December 31, 2020:

Investment Type	Fair Value	Valuation Technique	Significant Unobservable Inputs [1][2]	Range	Weighted Average [3]
Credit-oriented investments:					
Energy:	14,318	Discounted cash flow [6]	Discount rate	7% - 9%	8%
	10,431	Recent market information [5]	Quoted prices	Not applicable	Not applicable
Financials:	24,301	Recent market information [5]	Quoted prices	Not applicable	Not applicable
Health care:	20,447	Recent market information [5]	Quoted prices	Not applicable	Not applicable
Industrials:	50,263	Recent market information [5]	Quoted prices	Not applicable	Not applicable
	12,298	Recent transaction price [4]	Quoted prices	Not applicable	Not applicable
Materials:	59,615	Recent transaction price [4]	Quoted prices	Not applicable	Not applicable
Real estate:	78,635	Recent transaction price [4]	Quoted prices	Not applicable	Not applicable
	18,177	Recent market information [5]	Quoted prices	Not applicable	Not applicable
Other:	38,932	Recent market information [5]	Quoted prices	Not applicable	Not applicable
	6,951	Discounted cash flow [6]	Discount rate	6% - 8%	7%
Equity investments:					
	133,779	Recent transaction price [4]	Quoted prices	Not applicable	Not applicable
	76,809	Discounted cash flow [6]	Discount rate	6% – 8%	7%
Total Level III investments	$ 544,956				

(1) The discount rate is the significant unobservable input used in the fair-value measurement of performing credit-oriented investments in which the consolidated funds do not have a controlling interest in the underlying issuer, as well as certain equity investments and real estate loan portfolios. An increase (decrease) in the discount rate would result in a lower (higher) fair-value measurement.
(2) Multiple of either earnings or underlying assets is the significant unobservable input used in the market approach for the fair-value measurement of distressed credit-oriented investments, credit-oriented investments in which the consolidated funds have a controlling interest in the underlying issuer, equity investments and certain real estate-oriented investments. An increase (decrease) in the multiple would result in a higher (lower) fair-value measurement.
(3) The weighted average is based on the fair value of the investments included in the range.
(4) Certain investments are valued based on recent transactions, generally defined as investments purchased or sold within six months of the valuation date. The fair value may also be based on a pending transaction expected to close after the valuation date.
(5) Certain investments are valued using vendor prices or broker quotes for the subject or similar securities. Generally, investments valued in this manner are classified as Level III because the quoted prices may be indicative in nature for securities that are in an inactive market, may be for similar securities, or may require adjustment for investment-specific factors or restrictions.
(6) A discounted cash-flow method is generally used to value performing credit-oriented investments in which the consolidated funds do not have a controlling interest in the underlying issuer, as well as certain equity investments, real estate-oriented investments and real estate loan portfolios.
(7) A market approach is generally used to value distressed investments and investments in which the consolidated funds have a controlling interest in the underlying.
(8) Revenue multiples are based on comparable public companies and transactions with comparable companies. The Company typically applies the multiple to trailing twelve-months' revenue. However, in certain cases other revenue measures, such as pro forma revenue, may be utilized if deemed to be more relevant.
(9) A market approach using the value of underlying assets utilizes a multiple, based on comparable companies, of underlying assets or the net book value of the portfolio company. The Company typically obtains the value of underlying assets from the underlying portfolio company's financial statements or from pricing vendors. The Company may value the underlying assets by using prices and other relevant information from market transactions involving comparable assets.
(10) Earnings multiples are based on comparable public companies and transactions with comparable companies. The Company typically utilizes multiples of EBITDA; however, in certain cases the Company may use other earnings multiples believed to be most relevant to the investment. The Company typically applies the multiple to trailing twelve-months' EBITDA. However, in certain cases other earnings measures, such as pro forma EBITDA, may be utilized if deemed to be more relevant.

A significant amount of judgment may be required when using unobservable inputs, including assessing the accuracy of source data and the results of pricing models. The Company assesses the accuracy and reliability of the sources it uses to develop unobservable inputs. These sources may include third-party vendors that the Company believes are reliable and commonly utilized by other marketplace participants. As described in note 2, other factors beyond the unobservable inputs described above may have a significant impact on investment valuations.

($ in thousands, except where noted)

During the year ended December 31, 2021, there were no changes in the valuation techniques for Level III securities. During the year ended December 31, 2020, the valuation technique for one Level III credit-oriented investment changed, due to its performance, from a discounted cash flow to a market approach based on comparable companies.

7. DERIVATIVES AND HEDGING

The fair value of freestanding derivatives consisted of the following:

	Assets		Liabilities	
	Notional	Fair Value	Notional	Fair Value
As of December 31, 2021				
Foreign-currency forward contracts	$ 324,322	$ 11,213	$ (24,735)	$ (536)
As of December 31, 2020				
Foreign-currency forward contracts	$ 22,624	$ 459	$ (288,626)	$ (20,051)

Realized and unrealized gains and losses arising from freestanding derivatives were recorded in the consolidated statements of operations as follows:

	Year Ended December 31,		
	2021	2020	2019
Investment income (loss)	$ 15,924	$ (13,045)	$ 5,243
General and administrative expense [1]	7,866	(9,315)	2,143
Total gain (loss)	$ 23,790	$ (22,360)	$ 7,386

(1) To the extent that the Company's freestanding derivatives are utilized to hedge its foreign-currency exposure to investment income and management fees earned from consolidated funds, the related hedged items are eliminated in consolidation, with the derivative impact (a positive number reflects a reduction in expenses) reflected in consolidated general and administrative expense.

There were no derivatives outstanding that were designated as hedging instruments for accounting purposes as of December 31, 2021 and 2020. Additionally, the Company had not designated any derivatives as fair-value hedges or hedges of net investments in foreign operations as of December 31, 2021 and 2020.

Derivatives Held By Consolidated Funds

Certain consolidated funds utilize derivatives in their ongoing investment operations. These derivatives primarily consist of foreign-currency forward contracts and options utilized to manage currency risk, interest-rate swaps to hedge interest-rate risk, options and futures used to hedge certain exposures for specific securities, and total-return swaps utilized mainly to obtain exposure to leveraged loans or to participate in foreign markets not readily accessible. The primary risk exposure for options and futures is price, while the primary risk exposure for total-return swaps is credit. None of the derivative instruments are accounted for as a hedging instrument utilizing hedge accounting.

($ in thousands, except where noted)

The fair value of derivatives held by the consolidated funds consisted of the following:

	Assets		Liabilities	
	Notional	Fair Value	Notional	Fair Value
As of December 31, 2021				
Foreign-currency forward contracts	$ 210,868	$ 5,062	$ (24,845)	$ (886)
Total-return and interest-rate and credit default swaps	13,727	1,162	(27,254)	(4,335)
Options and futures	213,575	509	—	—
Warrants	—	—	—	(6,626)
Total	$ 438,170	$ 6,733	$ (52,099)	$ (11,847)
As of December 31, 2020				
Foreign-currency forward contracts	$ 28,638	$ 482	$ (47,787)	$ (933)
Options and futures	22,567	26	—	—
Total	$ 51,205	$ 508	$ (47,787)	$ (933)

The impact of derivatives held by the consolidated funds in the consolidated statements of operations was as follows:

	Year Ended December 31,					
	2021		2020		2019	
	Net Realized Gain (Loss) on Investments	Net Change in Unrealized Appreciation (Depreciation) on Investments	Net Realized Gain (Loss) on Investments	Net Change in Unrealized Appreciation (Depreciation) on Investments	Net Realized Gain (Loss) on Investments	Net Change in Unrealized Appreciation (Depreciation) on Investments
Foreign-currency forward contracts	$ 6,232	$ 4,477	$ (11,184)	$ (23,813)	$ (6,546)	$ 4,364
Total-return and interest-rate and credit default swaps	(92)	(57)	(148)	(69)	—	—
Options and futures	(2,550)	(3,697)	(107)	(112)	—	—
Warrants	—	858	—	—	—	—
Total	$ 3,590	$ 1,581	$ (11,439)	$ (23,994)	$ (6,546)	$ 4,364

($ in thousands, except where noted)

Balance Sheet Offsetting

The Company recognizes all derivatives as assets or liabilities at fair value in its consolidated statements of financial condition. In connection with its derivative activities, the Company generally enters into agreements subject to enforceable master netting arrangements that allow the Company to offset derivative assets and liabilities in the same currency by specific derivative type or, in the event of default by the counterparty, to offset derivative assets and liabilities with the same counterparty. While these derivatives are eligible to be offset in accordance with applicable accounting guidance, the Company has elected to present derivative assets and liabilities based on gross fair value in its consolidated statements of financial condition. The table below sets forth the setoff rights and related arrangements associated with derivatives held by the Company. The "gross amounts not offset in statements of financial condition" columns represent derivatives that management has elected not to offset in the consolidated statements of financial condition even though they are eligible to be offset in accordance with applicable accounting guidance.

		Gross Amounts Not Offset in Statements of Financial Condition		
As of December 31, 2021	Gross Amounts of Assets (Liabilities) Presented	Derivative Assets (Liabilities)	Cash Collateral Received (Pledged)	Net Amount
Derivative Assets:				
Foreign-currency forward contracts	$ 11,213	$ 404	$ —	$ 10,809
Derivative assets of consolidated funds:				
Foreign-currency forward contracts	5,062	—	—	5,062
Total-return and interest-rate and credit default swaps	1,162	—	—	1,162
Options and futures	509	—	—	509
Subtotal	6,733	—	—	6,733
Total	$ 17,946	$ 404	$ —	$ 17,542
Derivative Liabilities:				
Foreign-currency forward contracts	$ (536)	$ (404)	$ —	$ (132)
Derivative liabilities of consolidated funds:				
Foreign-currency forward contracts	(886)	—	—	(886)
Total-return and interest-rate and credit default swaps	(4,335)	—	—	(4,335)
Warrants	(6,626)	—	—	(6,626)
Subtotal	(11,847)	—	—	(11,847)
Total	$ (12,383)	$ (404)	$ —	$ (11,979)

($ in thousands, except where noted)

As of December 31, 2020	Gross Amounts of Assets (Liabilities) Presented	Gross Amounts Not Offset in Statements of Financial Condition: Derivative Assets (Liabilities)	Gross Amounts Not Offset in Statements of Financial Condition: Cash Collateral Received (Pledged)	Net Amount
Derivative Assets:				
Foreign-currency forward contracts	$ 459	$ 459	$ —	$ —
Derivative assets of consolidated funds:				
Foreign-currency forward contracts	482	—	—	482
Options and futures	26	—	—	26
Subtotal	508	—	—	508
Total	$ 967	$ 459	$ —	$ 508
Derivative Liabilities:				
Foreign-currency forward contracts	$ (20,051)	$ (459)	$ —	$ (19,592)
Derivative liabilities of consolidated funds:				
Foreign-currency forward contracts	(933)	—	—	(933)
Total	$ (20,984)	$ (459)	$ —	$ (20,525)

8. FIXED ASSETS

Fixed assets, which consist of furniture and equipment, capitalized software, office leasehold improvements and prior to the Restructuring, company-owned aircraft, are included in other assets in the consolidated statements of financial position.

The following table sets forth the Company's fixed assets and accumulated depreciation:

	As of December 31, 2021	As of December 31, 2020
Furniture, equipment and capitalized software	$ 10,187	$ 10,240
Leasehold improvements	27,315	27,315
Other	965	978
Fixed assets	38,467	38,533
Accumulated depreciation	(27,036)	(25,257)
Fixed assets, net	$ 11,431	$ 13,276

9. GOODWILL AND INTANGIBLES

Goodwill represents the excess of cost over the fair value of identifiable net assets of acquired businesses. Goodwill has an indefinite useful life and is not amortized, but instead is tested for impairment annually in the fourth quarter of each fiscal year, or more frequently if events or circumstances indicate that impairment may have occurred. Goodwill is included in other assets in the consolidated statements of financial position. As of December 31, 2021, the Company determined there was no goodwill impairment. The carrying value of goodwill was $18.4 million as of December 31, 2021 and 2020, and is included in other assets in the consolidated statements of financial condition.

As a result of the Restructuring, goodwill and intangible assets of $50.9 million and $301.7 million, respectively, were transferred as part of the deconsolidation of entities effective October 1, 2019. Amortization expense associated with the Company's intangible assets was $12.6 million for the year ended December 31, 2019. No amortization expense associated with the Company's intangible assets was recognized for the years ended December 31, 2021 and 2020. As of December 31, 2021 and 2020, there were no outstanding intangible asset balances.

($ in thousands, except where noted)

10. DEBT OBLIGATIONS AND CREDIT FACILITIES

Prior to the Restructuring, the Company's financial statements reflected debt and debt service of the entire Oaktree Operating Group. OCM, Oaktree Capital I, Oaktree Capital II and Oaktree AIF are co-obligors and jointly and severally liable for all debt obligations listed below, however, debt obligations are reflected in the consolidated financial statements based upon the entity that actually made the borrowing and received the related proceeds. OCM has historically been the only direct borrower or issuer under credit agreements and private placement notes with third parties and made all payments of principal and interest. In connection with the Restructuring, debt obligations with a net carrying amount of $746.3 million related to OCM were transferred as part of the deconsolidation of entities effective October 1, 2019. Accordingly, the Company's financial statements after the Restructuring generally will not reflect debt obligations, interest expense or related liabilities associated with its operating subsidiaries, until such time as Oaktree Capital I directly borrows or issues notes under such arrangements.

As of December 31, 2021, Oaktree Capital I is jointly and severally liable, along with its co-obligors, for the debt obligations listed below with an aggregate outstanding principal balance of $905 million. The Company's maximum exposure to these debt obligations is set forth below:

	As of December 31,	
	2021	2020
Senior unsecured notes		
$50,000, 3.91%, issued in September 2014, payable on September 3, 2024	50,000	50,000
$100,000, 4.01%, issued in September 2014, payable on September 3, 2026	100,000	100,000
$100,000, 4.21%, issued in September 2014, payable on September 3, 2029	100,000	100,000
$100,000, 3.69%, issued in July 2016, payable on July 12, 2031	100,000	100,000
$250,000, 3.78%, issued in December 2017, payable on December 18, 2032	250,000	250,000
$200,000, 3.64%, issued in July 2020, payable on July 22, 2030	200,000	200,000
$50,000, 3.84%, issued in July 2020, payable on July 22, 2035	50,000	50,000
Credit facility, issued in March 2014, variable rate obligations payable on September 14, 2026	55,000	—
Total remaining principal	$ 905,000	$ 850,000

On May 1, 2020, OCM received commitments from certain accredited investors to purchase $250 million of senior unsecured notes that bear a blended 3.68% fixed rate of interest and a weighted average maturity of 2031. The notes are guaranteed by Oaktree Capital I, a consolidated subsidiary of the Company, along with Oaktree Capital II and Oaktree AIF, as co-obligors. On May 20, 2020, OCM and the co-obligors entered into a note and guaranty agreement. As OCM is the issuer of such senior notes, the outstanding principal and interest payments guaranteed by Oaktree Capital I will not be included in the Company's financial statements unless an event of default occurs. The offering closed on July 22, 2020 and OCM received proceeds of $250 million on the closing date.

Oaktree Capital I, along with certain other Oaktree Operating Group members as co-borrowers, are parties to a credit agreement with a subsidiary of Brookfield that provides for a subordinated credit facility maturing on May 19, 2023. The subordinated credit facility has a revolving loan commitment of $250 million and borrowings generally bear interest at a spread to either LIBOR or an alternative base rate. Borrowings on the subordinated credit facility are subordinate to the outstanding debt obligations and borrowings on the primary credit facility of Oaktree Capital I and its co-borrowers. Oaktree Capital I is jointly and severally liable, along with its co-obligors for outstanding borrowings on the subordinated credit facility. For reasons set forth in the preceding paragraph, the Company's financial statements generally will not reflect debt obligations, interest expense or related liabilities associated with its operating subsidiaries until such time as Oaktree Capital I directly borrows from the subordinated credit facility. No amounts were outstanding on the subordinated credit facility as of December 31, 2021.

Oaktree's credit facility was amended on December 13, 2019 to among other things, increase the revolving loan commitment from $500 million to $650 million, provide for the refinancing of the then-outstanding $150 million term loan with revolving loans, extend the maturity date from March 29, 2023 to December 13, 2024, favorably update the commitment fee and interest rate in the corporate ratings-based pricing grid and increase the assets

($ in thousands, except where noted)

under management covenant threshold from $60 billion to $65 billion. Borrowings generally bear interest at a spread to either LIBOR or an alternative base rate. Based on the current credit ratings of OCM, the interest rate on borrowings is LIBOR plus 0.88% per annum and the commitment fee on the unused portions of the revolving credit facility is 0.08% per annum. The credit agreement contains customary financial covenants and restrictions, including ones regarding a maximum leverage ratio and a minimum required level of assets under management (as defined in the credit agreement, as amended above). Oaktree's credit facility was further amended on September 14, 2021 to among other things, (i) extend the maturity date from December 13, 2024 to September 14, 2026, (ii) modify the assets under management covenant threshold from $65 billion of assets under management to $57.5 billion of management-fee generating assets under management and (iii) increase the maximum leverage ratio to 4.00 to 1.00. As of December 31, 2021, OCM had $55 million outstanding borrowings under the revolving credit facility. OCM and the Company were in compliance with all financial maintenance covenants associated with its senior notes and bank credit facility as of December 31, 2021 and 2020, respectively.

On October 14, 2021, OCM received commitments from certain accredited investors to purchase $200 million of senior unsecured notes that bear a 3.06% fixed rate of interest and a maturity of 2037. The notes are guaranteed by Oaktree Capital I, a consolidated subsidiary of the Company, along with Oaktree Capital II and Oaktree AIF, as co-obligors. On November 4, 2021, OCM and the co-obligors entered into a note and guaranty agreement. As OCM is the issuer of such notes, the outstanding principal and interest payments guaranteed by Oaktree Capital I will not be included in the Company's financial statements unless an event of default occurs. The offering closed on January 12, 2022 and OCM received proceeds of $200 million on the closing date.

Debt Obligations of the Consolidated Funds

Certain consolidated funds may maintain revolving credit facilities that are secured by the assets of the fund or may issue senior variable rate notes to fund investments on a longer term basis, generally up to ten years. The obligations of the consolidated funds are nonrecourse to the Company.

The consolidated funds had the following debt obligations outstanding:

Credit Agreement	Outstanding Amount as of December 31, 2021	Outstanding Amount as of December 31, 2020	Facility Capacity	Weighted Average Interest Rate	Weighted Average Remaining Maturity (years)	Commitment Fee Rate	L/C Fee
Revolving credit facilities [1][2]	$ 1,119,178	$ 370,920	$1,188,342	1.94%	0.6	0.25%	N/A
Secured borrowings [2]	12,740	—	12,740	3.00	0.3	N/A	N/A
Less: Debt issuance costs	(2,552)	(4,932)					
Total debt obligations, net [3]	$ 1,129,366	$ 365,988					

(1) The credit facility capacity is calculated on a pro rata basis using fund commitments as of December 31, 2021.
(2) Details of the revolving credit facility and secured borrowings are shown as of December 31, 2021.
(3) For the revolving credit facilities, amount is shown net of debt issuance costs that are included in other assets, net at December 31, 2021.

As of December 31, 2021 and 2020, the consolidated funds had debt obligations with an aggregate outstanding principal balance of $1.1 billion and $370.9 million, respectively. The carrying value of the revolving credit facilities approximated fair value due to recent issuance. Secured borrowings outstanding were recorded as a result of certain securities that were sold and simultaneously repurchased at a premium, with amounts payable to the counterparty due on the repurchase settlement date. Financial instruments that are valued using quoted prices for the security or similar securities are generally classified as Level III because the quoted prices may be indicative in nature for securities that are in an inactive market, may be for similar securities, or may require adjustment for investment-specific factors or restrictions.

As a result of the Restructuring, senior variable rate notes and debt issuance costs of $870.7 million and $4.6 million, respectively, were transferred as part of the deconsolidation of entities effective October 1, 2019.

($ in thousands, except where noted)

Debt Obligations of CLOs

Debt obligations of CLOs represent amounts due to holders of debt securities issued by the CLOs, as well as term loans of CLOs that had not priced as of period end. Outstanding debt obligations of CLOs were as follows:

	As of December 31, 2021			As of December 31, 2020		
	Fair Value [1]	Weighted Average Interest Rate	Weighted Average Remaining Maturity (years)	Fair Value [1]	Weighted Average Interest Rate	Weighted Average Remaining Maturity (years)
Senior secured notes	$ 7,472,521	1.75%	11.0	$ 6,321,580	2.00%	10.2
Subordinated notes [2]	333,742	N/A	11.2	215,278	N/A	10.6
Total CLO debt obligations	$ 7,806,263			$ 6,536,858		

(1) The fair value of CLO liabilities was measured as the fair value of CLO assets less the sum of (a) the fair value of any beneficial interests held by the Company and (b) the carrying value of any beneficial interests that represent compensation for services. The fair value of the beneficial interests was calculated using a discounted cash flow model specific to each investment structure. Please see notes 2 and 6 for more information, including the significant valuation inputs such as input range and weighted average rate.

(2) The subordinated notes do not have a contractual interest rate; instead, they receive distributions from the excess cash flows generated by the CLO.

The debt obligations of CLOs are nonrecourse to the Company and are backed by the investments held by the respective CLO. Assets of one CLO may not be used to satisfy the liabilities of another. As of December 31, 2021 and 2020, the fair value of CLO assets was $9.1 billion and $7.3 billion, respectively, and consisted of cash, corporate loans, corporate bonds and other securities.

As of December 31, 2021, future scheduled principal or par value payments with respect to the debt obligations of CLOs were as follows:

2022	$ 246,551
2023	—
2024	—
2025	—
2026	—
Thereafter	7,680,092
Total	$ 7,926,643

($ in thousands, except where noted)

11. LEASES

The Company has operating leases related to office space and certain equipment with remaining lease terms expiring within one year through 2031, some of which include options to extend the leases for up to five years and some of which include options to terminate the leases within one year. As of December 31, 2021, there were no finance leases outstanding, and the Company has committed to take on additional space for two existing operating leases within the next year.

The components of lease expense included in general and administrative expense were as follows:

	Twelve months ended December 31, 2021	Twelve months ended December 31, 2020
Operating lease cost	$ 7,947	$ 7,768
Sublease income	(407)	(382)
Total lease cost	$ 7,540	$ 7,386

Supplemental cash flow information related to leases was as follows:

	Twelve months ended December 31, 2021
Cash paid for amounts included in the measurement of lease liabilities:	
Operating cash flows used for operating leases	$ 7,033
Weighted average remaining lease term for operating leases (in years)	9.1
Weighted average discount rate for operating leases	4.3 %

As of December 31, 2021, maturities of operating lease liabilities were as follows:

2022	6,532
2023	5,788
2024	4,763
2025	4,618
2026	4,618
Thereafter	21,284
Total lease payments	47,603
Less: imputed interest	(8,309)
Total operating lease liabilities	$ 39,294

($ in thousands, except where noted)

12. NON-CONTROLLING REDEEMABLE INTERESTS IN CONSOLIDATED FUNDS

The following table sets forth a summary of changes in the non-controlling redeemable interests in the consolidated funds. Dividends reinvested and in-kind contributions or distributions are non-cash in nature and have been presented on a gross basis in the table below.

	Year Ended December 31,		
	2021	2020	2019
Beginning balance	$ 715,347	$ 866,222	$ 961,622
Initial consolidation of a fund	—	—	96,248
Deconsolidation of funds due to restructuring	—	—	(406,058)
Deconsolidation of funds	(192,984)	(720,729)	(423,598)
Contributions	1,189,486	940,191	664,679
Distributions	(171,883)	(223,674)	(107,499)
Net income (loss)	186,515	(165,412)	93,620
Change in distributions payable	9,975	(10,050)	(16,105)
Change in contribution receivable	—	15,826	—
Foreign-currency translation and other	(13,162)	12,973	3,313
Ending balance	$ 1,723,294	$ 715,347	$ 866,222

($ in thousands, except where noted)

13. UNITHOLDERS' CAPITAL

Unitholders' capital reflects the economic interests attributable to Class A unitholders, preferred unitholders, non-controlling interests in consolidated subsidiaries and non-controlling interests in consolidated funds. Non-controlling interests in consolidated subsidiaries represent the portion of unitholders' capital attributable to the OCGH non-controlling interest and third parties. The OCGH non-controlling interest is determined at the Oaktree Operating Group level, after giving effect to distributions, if any, attributable to the preferred unitholders, based on the proportionate share of Oaktree Operating Group units held by the OCGH unitholders. Certain expenses, such as income taxes and related administrative expenses of Oaktree Capital Group, LLC and its Intermediate Holding Companies, are solely attributable to the Class A unitholders. As of December 31, 2021 and 2020, respectively, OCGH units represented 60,783,255 of the total 159,919,875 Oaktree Operating Group units and 61,370,607 of the total 160,047,647 Oaktree Operating Group units. Based on allocable capital of $1,565,119 and $1,421,127 as of December 31, 2021 and 2020, respectively, the OCGH non-controlling interest was $612,228 and $544,935. As of December 31, 2021 and 2020, there were no non-controlling interests attributable to third parties.

Distributions per Class A unit are set forth below:

Payment Date	Record Date	Applicable to Period Ended	Distribution Per Unit
November 10, 2021	October 31, 2021	September 30, 2021	$ 0.83
August 10, 2021	July 30, 2021	June 30, 2021	0.50
May 10, 2021	April 30, 2021	March 31, 2021	2.28
February 25, 2021	February 15, 2021	December 31, 2020	1.07
Total 2021			$ 4.68
August 10, 2020	July 31, 2020	June 30, 2020	$ 0.49
February 24, 2020	February 3, 2020	December 31, 2019	0.22
Total 2020			$ 0.71
November 12, 2019	October 31, 2019	September 30, 2019	$ 0.03
September 30, 2019	September 30, 2019	-	3.13
May 10, 2019	May 6, 2019	March 31, 2019	1.05
February 22, 2019	February 15, 2019	December 31, 2018	0.75
Total 2019			$ 4.96

Preferred Unit Issuances

On May 17, 2018, the Company issued 7,200,000 of its 6.625% Series A preferred units representing limited liability company interests with a liquidation preference of $25.00 per unit. The issuance resulted in $173.7 million in net proceeds to the Company. Distributions on the Series A preferred units, when and if declared by the board of directors of Oaktree, will be paid quarterly on March 15, June 15, September 15 and December 15 of each year. The first distribution was paid on September 17, 2018. Distributions on the Series A preferred units are non-cumulative.

On August 9, 2018, the Company issued 9,400,000 of its 6.550% Series B preferred units representing limited liability company interests with a liquidation preference of $25.00 per unit. The issuance resulted in $226.9 million in net proceeds to the Company. Distributions on the Series B preferred units, when and if declared by the board of directors of Oaktree, will be paid quarterly on March 15, June 15, September 15 and December 15 of each year. The first distribution was paid on December 17, 2018. Distributions on the Series B preferred units are non-cumulative.

Unless distributions have been declared and paid or declared and set apart for payment on the preferred units for a quarterly distribution period, during the remainder of that distribution period the Company may not repurchase any common units or any other units that are junior in rank, as to the payment of distributions, to the preferred units and the Company may not declare or pay or set apart payment for distributions on any common

units or junior units for the remainder of that distribution period, other than certain Permitted Distributions (as defined in the unit designation related to the applicable preferred units (each, the "Preferred Unit Designation")).

The Company may redeem, at its option, out of funds legally available, the preferred units, in whole or in part, at any time on or after June 15, 2023 in respect of the Series A preferred units or September 15, 2023 in respect of the Series B preferred units, at a price of $25.00 per preferred unit plus declared and unpaid distributions to, but excluding, the redemption date, without payment of any undeclared distributions. Holders of the preferred units have no right to require the redemption of the preferred units.

If a Change of Control Event (as defined in the applicable Preferred Unit Designation) occurs prior to June 15, 2023 in respect of the Series A preferred units or September 15, 2023 in respect of the Series B preferred units, the Company may, at its option, out of funds legally available, redeem the applicable preferred units, in whole but not in part, upon at least 30 days' notice, within 60 days of the occurrence of such Change of Control Event, at a price of $25.25 per preferred unit, plus declared and unpaid distributions to, but excluding, the redemption date, without payment of any undeclared distributions.

If a Tax Redemption Event or Rating Agency Event (each, as defined in the applicable Preferred Unit Designation) occurs prior to June 15, 2023 in respect of the Series A preferred units or September 15, 2023 in respect of the Series B preferred units, the Company may, at its option, out of funds legally available, redeem the applicable preferred units, in whole but not in part, upon at least 30 days' notice, within 60 days of the occurrence of such Tax Redemption Event or Rating Agency Event, at a price of $25.50 per preferred unit, plus declared and unpaid distributions to, but excluding, the redemption date, without payment of any undeclared distributions.

The preferred units are not convertible into Class A units or any other class or series of the Company's interests or any other security. Holders of the preferred units do not have any of the voting rights given to holders of our Class A units, except that holders of the preferred units are entitled to certain voting rights under certain conditions.

The following table sets forth a summary of net income attributable to the preferred unitholders, the OCGH non-controlling interest and the Class A common unitholders:

	Year Ended December 31,		
	2021	2020	2019
Weighted average Oaktree Operating Group units outstanding (in thousands):			
OCGH non-controlling interest	60,956	61,474	79,084
Class A unitholders	99,031	98,512	80,045
Total weighted average units outstanding	159,987	159,986	159,129
Oaktree Operating Group net income:			
Net income attributable to preferred unitholders [1]	$ 27,316	$ 27,316	$ 27,316
Net income attributable to OCGH non-controlling interest	339,250	83,428	137,100
Net income attributable to OCG Class A unitholders	544,551	135,656	137,921
Oaktree Operating Group net income [2]	$ 911,117	$ 246,400	$ 302,337
Net income attributable to OCG Class A unitholders:			
Oaktree Operating Group net income attributable to OCG Class A unitholders	$ 544,551	$ 135,656	$ 137,921
Non-Operating Group income (expense)	59,793	2,747	(8,662)
Income tax expense of Intermediate Holding Companies	—	—	(1,736)
Net income attributable to OCG Class A unitholders	$ 604,344	$ 138,403	$ 127,523

(1) Represents distributions declared, if any, on the preferred units.
(2) Oaktree Operating Group net income does not include amounts attributable to other non-controlling interests, which amounted to $0, $0 and $1,779 for the years ended December 31, 2021, 2020 and 2019, respectively. As a result of the Restructuring, as of October 1, 2019, four of the six Oaktree Operating Group entities are no longer indirect subsidiaries of the Company. Accordingly, subsequent to that date, the consolidated financial statements reflect the Company's indirect economic interest in only two of the Oaktree Operating Group entities: (i) Oaktree Capital I and (ii) OCM Cayman.

The change in the Company's ownership interest in the Oaktree Operating Group is set forth below:

	Year Ended December 31,		
	2021	2020	2019
Net income attributable to OCG Class A unitholders	$ 604,344	$ 138,403	$ 127,523
Equity reallocation between controlling and non-controlling interests	(11,155)	1,832	306,015
Change from net income attributable to OCG Class A unitholders and transfers from non-controlling interests	$ 593,189	$ 140,235	$ 433,538

Please see notes 13, 14 and 15 for additional information regarding transactions that impacted unitholders' capital.

14. EARNINGS PER UNIT

The computation of net income per Class A unit is set forth below:

	Year Ended December 31,		
	2021	2020	2019
	(in thousands, except per unit amounts)		
Net income per Class A unit (basic and diluted):			
Net income attributable to OCG Class A unitholders	$ 604,344	$ 138,403	$ 127,523
Weighted average number of Class A units outstanding (basic and diluted)	99,031	98,512	80,045
Basic and diluted net income per Class A unit	$ 6.10	$ 1.40	$ 1.59

Prior to the Mergers, OCGH units could be exchanged on a one-for-one basis into Class A units, subject to certain restrictions. The exchange of these units would have proportionally increased the Company's interest in the Oaktree Operating Group. Subsequent to the Mergers, OCGH units are no longer exchangeable into Class A units. As the restrictions set forth in the then-current exchange agreement were in place for each applicable reporting period, OCGH units were not included in the computation of diluted earnings per unit for the years ended December 31, 2021, 2020 and 2019.

A deferred equity unit represents a special unit award that, when vested, will be settled with an unvested OCGH unit on a one-for-one basis. The number of deferred equity units that will vest is based on the achievement of certain performance targets through June 2024. Once a performance target has been met, the applicable number of OCGH units will be issued and begin to vest over periods of up to 10.0 years. The holder of a deferred equity unit is not entitled to any distributions until the issuance of an OCGH unit in settlement of a deferred equity unit. As of or for the years ended December 31, 2021 and 2020, no OCGH units were considered issuable under the terms of the arrangement; consequently, no contingently issuable units were included in the computation of diluted earnings per unit for those periods. Please see note 15 for more information.

Certain compensation arrangements include performance-based awards that could result in the issuance of OCGH units, which would vest over periods of four to ten years from date of issuance. As of and for the years ended December 31, 2021 and 2020, no OCGH units were considered issuable under the terms of these arrangements; consequently, no contingently issuable units were included in the computation of diluted earnings per unit for those periods.

The Company had a contingent consideration liability that was payable in cash and fully-vested OCGH units. In May 2018, the contingent consideration arrangement was modified in respect of certain performance targets and payment terms. The new arrangement provided for contingent consideration payable in cash and Class A units. As part of the Restructuring effective October 1, 2019, the contingent consideration arrangement was transferred to the entities that were deconsolidated and therefore no longer was an obligation of the Company. Please see note 17 for more information.

15. EQUITY-BASED AND OTHER DEFERRED COMPENSATION

Long-Term Incentive Plan Awards

In March 2020 the Company adopted the Oaktree Capital Group, LLC Long-Term Incentive Plan (the "LTIP"). The LTIP provides for the granting of cash-based incentive awards to senior executives, directors, officers, partners, employees, consultants and advisors of the Company and its affiliates. Awards may be denominated in U.S. dollars or other currencies determined by the LTIP's plan administrator. The unvested value of each LTIP award adjusts over its vesting period to track the performance of a fund designated by the plan administrator or by the award recipient from investment options selected by the plan administrator. Investment options may include funds managed by Company affiliates or by third parties. Awards do not represent an actual interest in the funds whose performance they track. Such fund investments are purely nominal and solely for the purpose of calculating the value of an award on each vesting or payment date. Awards under the LTIP represent only a contractual right to receive a cash payment upon vesting from the Company or the affiliate that issued the award. Awards tracking the performance of funds that make periodic distributions to their investors may provide for award recipients to receive

corresponding payments from the Company or the affiliate issuing the award, with the remaining unvested value of the award reduced to reflect the amount of each such payment. Each payment under an award is fully vested upon receipt. Awards denominated in currencies other than U.S. dollars which track the performance of U.S. dollar-denominated funds are nominally converted into U.S. dollars for performance tracking purposes, with amounts payable under the awards converted back into the original currency at a market rate at the time of each vesting payment. Certain recipients of awards denominated in currencies other than U.S. dollars which track the performance of U.S. dollar-denominated funds receive the option to hedge the value of their awards to a currency other than U.S. dollars. All such currency hedges are calculated on a purely hypothetical basis and do not represent a right to participate in actual currency hedging contracts.

For the years ended December 31, 2021 and 2020, the Company granted LTIP awards valued at $20.5 million and $42.8 million, respectively, to employees, partners and directors of the Company and its subsidiaries, subject to annual vesting over a weighted average period of approximately 4.2 years and 4.7 years, respectively. As of December 31, 2021, the Company expected to recognize compensation expense on its unvested LTIP awards of $46.4 million, subject to adjustment based on future performance, over a weighted average period of 3.1 years. For the years ended December 31, 2021 and 2020, the Company recognized $16.9 million and $11.0 million, respectively, of compensation expense related to the LTIP, which were included in compensation and benefits expense in the consolidated statement of operations.

Equity-Based Compensation

In December 2011, the Company adopted the 2011 Oaktree Capital Group, LLC Equity Incentive Plan (the “2011 Plan”). The 2011 Plan provides for the granting of options, unit appreciation rights, restricted unit awards, unit bonus awards, phantom equity awards or other unit-based awards to senior executives, directors, officers, certain employees, consultants, and advisors of the Company and its affiliates. As of December 31, 2021, a maximum of 24,007,147 units have been authorized to be awarded pursuant to the 2011 Plan, and 15,705,531 units (including 2,000,000 EVUs) have been awarded under the 2011 Plan. Each Class A and OCGH unit, when issued, represented an indirect interest in one Oaktree Operating Group unit. Total vested and unvested Converted OCGH Units, OCGH units and Class A units issued and outstanding were 159,919,875 as of December 31, 2021.

Restated Exchange Agreement

At the closing of the Mergers, Oaktree entered into a Third Amended and Restated Exchange Agreement that will, among other things, allow limited partners of OCGH to exchange (“Exchanges”) certain vested limited partnership units of OCGH (“OCGH Units”) for cash, Brookfield Class A Shares, notes issued by a Brookfield subsidiary or equity interests in a subsidiary of OCGH that will entitle such limited partners to the proceeds from a note, or a combination of the foregoing. Either of such notes will have a three-year maturity and will accrue interest at the then-current 5-year treasury note rate plus 3%. Only Converted OCGH Units, OCGH Units issued and outstanding at the time of the closing of the Mergers, OCGH Units issued after the closing of the Mergers pursuant to agreements in effect on March 13, 2019, OCGH Units issuable upon vesting of certain phantom equity awards (“Phantom Units”) and other OCGH Units consented-to by Brookfield will be, when vested, eligible to participate in an Exchange. The form of the consideration in an Exchange is generally in the discretion of Brookfield, subject to certain limitations.

In general, OCGH limited partners will be entitled to provide an election notice to participate in an Exchange with respect to eligible vested OCGH Units and Converted OCGH Units during the first 60 calendar days of each year beginning January 1, 2022 (an “Open Period”). Each Exchange will thereafter be consummated within the first 155 days of such calendar year, subject to extension in certain circumstances.

Valuation

Except as described below, each OCGH Unit will be valued (i) by applying a 13.5x multiple to the trailing three-year average (or two-year average for Exchanges in 2022) of fee-related earnings less stock-based compensation at grant value and excluding depreciation and amortization and a 6.75x multiple to the trailing three-year average of net incentives created, and (ii) adding 100% of the value of net cash (defined as cash less the face value of debt and preferred stock, other than certain preferred stock issued in connection with certain Exchanges), 100% of the value of corporate investments and 75% of fund-level net accrued incentives as of December 31 of the prior year, in each case subject to certain adjustments. Amounts received in respect of each OCGH Unit will be

reduced by the amount of any non-tax related distributions received in the calendar year in which the Exchange occurs, but increased by an amount accruing daily from January 1 of such year to the date of the closing of the Exchange at a rate per annum equal to the 5-year treasury note rate as of December 31 of the prior year plus 3%. However, in 2020 and 2021, Converted OCGH Units and Phantom Units were valued at $49.00 per unit, less the amount of any capital distributions received upon vesting. Thereafter any such Converted OCGH Units and Phantom Units will be valued using the same methodology applied to all other OCGH Units.

Annual Limits

Exchanges of OCGH Units, other than Converted OCGH Units and Phantom Units, will be subject to certain annual caps and limitations as follows:

- Messrs. Howard Marks, Bruce Karsh, Jay Wintrob, John Frank, Sheldon Stone, Richard Masson and Larry Keele can, for the Open Period beginning in 2022, exchange up to 20% of the OCGH Units held by them collectively at the closing of the Mergers (or issued pursuant to agreements in place on March 19, 2019, or as agreed to by Brookfield). For each year thereafter, they will be able to exchange an additional 20% of such OCGH Units (subject to yearly caps and inclusive of any prior exchanges), such that they will be entitled to exchange 100% of their OCGH Units beginning during the Open Period in 2026 (subject to yearly caps and inclusive of any prior exchanges).
- Current employees other than those included in the group named in the preceding bullet can, for the Open Period beginning in 2022, sell up to 12.5% of the OCGH Units held by them collectively at the closing (or issued pursuant to agreements in place on March 13, 2019, or as agreed to by Brookfield). For each year thereafter, they will be able to exchange an additional 12.5% of such OCGH Units (subject to yearly caps and inclusive of any prior exchanges). They will be entitled to exchange 100% of their OCGH Units beginning during the Open Period in 2029 (subject to yearly caps).
- Brookfield is not obligated to permit Exchanges that, in the aggregate together with Exchanges requested by all other OCGH limited partners, exceed certain maximum amounts per year. These maximum amounts are: 20% of the exchangeable OCGH Units in calendar year 2022, 25% in 2023, 30% in 2024, and 35% in 2025 and each year thereafter.
- In the event that OCGH limited partners wish to sell or exchange units in excess of the maximum amount for a given year, OCGH will reallocate the exchangeable units among the OCGH limited partners in its sole discretion so that the amount exchanged does not exceed the maximum amount for such year.

With respect to Exchanges of Converted OCGH Units and Phantom Units, OCGH limited partners will not be entitled to exchange such units to the extent the aggregate exchange consideration payable in respect thereof, in any given Exchange, would exceed an amount equal to (i) the amount of exchange consideration that would have been payable in respect of Converted OCGH Units and Phantom Units that were eligible for participation in the applicable Open Period in accordance with their original vesting schedule as of the date the notice for such Exchange was delivered plus (ii) $20 million; and in the event that OCGH limited partners deliver election notices that would result in such excess, OCGH will reallocate such units among the OCGH limited partners in its sole discretion.

In the event that OCGH limited partners would, following an Exchange, beneficially own less than 1% of the equity of the Oaktree Operating Group (as defined in the operating agreement of the Company, as amended from time to time), Brookfield can require that all remaining OCGH Units be exchanged on 36-months' notice. In addition, following the 8th anniversary of the closing date of the Mergers, Brookfield can discontinue the Exchange rights on 36-months' notice. In the event that OCGH limited partners would, following the final Exchange pursuant to a discontinuation notice, beneficially own less than 5% of the equity of the Oaktree Operating Group, Brookfield can require that all remaining OCGH Units be exchanged in such final Exchange. As a result of the foregoing, the earliest the exchange rights can be terminated is the 11th anniversary of the closing date of the Mergers. Following the delivery of a discontinuation notice, the caps and limits set forth above will cease to be in effect.

Revisions to the terms of the exchange agreement governing post-vesting restrictions and exchange consideration described above and to the terms of the operating agreement of the Company and the partnership agreement of OCGH resulted in a Type I modification of unvested Class A and OCGH units at September 30, 2019. There was no incremental compensation cost resulting from the modifications.

OCGH Unit Awards

The Company did not grant any OCGH units for the year ended December 31, 2021. The Company granted 150,000 OCGH units for the year ended December 31, 2020. As of December 31, 2021, the Company expected to recognize compensation expense on its unvested OCGH unit awards of $20.2 million over a weighted average period of 2.6 years.

The estimated time-to-liquidity assumption ranged between 7.0 years in March 2018 to 6.4 years in the most recent valuation in 2019. The estimated time to liquidity was influenced primarily by the need, prior to the Merger, for (a) the general partner of OCGH to elect in its discretion to declare an open period during which an OCGH unitholder could exchange his or her unrestricted vested OCGH units for, at the option of the Company's board of directors, Class A units on a one-for-one basis, an equivalent amount of cash based on then-prevailing market prices, other consideration of equal value or any combination of the foregoing, and (b) the approval of the Company's board of directors to exchange such OCGH units into any of the foregoing. Board approval was based primarily on the objective of maintaining an orderly market for Oaktree's units, but may have taken into account any other factors that the board deemed appropriate in its sole discretion. Volatility was estimated from historical and implied volatilities of the Company and five other comparable public alternative asset management companies.

In valuing employee OCGH unit grants, the discount percentage applied to the then-prevailing Class A unit trading price was 20% for all OCGH units granted in the first three quarters of 2018 and 17.5% for the fourth quarter of 2018 through September 30, 2019. After the Merger, OCGH unit grants are valued based on a formula as described above under "Restated Exchange Agreement - *Valuation"* and reflect a discount for lack of marketability due to the post-vesting restrictions described above. Factors that influence the formula-based valuation include the estimated time it would take for an OCGH unitholder to exchange units for value pursuant to the Restated Exchange Agreement and estimates of the Company's future results, which are inputs to the valuation formula. Each of these factors is subject to significant judgment.

Through December 31, 2021, Converted OCGH Units could have been exchanged at $49.00 per unit, less the amount of any capital distributions received upon vesting. Thereafter, any such Converted OCGH Units will be valued using the same methodology applied to all other OCGH units.

($ in thousands, except where noted)

A summary of the status of the Company's unvested Converted OCGH units and other OCGH unit awards and changes for the periods presented are set forth below (actual dollars per unit):

	Converted OCGH Units [1]		OCGH Units	
	Number of Units	Weighted Average Grant Date Fair Value	Number of Units	Weighted Average Grant Date Fair Value
Balance, December 31, 2018	2,700,585	$ 42.76	1,864,049	$ 39.83
Granted	1,494,324	49.56	1,873,155	39.95
Vested	(975,072)	43.06	(515,534)	35.44
Restructuring [2]	(2,380,641)	45.83	(2,600,264)	40.87
Forfeited	(107,955)	44.63	—	—
Balance, December 31, 2019	731,241	45.99	621,406	39.49
Granted	—	—	150,000	32.93
Vested	(253,696)	45.52	(215,054)	39.10
Forfeited	(14,803)	45.59	—	—
Balance, December 31, 2020	462,742	46.25	556,352	37.87
Granted	—	—	—	—
Vested	(181,852)	45.38	(170,053)	37.50
Forfeited	(3,426)	48.98	(47,769)	40.85
Balance, December 31, 2021	277,464	$ 46.79	338,530	$ 37.64

(1) Upon completion of the Merger, each unvested Class A Unit held by current, or in certain cases former, employees, officers and directors of Oaktree and its subsidiaries was converted into one unvested OCGH Unit (each, a "Converted OCGH Unit") and thereafter became subject to the terms and conditions of the OCGH limited partnership agreement. The Converted OCGH Units (i) are subject to the same vesting terms that were applicable to such units prior to the completion of the Merger, (ii) are entitled to receive ongoing distributions in respect of earnings, but not capital distributions and (iii) upon vesting, receive the accumulated value of capital distributions that accrued while such units were unvested. However, in 2020 and 2021, Converted OCGH Units will be valued at $49.00 per unit, less the amount of any capital distributions received upon vesting.

(2) Effective with the Restructuring, compensation related to unvested equity awards granted for service provided by employees of OCM is no longer included in these consolidated financial statements.

Equity Value Units

OCGH equity value units ("EVUs") represent special limited partnership units in OCGH that entitle the holder the right to receive special distributions that will be settled in OCGH units, based on value created during a specified period in excess of a fixed "Base Value." The value created is measured on a per unit basis, based on the appreciation of the OCGH units (before the Merger, the Class A units) and certain components of quarterly distributions with respect to OCGH units over the period beginning on January 1, 2015 and ending on each of December 31, 2019, December 31, 2020 and December 31, 2021, with one-third of the EVUs recapitalizing on each such date. As of December 31, 2021, the value created did not exceed the Base Value. EVUs also give the holder the right, subject to service vesting and Oaktree performance relative to the accreting Base Value, to receive certain quarterly distributions from OCGH. EVUs do not entitle the holder to any voting rights.

The value received under the EVUs will be reduced by (i) distributions received by the holder on 225,000 OCGH units granted to the holder on April 26, 2017, (ii) the value of the portion of profit sharing payments received by the holder attributable to the net incentive income received from certain funds, and (iii) the full value of the OCGH units granted to the holder on April 26, 2017. To the extent that the reduction relates to the value of any such OCGH units that are unvested at the time of the reduction, such OCGH units will vest at that time.

Certain EVUs provide the holder with liquidity rights in respect of the special distributions, if any, that will be settled in OCGH units. The fair value is affected by the Class A unit trading price and assumptions regarding certain complex and subjective variables, including the expected Class A unit trading price volatility, distributions and exercise timing, and the risk-free interest rate.

($ in thousands, except where noted)

All of the outstanding EVUs were granted to an employee of OCM, accordingly, subsequent to the Restructuring, compensation expense related to these awards is no longer included in these consolidated financial statements.

Deferred Equity Units

A deferred equity unit represents a special unit award that, when vested, will be settled with an unvested OCGH unit on a one-for-one basis. The number of deferred equity units that will vest is based on the achievement of certain performance targets through June 2024. Once a performance target has been met, the applicable number of OCGH units will be issued and begin to vest over periods of up to 10.0 years. The holder of a deferred equity unit is not entitled to any distributions until settled by the issuance of an OCGH unit. As of December 31, 2021, there were 557,308 deferred equity units outstanding, none of which were expected to vest. All of the outstanding deferred equity units were granted to employees of OCM, accordingly, subsequent to the Restructuring, compensation expense related to these awards is no longer included in these consolidated financial statements.

16. INCOME TAXES AND RELATED PAYMENTS

The Company is a publicly traded partnership and currently holds interests in Oaktree Capital I, L.P. (a non-corporate entity that is not subject to U.S. federal and state corporate income tax) and Oaktree Capital Management (Cayman), L.P. (which holds subsidiaries that are taxable in non-U.S. jurisdictions).

Prior to the Restructuring on October 1, 2019, Oaktree Holdings, Inc. and Oaktree AIF Holdings, Inc., two of its Intermediate Holding Companies, were wholly-owned corporate subsidiaries. Income earned by these corporate subsidiaries were subject to U.S. federal and state income taxes during the year. Income earned by non-corporate subsidiaries was not subject to U.S. federal corporate income tax and was allocated to the Oaktree Operating Group's unitholders.

Upon the Restructuring, Oaktree Holdings, Inc. and Oaktree AIF Holdings, Inc. merged with and into newly formed, indirect subsidiaries of Brookfield, with those subsidiaries surviving the mergers. As a result, as of October 1, 2019, Oaktree Holdings, Inc. and Oaktree AIF Holdings, Inc. ceased to exist and the Company no longer includes on its financial statements economic interests in Oaktree Capital II, L.P., Oaktree Investment Holdings, L.P., Oaktree Capital Management, L.P., and Oaktree AIF Investments, L.P. All deferred tax balances related to these entities were deconsolidated as part of the Restructuring effective October 1, 2019.

Income tax expense from operations consisted of the following:

	Year Ended December 31,		
	2021	2020	2019
Current:			
U.S. federal income tax	$ —	$ —	$ (93)
State and local income tax	—	—	1,674
Foreign income tax	12,105	8,147	7,933
	$ 12,105	$ 8,147	$ 9,514
Deferred:			
U.S. federal income tax	$ —	$ —	$ 519
State and local income tax	—	—	(158)
Foreign income tax	282	64	(255)
	$ 282	$ 64	$ 106
Total:			
U.S. federal income tax	$ —	$ —	$ 426
State and local income tax	—	—	1,516
Foreign income tax	12,387	8,211	7,678
Income tax expense	$ 12,387	$ 8,211	$ 9,620

($ in thousands, except where noted)

The Company's income (loss) before income taxes consisted of the following:

	Year Ended December 31,		
	2021	2020	2019
Domestic income (loss) before income taxes	$ 1,073,218	$ 71,749	$ 380,653
Foreign income (loss) before income taxes	96,548	20,197	16,305
Total income (loss) before income taxes	$ 1,169,766	$ 91,946	$ 396,958

The Company's effective tax rate differed from the federal statutory rate for the following reasons:

	Year Ended December 31,		
	2021	2020	2019
Income tax expense at federal statutory rate	21.00 %	21.00 %	21.00 %
Income passed through	(19.27)	(16.39)	(20.96)
State and local taxes, net of federal benefit	—	—	0.45
Foreign taxes	(0.67)	4.32	1.07
Other, net	—	—	0.86
Total effective rate	1.06 %	8.93 %	2.42 %

The components of the Company's deferred tax assets and liabilities were as follows:

	As of December 31,		
	2021	2020	2019
Deferred tax assets:			
Net operating losses	$ 1,817	$ 2,264	$ —
Other [(1)]	1,731	1,908	3,096
Total deferred tax assets	3,548	4,172	3,096
Total deferred tax liabilities	—	—	—
Net deferred tax assets before valuation allowance	3,548	4,172	3,096
Valuation allowance	—	—	—
Net deferred tax assets	$ 3,548	$ 4,172	$ 3,096

(1) As of December 31, 2021, balance of Other of $1,731 relates to fixed assets and accruals.

When assessing the realizability of deferred tax assets, the Company considers whether it is probable that some or all of the deferred tax assets will not be realized. In determining whether the deferred tax assets are realizable, the Company considers the period of expiration of the tax asset, historical and projected taxable income, and tax liabilities for the tax jurisdiction in which the tax asset is located. The deferred tax asset recognized by the Company, as it relates to the higher tax basis in the carrying value of certain assets compared to the book basis of those assets, will be recognized in future years by these taxable entities. Deferred tax assets are based on the amount of the tax benefit that the Company's management has determined is more likely than not to be realized in future periods. In determining the realizability of this tax benefit, management considered numerous factors that will give rise to pre-tax income in future periods. Among these are the historical and expected future book and tax basis pre-tax income of the Company and unrealized gains in the Company's assets at the determination date. Based on these and other factors, the Company determined that, as of December 31, 2021, all deferred tax assets were more likely than not to be realized in future periods.

The Company recognizes tax benefits related to its tax positions only where the position is "more likely than not" to be sustained in the event of examination by tax authorities. As part of its assessment, the Company analyzes its tax filing positions in all of the federal, state and foreign tax jurisdictions where it is required to file

($ in thousands, except where noted)

income tax returns, and for all open tax years in these jurisdictions. As of December 31, 2021, there is no remaining balance related to income tax reserves.

The following is a reconciliation of unrecognized tax benefits (excluding interest and penalties thereon):

	Year Ended December 31,		
	2021	2020	2019
Unrecognized tax benefits, January 1	$ —	$ 107	$ 2,699
Reductions for tax positions related to prior years [1]	—	—	(2,440)
Lapse in statute of limitations	—	(107)	(152)
Unrecognized tax benefits, December 31	$ —	$ —	$ 107

(1) Reduction of $2,440 during 2019 relates to the transfer of unrecognized tax benefits to Brookfield.

As of October 1, 2019, all unrecognized tax benefits related to Oaktree Holdings, Inc., Oaktree AIF Holdings, Inc., and Oaktree Capital Management, L.P. were transferred through equity to Brookfield.

The Company recognizes interest and penalties related to unrecognized tax positions in the provision for income taxes in the consolidated statements of operations. As of December 31, 2021 and 2020, there were no aggregate amount of interest and penalties accrued. The Company recognized no expense in 2021, net benefit of $0.1 million in 2020, and net expense of $0.2 million in 2019.

The Company files its tax returns as prescribed by the tax laws of the jurisdictions in which it operates. In the normal course of business, the Company is subject to examination by federal, state, local and foreign tax regulators. With limited exceptions, the Company is no longer subject to income tax audits by taxing authorities for periods before 2018. The Company believes that it has adequately provided for any reasonably foreseeable outcomes related to its tax examinations and that any settlements related thereto will not have a material adverse effect on the Company's consolidated financial statements; however, there can be no assurances as to the ultimate outcomes.

Exchange Agreement and Tax Receivable Agreement

Under the terms of an exchange agreement in effect prior to the Merger, each OCGH unitholder, subject to certain restrictions, including the approval of our board of directors, had the right to (or could have been required to) exchange his or her OCGH units for, at the option of the Company's board of directors, Class A units, an equivalent amount of cash based on then-prevailing market prices, other consideration of equal value or any combination of the foregoing. These exchanges resulted in, increases in the tax basis of the tangible and intangible assets of the Oaktree Operating Group. These increases in tax basis have increased and will increase (for tax purposes) depreciation and amortization deductions and reduce gain on sales of assets, and therefore reduced the taxes of two Intermediate Holding Companies, Oaktree Holdings, Inc. and Oaktree AIF Holdings, Inc., that were our subsidiaries prior to the Merger.

Prior to the Merger, Oaktree Holdings, Inc. and Oaktree AIF Holdings, Inc. entered into a tax receivable agreement with the OCGH (the "Original TRA") unitholders that provided for the payment by Oaktree Holdings, Inc. and Oaktree AIF Holdings, Inc. to the OCGH unitholders of 85% of the amount of cash savings, if any, in U.S. federal, state and local income tax that Oaktree Holdings, Inc. or Oaktree AIF Holdings, Inc. actually realizes (or is deemed to realize in the case of an early termination payment by Oaktree Holdings, Inc. or Oaktree AIF Holdings, Inc. or a change of control, as discussed below) as a result of these increases in tax basis and of certain other tax benefits related to our entering into the tax receivable agreement, including tax benefits attributable to payments under the tax receivable agreement. These payment obligations were obligations of Oaktree Holdings, Inc. and Oaktree AIF Holdings, Inc. and not of the Oaktree Operating Group. For the year ended December 31, 2019, amounts paid under the tax receivable agreement under this structure totaled $10.0 million.

At the closing of the Merger, Oaktree entered into a Third Amended and Restated Tax Receivable Agreement (the "TRA Amendment"), which amended and restated the Original TRA. Pursuant to the TRA Amendment, the Original TRA no longer applies and no Tax Benefit Payments (as defined in the Original TRA) will be made with respect to any exchanges of OCGH units that occur on or after March 13, 2019. With respect to any exchanges of OCGH units that occurred prior to March 13, 2019, the TRA Amendment provides that Tax Benefit

Payments (as defined in the Original TRA) will continue to be made with respect to such exchanges in accordance with the Original TRA (as amended in certain respects, including that such payments will be calculated without taking into account any tax attributes of Brookfield). Note that upon closing of the Merger, all of the obligation for future Tax Benefit Payments were transferred to the entities that were deconsolidated as part of the Restructuring effective October 1, 2019.

17. COMMITMENTS AND CONTINGENCIES

In the normal course of business, Oaktree enters into contracts that contain certain representations, warranties and indemnifications. The Company's exposure under these arrangements would involve future claims that have not yet been asserted. Inasmuch as no such claims currently exist or are expected to arise, the Company has not accrued any liability in connection with these indemnifications.

Legal Actions

Oaktree, its affiliates, investment professionals, and portfolio companies are routinely involved in litigation and other legal actions in the ordinary course of their business and investing activities. In addition, Oaktree is subject to the authority of a number of U.S. and non-U.S. regulators, including the SEC and the Financial Industry Regulatory Authority, and those authorities periodically conduct examinations of Oaktree and make other inquiries that may result in the commencement of regulatory proceedings against Oaktree and its personnel. Oaktree is currently not subject to any pending actions or regulatory proceedings that either individually or in the aggregate are expected to have a material impact on its consolidated financial statements.

Incentive Income

In addition to the incentive income recognized by the Company, certain of its funds have amounts recorded as potentially allocable to the Company as its share of potential future incentive income, based on each fund's net asset value. Inasmuch as this incentive income is contingent upon future investment activity and other factors, it is not recognized by the Company as revenue until it is probable that a significant reversal will not occur. As of December 31, 2021 and 2020, the aggregate of such amounts recorded at the fund level in excess of incentive income recognized by the Company was $1,668,839 and $1,321,782, respectively, for which related direct incentive income compensation expense was estimated to be $868,408 and $710,774, respectively.

Commitments to Funds

As of December 31, 2021 and 2020, the Company, generally in its capacity as general partner, had undrawn capital commitments of $325.8 million and $350.6 million, respectively, including commitments to both unconsolidated and consolidated funds. Additionally, as of December 31, 2021, the Company had undrawn capital commitments of $525.0 million in its capacity as a limited partner in Opps XI (as defined in note 18).

Investment Commitments of the Consolidated Funds

Certain of the consolidated funds are parties to credit arrangements that provide for the issuance of letters of credit and/or revolving loans, which may require the particular fund to extend loans to investee companies. The consolidated funds use the same investment criteria in making these commitments as they do for investments that are included in the consolidated statements of financial condition. The unfunded liability associated with these credit arrangements is equal to the amount by which the contractual loan commitment exceeds the sum of funded debt and cash held in escrow, if any. As of December 31, 2021 and 2020, the consolidated funds had potential aggregate commitments of $13.5 million and $1.1 million, respectively. These commitments are expected to be funded by the funds' cash balances, proceeds from asset sales or drawdowns against existing capital commitments.

A consolidated fund may agree to guarantee the repayment obligations of certain investee companies. As of December 31, 2021 and 2020, there were no guaranteed amounts under such arrangements.

Certain consolidated funds are investment companies that are required to disclose financial support provided or contractually required to be provided to any of their portfolio companies. During the year ended December 31, 2021, the consolidated funds did not provide any financial support to portfolio companies.

($ in thousands, except where noted)

Operating Leases

Oaktree leases its main headquarters office in Los Angeles and offices in 17 other cities in the U.S., Europe, Asia and Australia, pursuant to current lease terms expiring through 2031. The Company's occupancy costs, including non-lease expenses, were $9,019, $8,681 and $20,081 for the years ended December 31, 2021, 2020 and 2019, respectively.

As of December 31, 2021, the Company's aggregate estimated minimum commitments under Oaktree's operating leases were as follows:

2022	$ 6,532
2023	5,788
2024	4,763
2025	4,618
2026	4,618
Thereafter	21,284
Total	$ 47,603

18. RELATED PARTY TRANSACTIONS

The Company considers its senior executives, employees and unconsolidated Oaktree funds to be affiliates (as defined in the FASB ASC Master Glossary). Amounts due from and to affiliates are set forth below. The fair value of amounts due from and to affiliates is a Level III valuation and was valued based on a discounted cash-flow analysis. The carrying value of amounts due from affiliates approximated fair value due to their short-term nature or because their weighted average interest rate approximated the Company's cost of debt.

	As of December 31,	
	2021	2020
Due from affiliates:		
Loans to affiliates and employees	$ 44,088	$ 2,372
Amounts due from unconsolidated funds	2,829	6,429
Management fees and incentive income due from unconsolidated funds and affiliates	289,795	119,600
Receivable from unconsolidated entities	36,001	905
Non-interest bearing advances made to certain non-controlling interest holders and employees	148	235
Total due from affiliates	$ 372,861	$ 129,541
Due to affiliates:		
Amounts due to unconsolidated entities	$ 4,198	$ 9,688

Loans To Affiliates and Employees

Loans primarily consist of interest-bearing loans made to affiliates and interest-bearing loans made to certain Oaktree employees to facilitate their investment in Oaktree funds or to meet tax obligations related to vesting of equity awards.

On May 7, 2021 the Company, through its consolidated subsidiary Oaktree Capital I, L.P, entered into two revolving line of credit notes with Oaktree Capital Management, L.P., one as a borrower and the other as a lender. Both revolving line of credit notes allow for outstanding principal amounts not to exceed $250.0 million and mature on May 7, 2024. As of December 31, 2021, Oaktree Capital Management, L.P. has borrowed $44.0 million from the Company through Oaktree Capital I, L.P, and generated interest income of $80 for the year ended December 31, 2021.

The employee loans, which are generally recourse to the borrower or secured by vested equity and other collateral, typically bear interest at the Company's cost of debt. As of December 31, 2021, there were no Company

loans to employees, and as of December 31, 2020, the Company's loans to employees totaled $2.4 million. The Company's loans generated interest income of $5, $9 and $73 for the years ended December 31, 2021, 2020 and 2019, respectively.

Due From Oaktree Funds

In the normal course of business, the Company advances certain expenses on behalf of Oaktree funds. Amounts advanced on behalf of consolidated funds are eliminated in consolidation. Certain expenses paid by the Company, which typically are employee travel and other costs associated with particular portfolio company holdings, are reimbursed to the Company by the portfolio companies.

Revenues Earned From Oaktree Funds

In aggregate, management fees and incentive income earned from unconsolidated Oaktree funds totaled $1.2 billion, $245.0 million and $843.7 million for the years ended December 31, 2021, 2020 and 2019, respectively.

Other Investment Transactions

The Company's senior executives, directors and senior professionals are permitted to invest their own capital (or the capital of family trusts or other estate planning vehicles they control) in Oaktree funds, for which they typically pay the particular fund's management fee but not its incentive allocation. To facilitate the funding of capital calls by funds in which employees are invested, the Company periodically advances on a short-term basis the capital calls on certain employees' behalf. These advances are reimbursed generally toward the end of the calendar quarter in which the capital calls occurred. Amounts advanced by the Company are included within "non-interest bearing advances made to certain non-controlling interest holders and employees" in the table above.

Aircraft Services

OCM owns an aircraft for business purposes. Howard Marks, the Company's Co-Chairman, may use this aircraft for personal travel and will reimburse OCM to the extent his use of the aircraft for personal travel exceeds a certain threshold pursuant to an Oaktree policy. Oaktree also provides certain senior executives a personal travel allowance for private aircraft usage up to a certain threshold pursuant to the same Oaktree policy. Additionally, Oaktree occasionally makes use of an aircraft owned by one of its senior executives for business purposes at a price to Oaktree that is based on market rates.

Special Allocations

Certain senior executives receive special allocations based on a percentage of profits of the Oaktree Operating Group. These special allocations, which are recorded as compensation expense, are made on a current basis for so long as they remain senior executives of the Company, with limited exceptions.

Administrative Services

Effective October 1, 2019, the Company is party to the Services Agreement with OCM. Pursuant to the Services Agreement, OCM provides administrative services to the Company necessary for the operations of the Company, which include providing office facilities, equipment, clerical, bookkeeping and record keeping services at such facilities and such other services as OCM, subject to review by the Company's Board of Directors, shall from time to time deem to be necessary or useful to perform its obligations under the Services Agreement. OCM may, on behalf of the Company, conduct relations and negotiate agreements with custodians, trustees, depositories, attorneys, underwriters, brokers and dealers, corporate fiduciaries, insurers, banks and such other persons in any such other capacity deemed to be necessary or desirable. OCM makes reports to the Company's Board of Directors of its performance of obligations under the Services Agreement and furnishes advice and recommendations with respect to such other aspects of the Company's business and affairs, in each case, as it shall determine to be desirable or as reasonably required by the Company's Board of Directors.

OCM is responsible for the financial and other records that the Company is required to maintain and prepares, prints and disseminates reports to the Company's unitholders and all other materials filed with the SEC. In addition, OCM assists the Company in overseeing the preparation and filing of the Company's tax returns, and

generally overseeing the payment of the Company's expenses and the performance of administrative and professional services rendered to the Company by others.

On an annual basis the Company will reimburse OCM $750,000 of the costs incurred for providing these administrative services. This reimbursement is payable quarterly, in equal installments, and relates to the Company's allocable portion of overhead and other expenses (facilities and personnel) incurred by OCM in performing its obligations under the Services Agreement. This amount includes the Company's allocable portion of (i) the rent of the Company's principal executive offices (which are located in a building owned by a Brookfield affiliate) at market rates and (ii) the costs of compensation and related expenses of various personnel at Oaktree that perform duties for the Company. The Services Agreement may be terminated by either party without penalty upon 90 days' written notice to the other.

For each of the years ended December 31, 2021 and 2020, the Company incurred administrative services expense of $0.8 million.

Subordinated Credit Facility

Oaktree Capital I, along with certain other Oaktree Operating Group members as co-borrowers, are parties to a credit agreement with a subsidiary of Brookfield that provides for a subordinated credit facility maturing on May 19, 2023. The subordinated credit facility has a revolving loan commitment of $250 million and borrowings generally bear interest at a spread to either LIBOR or an alternative base rate. Borrowings on the subordinated credit facility are subordinate to the outstanding debt obligations and borrowings on the primary credit facility of Oaktree Capital I and its co-borrowers as detailed in note 10. Oaktree Capital I is jointly and severally liable, along with its co-obligors for outstanding borrowings on the subordinated credit facility. As set forth in note 10, the Company's financial statements generally will not reflect debt obligations, interest expense or related liabilities associated with its operating subsidiaries until such time as Oaktree Capital I directly borrows from the subordinated credit facility. No amounts were outstanding on the subordinated credit facility as of December 31, 2021.

Investment in Oaktree Opportunities Fund XI

On August 3, 2020, the Company subscribed for a limited partner interest in, and made a capital commitment of, $750 million to Oaktree Opportunities Fund XI, L.P., a parallel investment vehicle thereof or a feeder fund in respect of one of the foregoing (such limited partner interest, the "Opps XI Investment" and such fund entities collectively, "Opps XI"). In order to make the Opps XI Investment, the Company's sole Class A unitholder, or one of its affiliates, will contribute cash as a capital contribution (the "Opps XI Investment Cash") as and to the extent required to satisfy the Company's obligations to Opps XI. The Company will use the Opps XI Investment Cash solely to fund the Opps XI Investment and satisfy its obligations in respect of Opps XI and distributions from the Opps XI Investment are intended for the benefit of the Class A unitholder, subject to applicable law. The Company's preferred unitholders should not rely on distributions received by the Company in respect of the Company's Opps XI Investment for payment of dividends or redemption of the preferred units. For the year ended December 31, 2021, the Company funded $187.5 million of its capital commitments. As of December 31, 2021, the Company has funded in the aggregate $225.0 million of the $750 million capital commitment.

19. CAPITAL REQUIREMENTS OF REGULATED ENTITIES

One of the Company's indirect subsidiaries prior to the Restructuring is a registered U.S. broker-dealer that is subject to the minimum net capital requirements of the SEC and the U.S. Financial Industry Regulatory Authority. Additionally, two of the Company's indirect subsidiaries based in London is subject to the capital requirements of the U.K. Financial Conduct Authority, and another based in Hong Kong is subject to the capital requirements of the Hong Kong Securities and Futures Ordinance. These entities operate in excess of their respective regulatory capital requirements.

The regulatory capital requirements referred to above may restrict the Company's ability to withdraw capital from its entities for purposes such as paying cash distributions or advances to the Company. As of December 31, 2021 and 2020, respectively, there was approximately $210.7 million and $166.7 million of such potentially restricted amounts. Effective with the Restructuring, the U.S. broker-dealer's restricted amounts, if any, are no longer included in these consolidated financial statements.

20. SEGMENT REPORTING

As a global investment manager, the Company provides investment management services through funds, separate accounts and subsidiary services agreements. The Company earns revenues from the management fees and incentive income generated by the funds that it manages or serves as the general partner. Additionally, for acting as a sub-investment manager, or sub-advisor, to certain Oaktree funds, the Company earns sub-advisory fees. Under the subsidiary services agreements, the Company provides certain investment and marketing related services to Oaktree affiliated entities. Management uses a consolidated approach to assess performance and allocate resources. As such, the Company's business is comprised of one segment, the investment management business.

21. SUBSEQUENT EVENTS

Class A Unit Distribution

A distribution of $0.90 per Class A unit was paid on February 25, 2022 to holders of record at the close of business on February 15, 2022.

Preferred Unit Distributions

A distribution of $0.414063 per Series A preferred unit will be paid on March 15, 2022 to Series A preferred unitholders of record at the close of business on March 1, 2022.

A distribution of $0.409375 per Series B preferred unit will be paid on March 15, 2022 to Series B preferred unitholders of record at the close of business on March 1, 2022.

Private Placement Notes

On March 10, 2022, Oaktree Capital I received commitments from certain accredited investors to purchase €50 million of its 2.20% Senior Notes, Series A, due 2032, €75 million of its 2.40% Senior Notes, Series B, due 2034, and €75 million of its 2.58% Senior Notes, Series C, due 2037. These notes are senior unsecured obligations of Oaktree Capital I, a consolidated subsidiary of the Company, and jointly and severally guaranteed by OCM, Oaktree Capital II and Oaktree AIF. The offering is subject to the execution of definitive documents which is expected to occur on March 30, 2022 with funding expected to occur on June 8, 2022.

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

None.

Item 9A. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

We maintain disclosure controls and procedures (as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) that are designed to ensure that information required to be disclosed by us in reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in SEC rules and forms and that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure. In designing disclosure controls and procedures, our management necessarily was required to apply its judgment in evaluating the cost-benefit relationship of possible disclosure controls and procedures. The design of any disclosure controls and procedures also is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired objectives.

Our management, including our Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of our disclosure controls and procedures pursuant to Rule 13a-15 under the Exchange Act as of the end of the period covered by this report. Based on that evaluation, our Chief Executive Officer and Chief Financial Officer have concluded that, as of the end of the period covered by this report, our disclosure controls and procedures (as defined in Rule 13a-15(e) under the Exchange Act) are effective at the reasonable assurance level to accomplish their objectives of ensuring that information we are required to disclose in reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in SEC rules and forms and that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure.

Changes in Internal Control Over Financial Reporting

No changes in our internal control over financial reporting (as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) occurred during our most recent quarter, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Management's Report on Internal Control Over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting. Internal control over financial reporting is a process designed under the supervision of management, including our Chief Executive Officer and Chief Financial Officer, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of our consolidated financial statements for external reporting purposes in accordance with accounting principles generally accepted in the United States of America.

Our internal control over financial reporting includes policies and procedures that pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect transactions and dispositions of assets; provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures are being made only in accordance with authorizations of management and the directors; and provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of our assets that could have a material effect on our financial statements.

Our management conducted an assessment of the effectiveness of our internal control over financial reporting as of December 31, 2021 based on criteria established in Internal Control—Integrated Framework 2013 issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on this assessment, management has determined that our internal control over financial reporting as of December 31, 2021 was effective.

Item 9B. Other Information

On March 10, 2022, we entered into an amendment and restatement of Mr. Wintrob's employment agreement in order to extend the term of his employment thereunder through March 31, 2024.

On March 10, 2022, Oaktree Capital I received commitments from certain accredited investors to purchase €50,000,000 of its 2.20% Senior Notes, Series A, due 2032 (the "Euros 2032 Notes"), €75,000,000 of its 2.40% Senior Notes, Series B, due 2034 (the "Euros 2034 Notes"), and €75,000,000 of its 2.58% Senior Notes, Series C, due 2037 (together with the Euros 2032 Notes and the Euros 2034 Notes, the "Euros Senior Notes") to be guaranteed by OCM, Oaktree Capital II and Oaktree AIF. The Euros Senior Notes are senior unsecured obligations of Oaktree Capital I, jointly and severally guaranteed by OCM, Oaktree Capital II and Oaktree AIF. Oaktree Capital I intends to use the proceeds from the sale of the Euros Senior Notes for general corporate purposes. The offering is subject to the execution of definitive documents which is expected to occur on March 30, 2022 with funding expected to occur on June 8, 2022. The offer and sale of the Euros Senior Notes will be made solely in private placement transactions exempt from registration pursuant to Section 4(a)(2) of the Securities Act. The Euros Senior Notes have not been registered under the Securities Act or any state securities laws and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of the Securities Act and applicable state laws.

PART III.

Item 10. Directors, Executive Officers and Corporate Governance

Executive Officers and Directors

The following table sets forth information about our executive officers and directors as of March 9, 2022:

Name	Age	Position
Howard S. Marks	75	Director and Co-Chairman
Bruce A. Karsh	66	Director, Co-Chairman and Chief Investment Officer
Jay S. Wintrob	64	Director and Chief Executive Officer
John B. Frank	65	Director and Vice Chairman
Daniel D. Levin	43	Chief Financial Officer
Sheldon M. Stone	69	Director and Principal
Justin B. Beber	52	Director
J. Bruce Flatt	56	Director
Steven J. Gilbert	74	Director
D. Richard Masson	63	Director
Depelsha T. McGruder	49	Director
Marna C. Whittington	74	Director
Todd E. Molz	50	General Counsel, Chief Administrative Officer and Secretary

Howard S. Marks is our Co-Chairman and a co-founder and has been a director since May 2007. Since the formation of Oaktree in 1995, Mr. Marks has been responsible for ensuring the firm's adherence to its core investment philosophy; communicating closely with clients concerning products and strategies; and contributing his experience to big-picture decisions relating to investments and corporate direction. From 1985 until 1995, Mr. Marks led the groups at The TCW Group, Inc. that were responsible for investments in distressed debt, high yield bonds, and convertible securities. He was also Chief Investment Officer for Domestic Fixed Income at TCW. Previously, Mr. Marks was with Citicorp Investment Management for 16 years, where from 1978 to 1985 he was Vice President and senior portfolio manager in charge of convertible and high yield securities. Between 1969 and 1978, he was an equity research analyst and, subsequently, Citicorp's Director of Research. Mr. Marks holds a B.S.Ec. degree *cum laude* from the Wharton School of the University of Pennsylvania with a major in finance and an M.B.A. in accounting and marketing from the Booth School of Business of the University of Chicago, where he received the George Hay Brown Prize. He is a CFA® charterholder. Mr. Marks is a Trustee and Chairman of the Investment Committee at the Metropolitan Museum of Art. He is a member of the Investment Committee of the Royal Drawing School and is Professor of Practice at King's Business School (both in London). He serves on the Shanghai International Financial Advisory Council and the Advisory Board of Duke Kunshan University. He is an Emeritus Trustee of the University of Pennsylvania, where from 2000 to 2010 he chaired the Investment Board. With over 40 years of investment experience, Mr. Marks's extensive expertise in our industry, his perceptive market insights and his importance to our client development add value to our board of directors.

Bruce A. Karsh is our Co-Chairman and one of the firm's co-founders and has been a director since May 2007. He also is Chief Investment Officer and serves as portfolio manager for Oaktree's Global Opportunities, Value Opportunities and Multi-Asset Credit strategies. Prior to co-founding Oaktree, Mr. Karsh was a managing director of TCW Asset Management Company, and the portfolio manager of the Special Credits Funds from 1988 until 1995. Prior to joining TCW, Mr. Karsh worked as Assistant to the Chairman of SunAmerica, Inc. Prior to that, he was an attorney with the law firm of O'Melveny & Myers. Before working at O'Melveny & Myers, Mr. Karsh clerked for the Honorable Anthony M. Kennedy, then of the U.S. Court of Appeals for the Ninth Circuit and retired Associate Justice of the U.S. Supreme Court. Mr. Karsh holds an A.B. degree in economics *summa cum laude* from Duke University, where he was elected to Phi Beta Kappa. He went on to earn a J.D. from the University of Virginia School of Law, where he served as Notes Editor of the *Virginia Law R*eview and was a member of the Order of the Coif. Mr. Karsh serves on the boards of a number of privately held companies. He is a member of the investment committee of the Broad Foundations. Mr. Karsh is Trustee Emeritus of Duke University, having served as Trustee from 2003 to 2015, and as Chairman of the Board of DUMAC, LLC, the entity that managed Duke's endowment, from 2005 to 2014. Additionally, Mr. Karsh's extensive leadership and management skills, his expertise in our industry and his current and past service on boards of other public companies add value to our board of directors.

Jay S. Wintrob is our Chief Executive Officer and has served as a member of the Board of Directors since September 2011. Prior to joining the firm as Chief Executive Officer, he was President and Chief Executive Officer of AIG Life and Retirement, the U.S.-based life and retirement services segment of American International Group, Inc., from 2009 to 2014. Following AIG's acquisition of SunAmerica in 1998, Mr. Wintrob was Vice Chairman and Chief Operating Officer of AIG Retirement Services, Inc. from 1998 to 2001, and President and Chief Executive Officer from 2001 to 2009. Mr. Wintrob began his career in financial services in 1987 as Assistant to the Chairman of SunAmerica Inc., and then went on to serve in several other executive positions, including President of SunAmerica Investments, Inc. overseeing the company's invested asset portfolio. Prior to joining SunAmerica, Mr. Wintrob was with the law firm of O'Melveny & Myers. He received his B.A. and J.D. from the University of California, Berkeley. Mr. Wintrob is a board member of several non-profit organizations, including The Broad Foundations, the Doheny Eye Institute, The Los Angeles Music Center, the Skirball Cultural Center and Cedars-Sinai Medical Center. As our Chief Executive Officer, Mr. Wintrob has broad responsibilities for our business and his service on our board of directors helps ensure that our board is well informed about our operations. Additionally, Mr. Wintrob's investment and finance expertise and knowledge of our company add value to our board of directors.

John B. Frank is our Vice Chairman and works closely with Messrs. Marks, Karsh and Wintrob in managing the firm. He has been a director since May 2007. Mr. Frank joined in 2001 as General Counsel and was named Oaktree's Managing Principal in early 2006, a position which he held for about nine years. As Managing Principal, Mr. Frank was the firm's principal executive officer and responsible for all aspects of the firm's management. Prior to joining us, Mr. Frank was a partner of the Los Angeles law firm of Munger, Tolles & Olson LLP, where he managed a number of notable merger and acquisition transactions. While at that firm, he served as primary outside counsel to public- and privately-held corporations, and as special counsel to various boards of directors and special board committees. Prior to joining Munger Tolles in 1984, Mr. Frank served as a law clerk to the Honorable Frank M. Coffin of the United States Court of Appeals for the First Circuit. Prior to attending law school, Mr. Frank served

as a Legislative Assistant to the Honorable Robert F. Drinan, Member of Congress. Mr. Frank holds a B.A. degree with honors in history from Wesleyan University and a J.D. *magna cum laude* from the University of Michigan Law School, where he was Managing Editor of the Michigan Law Review and a member of the Order of the Coif. He is a member of the State Bar of California and, while in private practice, was listed in Woodward & White's Best Lawyers in America. Mr. Frank is a member of the Board of Directors of Chevron Corporation and a Trustee of Wesleyan University, The James Irvine Foundation and the XPRIZE Foundation. Mr. Frank's legal background and knowledge of our company add value to our board of directors.

Daniel D. Levin is our Chief Financial Officer. He was previously Head of Corporate Finance and Chief Product Officer and a senior member of the corporate development group. Prior to joining Oaktree in 2011, Mr. Levin was a vice president in the Investment Banking division at Goldman, Sachs & Co., focusing on asset management firms and other financial institutions. His previous experience includes capital raising and mergers and acquisitions roles at Technoserve and Robertson Stephens, Inc. Mr. Levin received an M.B.A. with honors in finance from the Wharton School of the University of Pennsylvania and a B.A. degree with honors in economics and mathematics from Columbia University.

Sheldon M. Stone is a Principal and a co-founder and has been a director since May 2007. Mr. Stone is the head of Oaktree's high yield bond area. In this capacity, he serves as co-portfolio manager of Oaktree's U.S. High Yield Bond and Global High Yield Bond strategies. Mr. Stone, a co-founding member of Oaktree in 1995, established TCW's High Yield Bond department with Mr. Marks in 1985 and ran the department for ten years. Prior to joining TCW, Mr. Stone worked with Mr. Marks at Citibank for two years where he performed credit analysis and managed high yield bond portfolios. From 1978 to 1983, Mr. Stone worked at The Prudential Insurance Company where he was a director of corporate finance, managing a fixed income portfolio exceeding $1 billion. Mr. Stone holds an A.B. degree from Bowdoin College and an M.B.A. in accounting and finance from Columbia University, where he serves on the Board of Overseers. In addition, he is a Trustee of the Colonial Williamsburg Foundation, an Adjunct Professor at the University of Southern California and a member of the investment committee for Bowdoin College. With over 35 years of experience in the fixed income markets, Mr. Stone brings a wealth of knowledge to the board of directors. As one of our co-founders, he is also closely familiar with our business. His investment background and insights into the fixed income markets add value to our board of directors.

Justin B. Beber is a Managing Partner, Head of Corporate Strategy and Chief Legal Officer for Brookfield Asset Management. In this role, he provides strategic advice and legal oversight across Brookfield's asset management business globally. Mr. Beber also serves as Head of Strategic Initiatives for Brookfield's Infrastructure Group with overall responsibility for corporate operations and transaction execution. He also serves as Chief Investment Officer for its water infrastructure business. Prior to joining Brookfield in 2007, Mr. Beber was a partner with a leading Toronto-based law firm, where his practice focused on corporate finance, mergers and acquisitions and private equity. Mr. Beber earned his combined MBA/LLB from the Schulich School of Business and Osgoode Hall Law School at York University in Canada and holds a Bachelor of Economics from McGill University. Mr. Beber has been an Oaktree director since 2019. Mr. Beber's legal background and expertise in our industry add value to our board of directors.

J. Bruce Flatt is Chief Executive Officer of Brookfield Asset Management, a leading global alternative asset manager, and has been a director since October 2019. Mr. Flatt joined Brookfield in 1990 and became CEO in 2002. Under his leadership, Brookfield has developed a global operating presence in more than 30 countries. Prior to his current role, Mr. Flatt ran Brookfield's real estate and investment operations and has served on numerous public company boards over the past two decades. Mr. Flatt's extensive leadership and management skills, his expertise in our industry and his current and past service on boards of other public companies add value to our board of directors.

Steven J. Gilbert has been a director since October 2016. He is the founder and Chairman of the Board of Gilbert Global Equity Partners, L.P., an institutional investment firm established in 1997. In addition, Mr. Gilbert also founded Soros Capital, Commonwealth Capital Partners, and Chemical Venture Partners. He currently serves as Vice Chairman of the Executive Board of MidOcean Equity Partners, LP, Chairman of TRI Pointe Homes, Inc. and independent director on the Board of Directors of Empire State Realty Trust, Inc., MBIA Inc. and Fairholme Funds, Inc. Mr. Gilbert had recently served as a director of SDCL Edge Acquisition Corp. and Birch Grove Capital and has served on the boards of more than 25 other companies over the span of his career. Mr. Gilbert received a J.D. degree from Harvard Law School, an M.B.A. from Harvard Business School, and a B.S. in economics from the Wharton School of the University of Pennsylvania. Mr. Gilbert's investment and finance expertise add value to our board of directors.

D. Richard Masson has been a director since May 2007. Prior to his retirement from Oaktree in 2009, Mr. Masson was a co-founder and Principal of Oaktree, where he served as head of analysis for the Opportunities group from 1995 to 2001 and as co-head of analysis from 2001 to 2009. Prior thereto, he was Managing Director of TCW and its affiliate, TCW Asset Management Company, and head of the Special Credits Analytical Group. Prior to joining TCW in 1988, Mr. Masson worked for three years at Houlihan, Lokey, Howard and Zukin, Inc., where he was responsible for the valuation and analysis of securities and businesses. Prior to Houlihan, Mr. Masson was a senior accountant with the Comprehensive Professional Services Group at Price Waterhouse in Los Angeles. Mr. Masson holds a B.S. in business administration from the University of California, Berkeley and an M.B.A. in finance from the University of California, Los Angeles. He is a Certified Public Accountant (inactive). Mr. Masson's investment and finance expertise and his familiarity with our company add value to our board of directors.

Depelsha T. McGruder is the chief operating officer and treasurer for the Ford Foundation and has been a director since February 2021. Prior to joining the foundation in 2020, she served as COO of New York Public Radio (NYPR), overseeing internal operations and strategic planning for WNYC, WQXR, Gothamist.com, The Greene Space, and New Jersey Public Radio since 2018. Before her tenure at NYPR, Ms. McGruder spent 17 years at Viacom in senior leadership positions at both MTV and BET Networks. She started her career as a broadcast journalist, working as an on-air reporter, anchor, and producer for two commercial television stations in Georgia and subsequently spent time as a strategy consultant at Accenture in the media, telecommunications and high technology practice. Ms. McGruder is the founder and president of Moms of Black Boys United and M.O.B.B. United for Social Change, sister organizations dedicated to positively influencing how black boys and men are perceived and treated by law enforcement and in society. She holds a B.A. from Howard University and an M.B.A. from Harvard Business School. Ms. McGruder's finance expertise add value to our board of directors.

Marna C. Whittington, Ph.D., has been a director since June 2012. Ms. Whittington was the Chief Executive Officer of Allianz Global Investors Capital from 2001 until her retirement in January 2012. From 2002 to 2011, she was Chief Operating Officer of Allianz Global Investors, the parent company of Allianz Global Investors Capital. Prior to that, she was Managing Director and Chief Operating Officer of Morgan Stanley Investment Management. Ms. Whittington started in the investment management industry in 1992, joining Philadelphia-based Miller Anderson & Sherrerd. Previously, she was Executive Vice President and CFO of the University of Pennsylvania, and earlier, Secretary of Finance for the State of Delaware. Ms. Whittington currently serves as a director of Macy's, Inc. and Phillips 66. She holds an M.S. degree and a Ph.D. from the University of Pittsburgh, both in quantitative methods, and a B.A. degree in mathematics from the University of Delaware. Ms. Whittington's investment and finance expertise and her familiarity with our company add value to our board of directors.

Todd E. Molz is our General Counsel and Chief Administrative Officer. He oversees the Compliance, Internal Audit and Administration functions and all aspects of our legal activities, including fund formation, acquisitions and other special projects. Prior to joining the firm in 2006, Mr. Molz was a Partner of the Los Angeles law firm of Munger, Tolles & Olson LLP, where his practice focused on tax and structuring aspects of complex and novel business transactions. Prior to joining Munger Tolles, Mr. Molz served as a law clerk to the Honorable Alfred T. Goodwin of the United States Court of Appeals for the Ninth Circuit. Mr. Molz received a B.A. degree in political science *cum laude* from Middlebury College and a J.D. degree with honors from the University of Chicago. While at Chicago, Mr. Molz served on the Law Review, received the John M. Olin Student Fellowship and was a member of the Order of the Coif. Mr. Molz serves on the Board of Directors of the Children's Hospital of Los Angeles.

There are no family relationships among any of our executive officers and directors.

Board Structure and Governance

Composition of Our Board of Directors

Our operating agreement establishes a board of directors responsible for the oversight of our business and operations. Our operating agreement provides that until the earliest to occur of (a) Messrs. Howard Marks and Bruce Karsh, collectively, ceasing to beneficially own at least 42% of the equity in the Oaktree Operating Group they owned as of September 30, 2019, (b) Messrs. Howard Marks and Bruce Karsh both ceasing to be actively and substantially involved in the oversight of the affairs of the Oaktree Operating Group business, (c) the incapacitation of both Messrs. Howard Marks and Bruce Karsh, (d) either Messrs. Howard Marks or Bruce Karsh becoming incapacitated, and the other ceasing to be actively and substantially involved in the oversight of the affairs of the Oaktree Operating Group business for a period of at least 90 consecutive days or an aggregate of 180 calendar days in any 360-day period, except as a result of incapacitation, or (e) September 30, 2026, the board of directors will be comprised of no less than five individuals and, without Brookfield's consent, no more than 10 individuals, with two selected by OCGH and two selected by Brookfield. The remaining directors will be nominated by OCGH and be subject to joint written appointment by each of OCGH and Brookfield. In February 2021, the size of the board of directors was expanded to 11 directors with the consent of Brookfield. Upon the occurrence of any events described in clauses (a) through (e) above, for so long as the holders of OCGH units as of September 30, 2019 and certain related parties and certain permitted transferees (the "Permitted OCGH Holders") continue to beneficially own at least 15% of the equity in the Oaktree Operating Group beneficially owned by them immediately after the closing of the mergers on September 30, 2019, OCGH will be entitled to appoint a number of directors equal to the greater of (i) a number of directors proportionate to such equity ownership and (ii) two directors. Otherwise, for so long as the Permitted OCGH Holders continue to beneficially own at least 5% (but less than 15%) of the equity of the Oaktree Operating Group beneficially owned by them immediately after the closing of the mergers on September 30, 2019, OCGH will be entitled to appoint one director. Brookfield will appoint the remaining directors to the board of directors. Our board of directors consists of Messrs. Marks, Karsh, Wintrob, Frank, Stone, Masson, Beber, Flatt, Gilbert and Mss. McGruder and Whittington (for a total of 11 directors). Subject to our operating agreement, actions by our board of directors must be taken with the approval of at least a majority of its members.

Audit Committee

Because our preferred equity, but not our common equity, is listed on the New York Stock Exchange, the corporate governance standards of the New York Stock Exchange do not generally apply to us, other than the requirement to maintain an audit committee that satisfies the requirements of Rule 10A-3 under the Exchange Act, and related certification requirements.

The purpose of the audit committee is to assist our board of directors in overseeing and monitoring the quality and integrity of our financial statements, our compliance with legal and regulatory requirements, the performance of our internal audit function and our independent registered public accounting firm's qualifications, independence and performance. Our audit committee is comprised of Messrs. Gilbert and Masson and Mss. McGruder and Whittington. Our board of directors has determined that Messrs. Gilbert and Masson and Mss. McGruder and Whittington meet the independence standards and financial literacy requirements for service on an audit committee of a board of directors under Rule 10A-3 promulgated under the Exchange Act and the NYSE rules. In addition, our board of directors has determined that each of Messrs. Gilbert and Masson and Mss. McGruder and Whittington is an "audit committee financial expert" within the meaning of Item 407(d)(5) of Regulation S-K and has "accounting or related financial management expertise" under applicable NYSE rules. The audit committee has a charter that is available on our website at www.oaktreecapital.com under the "Unitholders – Investor Relations" section.

Code of Ethics

We have a Code of Ethics, which applies to our principal executive officer, principal financial officer and principal accounting officer and is available on our website at www.oaktreecapital.com under the "Unitholders – Investor Relations" section. We intend to disclose any amendment to or waiver of the Code of Ethics on behalf of a principal executive officer, principal financial officer or principal accounting officer, either on our website or in a Current Report on Form 8-K filing.

Communications to the Board of Directors

The non-management members of our board of directors meet quarterly. The non-management directors have selected Mr. Gilbert, one of our non-management directors, to lead these meetings for 2021. All interested parties, including any employee or unitholder, may send communications to the non-management members of our board of directors by writing to: Oaktree Capital Group, LLC, Attn: General Counsel, 333 South Grand Avenue, 28th Floor, Los Angeles, CA 90071.

Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Exchange Act requires our executive officers and directors and persons who beneficially own more than ten percent of a registered class of our equity securities to file initial reports of ownership and reports of changes in ownership with the SEC and furnish us with copies of all Section 16(a) forms they file. To our knowledge, based solely on our review of the copies of such reports furnished to us or written representations from such persons that they were not required to file a Form 5 to report previously unreported ownership or changes in ownership, we believe that, with respect to the year ended December 31, 2021, such persons complied with all such filing requirements.

Item 11. Executive Compensation

Compensation Discussion and Analysis

Overview of Compensation Philosophy and Program

Except with respect to carried interest and profit sharing arrangements that certain of our Named Executive Officers ("NEOs") receive from Oaktree Capital I, OCM Cayman or their respective consolidated subsidiaries, our NEOs do not receive compensation from us for their services. Rather, we pay a service fee to OCM pursuant to the Services Agreement, as described under "Certain Relationships and Related Transactions, and Director Independence—OCG Services Agreement with OCM," and OCM compensates its officers and other employees that perform duties for us. Their compensation is set by OCM. Fiscal year 2020 was the first complete fiscal year in which we paid the service fee to OCM and our NEOs did not receive compensation from us for their services (other than carried interest and profit sharing arrangements that certain of our NEOs receive from Oaktree Capital I, OCM Cayman or their respective consolidated subsidiaries). Accordingly, the following discussion and analysis cannot be compared directly to the compensation discussion and analysis included in the Company's annual reports for fiscal years prior to 2020.

Our fundamental philosophy in compensating our key personnel under our carried interest and profit sharing arrangements has always been to align their interests with the interests of our clients and unitholders and to motivate and reward long-term performance. The alignment of interests is a defining characteristic of our business and one that we believe best optimizes long-term sustainable value.

The following individuals were our NEOs for fiscal year 2021: (a) Bruce A. Karsh, our Co-Chairman and Chief Investment Officer; (b) Jay S. Wintrob, our Chief Executive Officer; (c) Daniel D. Levin, our Chief Financial Officer; and (d) John B. Frank, our Vice Chairman. We only have four NEOs for fiscal year 2021 because none of our other executive officers receive compensation from us or our subsidiaries.

Profit Sharing Arrangements

We paid Mr. Wintrob and Mr. Frank a certain percentage of our profits comprised of fee-related earnings, net investment income and net incentive income, with certain adjustments, attributable to Oaktree Capital I, OCM Cayman and their respective consolidated subsidiaries. More details regarding these arrangements, are described below.

Carried Interest or Incentive Income

Mr. Karsh and Mr. Frank have a right to receive a portion of the incentive income generated by certain of our funds through their participation interests in the carry pools generated by the general partners of these funds. The carry pools (and our NEOs' participation therein) are referred to as our "Carry Plans." Under the terms of the closed-end funds, we (and officers and employees who share in carried interest) are generally not entitled to carried interest distributions (other than tax distributions) until the investors in the funds have received a return of all contributed capital plus a preferred return, which is typically 8%. Because the aggregate amount of carried interest payable through the Carry Plans is directly tied to the realized performance of the funds, we believe this fosters a strong alignment of interests among the investors in those funds and these NEOs, and therefore benefits both those investors and our unitholders.

For purposes of our financial statements, we treat the income allocated to all of our personnel who have participation interests in the incentive income generated by our funds as compensation, and the allocations of incentive income earned by our NEOs in respect of 2021 are accordingly set forth under "All Other Compensation" in the Summary Compensation Table below, even though they may not have received such amounts in cash.

The Carry Plans largely consist of the participation interests in certain of our investment funds paid to the general partners of those funds, which in turn have granted a portion of such interests to our investment professionals. Certain investment funds and separate accounts that we manage pay incentive fees directly to certain members of the Oaktree Operating Group. Our NEOs with profit sharing arrangements will also receive a portion of incentive fees through those profit sharing arrangements.

Compensation of the Individual NEOs

A. Bruce A. Karsh

All of the compensation earned by Mr. Karsh from us in fiscal year 2021 consisted of carried interest we received from certain of our Distressed Debt funds, our largest closed-end strategy. Mr. Karsh received such carried interest as the portfolio manager of these funds.

B. *Jay S. Wintrob*

Pursuant to his employment agreement, Mr. Wintrob is entitled to profit sharing payments equal to a fixed percentage of Oaktree's operating profit and income during the employment term. The fixed percentage is 1.5% in each of 2015-2022, up to the level of profit and income in 2014 and 1.75% of profit and income that exceeds the 2014 level, if any. Beginning in 2017, Mr. Wintrob's profit sharing payments are calculated by including a portion of the net incentive income on pre-employment funds. For 2020 and later, the payments are calculated taking into account 50% of the net incentive income earned by Oaktree that is derived from such funds. In all cases, Mr. Wintrob's profit sharing payments will have a floor of $5,000,000 per year, pro-rated for partial years. Payments will be made, in arrears, in a combination of cash and awards under a long-term incentive plan administered by OCM, but at least the first $3,000,000 in each year will be paid in cash. The portion of Mr. Wintrob's annual profit sharing attributable to 2021 that will be paid in the form of an award under a long-term incentive plan is not reflected in the Summary Compensation table below because that plan is a liability of OCM.

When setting the level of Mr. Wintrob's profit participation, including the annual floor, Howard Marks, our Co-Chairman, and Mr. Karsh took into account the anticipated performance of the Company, Mr. Wintrob's role and responsibilities, the level of compensation of certain other NEOs and their subjective understanding of the market for chief executive officer compensation.

Treatment of Profit Sharing Payments on Certain Terminations of Employment and Other Significant Events

Other than Mr. Wintrob, each of our NEOs is either a founder of our company, has been promoted from within or has been employed by us for over a decade and has generally not received special severance or change in control benefits with their compensation arrangements. By contrast, Mr. Wintrob was hired from outside of Oaktree in 2014. His employment agreement is the product of an arm's length negotiation we undertook with Mr. Wintrob before he joined the Company. In order to encourage Mr. Wintrob to join our Company, it was necessary to provide him with the security afforded by the continuation of his profit sharing payment levels following certain terminations from employment. Providing these profit sharing payment continuation protections was critical to reaching an agreement with Mr. Wintrob. We think this profit sharing payment continuation is appropriate and consistent with what might be included in a new chief executive officer's compensation arrangements at a similarly situated company.

C. *Daniel D. Levin*

Mr. Levin does not receive compensation from us for his services. Rather, we pay a service fee to OCM pursuant to the Services Agreement, as described under "Certain Relationships and Related Transactions, and Director Independence—OCG Services Agreement with OCM," and OCM compensates Mr. Levin, including for the duties that he performs for us. Mr. Levin's compensation is set by OCM.

D. *John B. Frank*

Mr. Frank received a share of the carried interest from our largest closed-end strategy, Distressed Debt, both in recognition of his historical contributions to the management of some of the strategy's investments and in lieu of other compensation, such as a greater profit sharing percentage or additional OCGH units.

For 2021 Mr. Frank also received (a) 1.3% of the net incentive income of the Oaktree Operating Group from certain funds that existed as of December 31, 2014 (b) 1.0% of the net incentive income of Oaktree Operating Group from certain funds that started during 2015 or had substantial or final closings during 2015, and (c) 0.5% of the net incentive income of the Oaktree Operating Group from certain funds that started after December 31, 2015 or whose final or more substantial closing occurred after December 31, 2015.

Additionally, for 2021 Mr. Frank was entitled to receive profit sharing payments that reflect 0.5% of the net investment income and fee-related earnings of the Oaktree Operating Group subject to certain adjustments. Mr. Frank's profit sharing of net incentive income, net investment income and fee-related earnings was subject to a cap of $2,000,000 in 2021.

Mr. Frank's remuneration for 2021 was determined based on his responsibilities as Vice Chairman.

No Perquisites

We do not provide our executive officers with perquisites.

Summary Compensation Table for 2021

The following table provides summary information concerning the compensation of Jay S. Wintrob, our principal executive officer, Daniel D. Levin, our chief financial officer, and our two other most highly compensated executive officers as of December 31, 2021, for services rendered to us during 2021. As explained above, we only have four NEOs for fiscal year 2021 because none of our other executive officers receive compensation from us or our subsidiaries.

The figures in this table reflect carried interest and profit sharing arrangements that certain of our NEOs receive from Oaktree Capital I, OCM Cayman or their respective consolidated subsidiaries. Except with respect to carried interest and profit sharing arrangements that certain of our NEOs receive from Oaktree Capital I, OCM Cayman or their respective consolidated subsidiaries, our executive officers do not receive compensation or perquisites from us for their services. Rather, we pay a service fee to OCM pursuant to the Services Agreement, as described under “Certain Relationships and Related Transactions, and Director Independence—OCG Services Agreement with OCM,” and OCM compensates its officers and other employees that perform duties for us. Their compensation is set by OCM.

Name and Principal Position	Year	Salary ($)	Bonus ($)	Stock Awards ($)	All Other Compensation ($) [1]	Total ($)
Bruce A. Karsh, Co-Chairman and Chief Investment Officer	2021	$ —	$ —	$ —	$ 2,119,747	$ 2,119,747
	2020	$ —	$ —	$ —	$ 3,606,745	$ 3,606,745
	2019	$ —	$ —	$ —	$ 12,417,737	$ 12,417,737
Jay S. Wintrob, Chief Executive Officer	2021	$ —	$ —	$ —	$ 10,347,945	$ 10,347,945
	2020	$ —	$ —	$ —	$ 303,625	$ 303,625
	2019	$ —	$ —	$ 2,973,118	$ 4,114,485	$ 7,087,603
Daniel D. Levin, Chief Financial Officer	2021	$ —	$ —	$ —	$ —	$ —
	2020	$ —	$ —	$ —	$ —	$ —
	2019	$ 375,000	$ 1,104,375	$ 2,393,609	$ —	$ 3,872,984
John B. Frank, Vice Chairman	2021	$ —	$ —	$ —	$ 2,401,490	$ 2,401,490
	2020	$ —	$ —	$ —	$ 1,474,758	$ 1,474,758
	2019	$ —	$ —	$ —	$ 6,872,568	$ 6,872,568

(1) Please see the “All Other Compensation Supplemental Table” below.

All Other Compensation Supplemental Table

The following table provides additional information regarding each component of the All Other Compensation column in the Summary Compensation Table:

Name	Year	Payments in Respect of Carried Interest [1]	Profits Participation [2]	Airplane Use	Perquisites	Total
Bruce A. Karsh	2021	$ 2,119,747	$ —	$ —	$ —	$ 2,119,747
	2020	$ 3,606,745	$ —	$ —	$ —	$ 3,606,745
	2019	$ 11,239,082	$ —	$ 1,142,639	$ 36,016	$ 12,417,737
Jay S. Wintrob	2021	$ —	$ 10,347,945	$ —	$ —	$ 10,347,945
	2020	$ —	$ 303,625	$ —	$ —	$ 303,625
	2019	$ —	$ 4,089,204	$ —	$ 25,281	$ 4,114,485
Daniel D. Levin	2021	$ —	$ —	$ —	$ —	$ —
	2020	$ —	$ —	$ —	$ —	$ —
	2019	$ —	$ —	$ —	$ —	$ —
John B. Frank	2021	$ 827,477	$ 1,574,013	$ —	$ —	$ 2,401,490
	2020	$ 1,171,444	$ 303,314	$ —	$ —	$ 1,474,758
	2019	$ 4,355,588	$ 2,500,000	$ —	$ 16,980	$ 6,872,568

(1) Amounts included for 2021 represent amounts earned on an accrual basis in respect of participation interests in incentive income generated by our funds with respect to the year ended December 31, 2021. To the extent that timing differences may exist between when amounts are earned on an accrual basis and paid in cash, these amounts do not reflect actual cash carried interest distributions to the NEOs during such periods. Timing differences typically arise when cash is distributed in the quarter immediately following the one in which the related income was earned.

(2) Amounts included for 2021 represent the amounts earned on an accrual basis in a given year in respect of the NEO's annual profits participation interest.

Non-competition, Non-solicitation and Confidentiality Restrictions

Pursuant to the terms of OCGH's partnership agreement or applicable equity grant agreements, our executive officers (including our NEOs) are subject to customary provisions regarding non-solicitation of our clients and employees, confidentiality, assignment of intellectual property and non-disparagement obligations. In addition, during the term of employment and for a period up to one year immediately following the resignation or termination of employment (other than a termination by us without cause), our executive officers may not, directly or indirectly:

- engage in any business activity in which we operate, including any Competitive Business (as defined below);
- render any services to any Competitive Business; or
- acquire a financial interest in or become actively involved with any Competitive Business (other than as a passive investor holding a minimal percentage of the stock of a public company).

Under the terms of OCGH's partnership agreement or applicable equity grant agreements, and, in the case of Mr. Wintrob, also under the terms of his employment agreement, during the term of employment and for the two-year period immediately following the resignation or termination of employment for any reason, our executive officers may not solicit our customers or clients for a Competitive Business, induce any employee to leave our employ or hire or otherwise enter into any business affiliation with any person who was our employee during the twelve-month period preceding such executive officer's termination of employment.

"Competitive Business" means any business which is competitive with the business of any member of the Oaktree Operating Group or any of its affiliates (including raising, organizing, managing or advising any fund having an investment strategy in any way competitive with any of the funds managed by any member of the Oaktree Operating Group or any of its affiliates) anywhere in the United States or any other country where a member of the Oaktree Operating Group or any of its affiliates conducts business.

Incentive Income

Participation in incentive income generated by our funds through the Carry Plans is typically subject to a five-year vesting schedule, under which a participating NEO's interest will vest in increments of 22% on each of the first through fourth anniversaries of the closing date of the applicable fund, with the remaining 12% of the interest vesting on or after the fifth anniversary of such closing date, subject to certain limitations as set forth in the applicable governing documents. Under the terms of the applicable governing documents, NEOs are subject to various covenants addressing confidentiality, intellectual property, non-solicitation and non-disparagement. Pursuant to the terms of the Carry Plans, a participating NEO's incentive income interest is subject to clawback in the event that the general partner of the applicable fund is required to return any distributions (other than tax distributions) received in respect of such NEO's interest in the applicable fund.

Grants of Plan-Based Awards in 2021

No grants of equity-based awards were made to our NEOs during the 2021 fiscal year. No grants of long-term incentive awards were made by us to our NEOs during the 2021 fiscal year.

Potential Payments upon Termination of Employment or Change in Control at 2022 Year End

We do not have any formal cash-based severance or change of control plans or agreements in place for any of our NEOs.

In all cases, neither Mr. Karsh nor Mr. Frank is entitled to any additional vesting of their participation rights in the incentive income generated by our funds as a result of a change in control of us or any of our affiliates. The impact of a termination of employment on the incentive income participation rights held by each of Messrs. Karsh and Frank is described below.

Incentive Income (Messrs. Karsh and Frank)

Generally, upon the earliest to occur of a participating NEO's death, "disability" (as defined in the applicable governing documents), termination without "cause" (as defined in the applicable governing documents) or resignation (each, a "termination event"), such NEO's incentive income interest will be converted into the right to receive a residual percentage (which cannot exceed the NEO's interest prior to such termination event) of the distributions the NEO otherwise would have received absent such termination event, as described below.

In the case of a termination event other than resignation, the residual percentage will be the participating NEO's interest prior to such event.

If a participating NEO resigns, the residual percentage generally will equal the product of:

- the participating NEO's interest prior to such resignation; and
- the participating NEO's vested percentage as of the resignation date (as discussed above under "—Carried Interest or Incentive Income").

If a participating NEO resigns and engages in competitive activity within two years following his resignation, the NEO's residual percentage will be reduced further (by as much as 50%).

In the event that a participating NEO is terminated for cause, he immediately forfeits all rights to further distributions of incentive income.

The following table sets forth the estimated value of the incentive income distributions that would be made in respect of the participating NEO's unvested incentive income interests under the Carry Plans attributable to OCG, assuming those interests became fully vested on December 31, 2021 upon a termination of employment without cause or for good reason (as applicable) or termination due to death, disability or resignation. No amount is payable or accelerated in respect of an interest in the incentive income upon an individual's termination, regardless of the reason for the termination. Rather, an individual who is terminated will receive amounts payable as and when we receive the associated incentive income (which is expected to occur over a number of years) in accordance with the same payment schedule as would have been in effect in the absence of termination.

The values disclosed below in respect of the rights of participating NEOs to continue to participate in distributions of incentive income, whether at the same level as before termination or at a reduced level as described above under "—Potential Payments Upon Termination of Employment or Change in Control at 2022 Year End," have been determined assuming that each of the funds in respect of which the participating NEOs would have a right to incentive income had been liquidated on December 31, 2021 and all of the funds' assets distributed in

accordance with their respective distribution provisions at a value equal to their book value as of December 31, 2021. We have calculated the amounts set forth below using these assumptions because distributions made on a liquidation basis would yield the maximum amounts potentially payable to each of the participating NEOs, had a termination of employment actually occurred on December 31, 2021. We note, however, that the values set forth below were computed based on assumptions that may not be accurate or applicable to a given circumstance of termination. The actual amounts to be paid upon a particular termination of employment cannot be directly determined since such payments would be based on several factors, including when termination of employment occurs, the circumstances of termination, the time period for fund liquidation, the investment performance of the fund and the value at which such liquidations actually occur, when Oaktree determines to make distributions from such funds, when income is realized from such funds and the actual amounts so realized.

Estimated Distributions in Respect of Acceleration of Unvested Incentive Income Interests

Name	Liquidation Value of Interests Subject to Vesting Acceleration
Bruce A. Karsh	$ 1,103,852
John B. Frank	$ 390,784

Impact of Termination Without Cause or for Good Reason on Profit Sharing Payments (Mr. Wintrob)

If Mr. Wintrob's employment is terminated by OCM without cause or by Mr. Wintrob for good reason (as defined in Mr. Wintrob's employment agreement), Mr. Wintrob will be entitled, as described above under "—Treatment of Profit Sharing Payments on Certain Terminations of Employment and Other Significant Events", to: (i) the profit sharing payments, through the fiscal quarter of termination, a portion of which are attributable to equity interests in Oaktree Capital I, OCM Cayman or their respective consolidated subsidiaries, and (ii) immediate vesting of all unvested Converted OCGH Units delivered in respect of prior profit sharing payments. Any additional payments to which Mr. Wintrob is entitled in connection with such termination will be made by OCM and not by us.

Under his employment agreement,

- "cause" includes (i) willful and continued failure to fulfill responsibilities under the employment agreement, (ii) gross negligence or willful misconduct detrimental to Oaktree, (iii) material breach of the employment agreement or any other agreement with Oaktree, (iv) material violation of a material regulation or regulatory rule, (v) conviction of, or entry of a guilty plea or of no contest to, certain felonies, (vi) court or regulatory order removing Mr. Wintrob as an officer (or equivalent person) of Oaktree or prohibiting him from participating in the conduct of any Oaktree affairs, (vii) fraud, theft misappropriation or dishonesty relating to Oaktree, or (viii) material breach of Oaktree policies; and
- "good reason" includes (i) a material diminution or adverse change in duties, authority, responsibilities, positions or reporting lines of authority under the employment agreement, (ii) relocation of Mr. Wintrob's principal job location or office by more than 35 miles, and (iii) any material breach by Oaktree of the employment agreement.

As a condition to receiving these entitlements, Mr. Wintrob will be required to sign a release of claims against OCM and related persons, including us.

CEO Median Employee Pay Ratio

As required by Section 953(b) of the Dodd-Frank Wall Street Reform and Consumer Protection Act, and Item 402(u) of Regulation S-K, we are providing the following information about the ratio of the annual total compensation of Mr. Wintrob, our Chief Executive Officer, to the median of the annual total compensation of our employees other than Mr. Wintrob. We selected December 31, 2021 as the date on which we would identify the median employee. To identify the median employee, we used the sum of 2021 base salary (annualized for full-time employees hired during 2021 and pro-rated for part-time and temporary employees), 2021 cash bonus, overtime pay accrued in 2021 and long-term incentive grants earned in respect of 2021 compensation.

The 2021 annual total compensation of our Chief Executive Officer is the amount reflected in the "Total" column of our Summary Compensation Table for 2021. Mr. Wintrob had 2021 annual total compensation from us of $10,347,945. Our median employee's annual total compensation for 2021 was $309,430. As a result, we estimate

that Mr. Wintrob's 2021 annual total compensation from us was approximately 33 times that of our median employee.

This pay ratio is a reasonable estimate calculated in a manner consistent with SEC rules based on our payroll and employment records and the methodology described above. The SEC rules for identifying the median compensated employee and calculating the pay ratio based on that employee's annual total compensation allow companies to adopt a variety of methodologies, to apply certain exclusions and to make reasonable estimates and assumptions that reflect their compensation practices. As such, the pay ratio reported by other companies may not be comparable to the pay ratio reported above, as other companies may have different employment and compensation practices and may utilize different methodologies, exclusions, estimates and assumptions in calculating their own pay ratios.

Director Compensation Table for 2021

The following table sets forth the cash and long-term incentive compensation paid to our outside directors listed below for the year ended December 31, 2021:

Name	Fees Earned or Paid in Cash [1]	Other Compensation [2]	Total
Steven J. Gilbert	$ 225,000	$ 100,000	$ 325,000
D. Richard Masson	$ 125,000	$ 100,000	$ 225,000
Depelsha T. McGruder	$ 125,000	$ 100,000	$ 225,000
Marna C. Whittington	$ 140,000	$ 100,000	$ 240,000

(1) Annual cash retainer and fees for serving on our board of directors and for serving on the Audit Committee of our Board. Mr. Gilbert also receives an annual cash retainer of $100,000 for serving as our lead outside director. The members of our board of directors also serve on the board of Atlas OCM Holdings, LLC for no additional compensation.

(2) Initial value of long-term incentive awards granted in 2021 under the Oaktree Capital Group, LLC Long-Term Incentive Plan, subject to four-year vesting. Please see note 15 to our consolidated financial statements included elsewhere in this annual report for additional information about the long-term incentive plan.

During 2021, we compensated our outside directors named above through an annual cash retainer of $100,000 and the grant of long-term incentive awards. Directors who were also senior executives of the Company during any portion of 2021, specifically Messrs. Marks, Karsh, Stone, Wintrob and Frank, and directors who were also employees of Brookfield during any portion of 2021, specifically Messrs. Flatt and Beber, do not receive any additional compensation for serving on our board of directors. Members of our audit committee received an additional annual retainer of $25,000, and the chair of the audit committee received an additional annual retainer of $15,000. The lead outside director received an additional annual retainer of $100,000. All members of the board of directors are reimbursed for their reasonable out-of-pocket expenses incurred in attending board meetings.

The long-term incentive awards granted in 2021 for Messrs. Gilbert and Masson, and Mss. McGruder and Whittington under the Oaktree Capital Group, LLC Long-Term Incentive Plan had an initial value equal to $100,000.

Compensation Committee Interlocks and Insider Participation

As described under "Directors, Executive Officers and Corporate Governance—Board Structure and Governance—Controlled Company Exemption," we are a "controlled company" within the meaning of the NYSE corporate governance standards and do not have a compensation committee. For a description of certain transactions involving us and our directors and executive officers, please see "Certain Relationships and Related Transactions, and Director Independence."

Compensation Committee Report

As described above, our board of directors does not have a compensation committee. The board of directors, whose members are listed below, has reviewed and discussed with management the foregoing Compensation Discussion and Analysis and, based on such review and discussion, has determined that the Compensation Discussion and Analysis should be included in this annual report.

Howard S. Marks
Bruce A. Karsh
Jay S. Wintrob
John B. Frank
Sheldon M. Stone
J. Bruce Flatt
Justin B. Beber
D. Richard Masson
Steven J. Gilbert
Marna C. Whittington
Depelsha T. McGruder

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

The following table sets forth information regarding the current beneficial ownership of our Class A units, Class B units, Series A preferred units, Series B preferred units and the OCGH units by:

- each person known to us to beneficially own more than 5% of any class of the outstanding voting securities of Oaktree Capital Group, LLC;
- each of our directors;
- each of our named executive officers; and
- all directors and executive officers as a group.

In the following table, the applicable percentage ownership with respect to the Class A units and the Class B units beneficially owned represents the applicable unitholder's holdings of Class A units and Class B units, respectively, as a percentage of 99,136,620 Class A units outstanding and 60,779,626 Class B units outstanding, respectively, as of March 9, 2022. The applicable percentage ownership with respect to the OCGH units beneficially owned represents the applicable unitholder's holdings of OCGH units as a percentage of the 159,916,246 Oaktree Operating Group units outstanding as of March 9, 2022. The applicable unitholder's aggregate holdings of Class A units and OCGH units represents such unitholder's aggregate economic interest in the Oaktree Operating Group.

Beneficial ownership is determined in accordance with the rules of the SEC. Under these rules, more than one person may be deemed a beneficial owner of the same securities, and a person may be deemed a beneficial owner of securities as to which he has no economic interest. To our knowledge, except as otherwise set forth in the notes to the following table, each person named in the table has sole voting and investment power with respect to all of the interests shown as beneficially owned by such person, subject to applicable community property laws. Unless otherwise specified, the address of each person named in the table is c/o Oaktree Capital Group, LLC, 333 South Grand Avenue, 28th Floor, Los Angeles, CA 90071.

Named Executive Officers and Directors	Class A Units Beneficially Owned		Class B Units Beneficially Owned		OCGH Units Beneficially Owned [1]		Series A Preferred Units Beneficially Owned		Series B Preferred Units Beneficially Owned	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Howard S. Marks	—	—	— (2)	—	12,047,050	7.5 %	—	—	—	—
Bruce A. Karsh	—	—	— (2)	—	12,042,778	7.5	—	—	—	—
Jay S. Wintrob	—	—	—	—	332,712	*	—	—	—	—
John B. Frank	—	—	—	—	1,465,604	*	—	—	—	—
Daniel D. Levin	—	—	—	—	121,629	*	—	—	—	—
Sheldon M. Stone	—	—	—	—	6,493,406	4.1	—	—	—	—
Todd E. Molz	—	—	—	—	238,210	*	—	—	—	—
Justin B. Beber	—	—	—	—	—	—	—	—	—	—
Bruce Flatt	—	—	—	—	—	—	—	—	—	—
Steven J. Gilbert	—	—	—	—	5,347	*	4,211	*	25,000	*
D. Richard Masson	—	—	—	—	2,147,710	1.3	—	—	—	—
Depelsha T. McGruder	—	—	—	—	—	—	—	—	—	—
Marna C. Whittington	—	—	—	—	1,770	*	—	—	—	—
All executive officers and directors as a group (13 persons)	—	—	—	—	34,896,216	21.8	4,211	*	25,000	*
5% Unitholders										
Oaktree Capital Group Holdings, L.P.	—	—	60,779,626	100 %	—	—	—	—	—	—
Brookfield U.S. Holdings, Inc.	99,136,620	100 %	—	—	—	—	—	—	—	—

* Represents less than 1%.

(1) Subject to certain restrictions, each OCGH unitholder has the right to exchange his or her vested units for cash, Brookfield Class A shares, notes issued by a Brookfield subsidiary and/or equity interests in a subsidiary of OCGH that will entitle such unitholder to the proceeds from a note. The form of the consideration in an exchange is generally in the discretion of Brookfield, subject to certain limitations.

(2) Excludes 60,779,626 Class B units held by OCGH. The general partner of OCGH is Oaktree Capital Group Holdings GP, LLC. In their capacities as members of the executive committee of Oaktree Capital Group Holdings GP, LLC holding more than 50% of the aggregate number of OCGH units held by all of the members of the executive committee as a group, Mr. Marks and Mr. Karsh may be deemed to be beneficial owners of the securities held by OCGH. Each of Mr. Marks and Mr. Karsh disclaims beneficial ownership of such securities.

Item 13. Certain Relationships and Related Transactions, and Director Independence

Exchange Agreement

The Third Amended and Restated Exchange Agreement allows, among other things, limited partners of OCGH to exchange their OCGH units that have vested for cash, Brookfield Class A Shares, notes issued by a Brookfield subsidiary or equity interests in a subsidiary of OCGH that will entitle such limited partners to the proceeds from a note. Either of such notes will have a three-year maturity and will accrue interest at the then-current 5-year treasury note rate plus 3%. Only Converted OCGH Units (each “Converted OCGH Unit” being an OCGH Unit that was converted from one unvested Class A Unit held by a current, or in certain cases former, employee, officer or director of Oaktree or its subsidiaries at the closing of the Mergers), OCGH Units issued and outstanding at the time of the closing of the Mergers, OCGH Units issued after the closing of the Mergers pursuant to agreements in effect on March 13, 2019, OCGH Units issuable upon vesting of certain phantom equity awards ("Phantom Units") and other OCGH Units consented-to by Brookfield will, when vested, be eligible to participate in an exchange. The form of the consideration in an exchange is generally in the discretion of Brookfield, subject to certain limitations.

In general, OCGH limited partners are entitled to provide an election notice to participate in an exchange with respect to eligible vested OCGH Units during the first 60 calendar days of each year. Each exchange will be consummated within the first 155 days of such calendar year, subject to extension in certain circumstances.

Restructuring Agreement

At the closing of the Merger, Oaktree and certain other entities entered into a Restructuring Agreement pursuant to which, effective as of October 1, 2019, Oaktree's direct and indirect ownership of general partner and limited partner interests in certain Oaktree Operating Group entities were transferred (the "Restructuring") to newly-formed, indirect subsidiaries of Brookfield. As a result, as of October 1, 2019, while Oaktree's consolidated financial statements continue to reflect its indirect economic interest in Oaktree Capital I and OCM Cayman, such financial statements no longer include economic interests in Oaktree Capital II, Oaktree Investment Holdings, OCM or Oaktree AIF.

OCG Services Agreement with OCM

OCG entered into a Services Agreement with OCM effective October 1, 2019 (the “Services Agreement”). OCM was an operating subsidiary of OCG prior to the Restructuring and provides certain services relating to the management and operation of our business.

Under the Services Agreement, we are required to pay a fee of $750,000 to OCM annually for the services provided, payable in quarterly installments.

The Services Agreement has an indefinite term, but may be terminated by us or OCM upon at least 90 days’ written notice to the other party. We incurred service fees of $750,000 for fiscal year 2021 under the Services Agreement.

OCG Subsidiary Services Agreements with OCM

Certain of our indirect subsidiaries outside of the United States have entered into agreements with OCM whereby such subsidiaries provide services to OCM in connection with OCM’s management and operation of Oaktree funds in OCM’s capacity as the investment manager of such funds. The agreements that we believe are material to our business and financial results are described below.

Oaktree Capital Management (UK) LLP (“Oaktree UK LLP”) has entered into an Amended and Restated Services Agreement (the “UK LLP Services Agreement”) with OCM. Under the UK LLP Services Agreement, OCM has appointed Oaktree UK LLP as a sub-investment manager or sub-advisor to certain Oaktree funds. In such capacity, Oaktree UK LLP provides certain investment and marketing related services and trading and execution services on behalf of OCM for a service fee paid by OCM in an amount that is determined between the two parties from time to time. In addition, OCM provides certain trading and execution services and internal audit services to Oaktree UK LLP for a service fee paid by Oaktree UK LLP in an amount that is determined between the two parties from time to time. The UK LLP Services Agreement may be terminated, either in respect of an Oaktree fund or in its entirety, by either OCM or Oaktree UK LLP for any reason upon 30 days’ written notice to the other. For fiscal year 2021, OCM incurred $97.1 million as service fees under the UK LLP Services Agreement.

Oaktree Capital Management (International) Limited (“OCM International”) has entered into a Services Agreement (the “OCMI Services Agreement”) with OCM. Under the OCMI Services Agreement, OCM has appointed OCM International as a sub-investment manager and sub-advisor to certain Oaktree funds OCM manages. In such capacity, OCM International provides certain investment and marketing related services on

behalf of OCM for a service fee paid by OCM in an amount that is determined between the two parties from time to time. The OCMI Services Agreement may be terminated, either in respect of an Oaktree fund or in its entirety, by either OCM or OCM International for any reason upon 30 days' written notice to the other. For fiscal year 2021, OCM incurred $29.1 million as service fees under the OCMI Services Agreement.

Oaktree Capital (Hong Kong) Limited ("Oaktree HK") has entered into a Third Amended and Restated Services Agreement (the "HK Services Agreement") with OCM. Under the HK Services Agreement, OCM has engaged Oaktree HK to provide certain investment and marketing related services to OCM as the investment manager of certain Oaktree funds for a service fee paid by OCM in an amount that is determined between the two parties from time to time. The HK Services Agreement may be terminated by either OCM or Oaktree HK for any reason upon 30 days' written notice to the other. During fiscal year 2021, OCM incurred $39.6 million as service fees under the HK Services Agreement.

Oaktree Operating Group Partnership Agreements

The Oaktree business is conducted through the Oaktree Operating Group and its subsidiaries. Pursuant to the partnership agreements of Oaktree Capital I and OCM Cayman, which are the two Oaktree Operating Group entities indirectly controlled by us, the Intermediate Holding Companies that are the general partners of those partnerships (or entities controlled by the Intermediate Holding Companies) have the right to determine when distributions will be made to the holders of Oaktree Operating Group units of those two entities and the amounts of any such distributions.

Each of the Oaktree Operating Group partnerships has an identical number of common units outstanding, and we use the term "Oaktree Operating Group unit" to refer, collectively, to a common unit in each of the Oaktree Operating Group partnerships. As of March 9, 2022, there were 159,916,246 Oaktree Operating Group units outstanding. The holders of Oaktree Operating Group units, including Oaktree Capital I, OCM Cayman and their respective Intermediate Holding Companies, will incur U.S. federal, state and local income taxes on their proportionate share of any net taxable income of the Oaktree Operating Group. Net profits and net losses of Oaktree Operating Group units generally are allocated to the holders of such units (including the Intermediate Holding Companies) pro rata in accordance with the percentages of their respective interests. The partnership agreement of each Oaktree Operating Group partnership provides for cash distributions, which we refer to as "tax distributions," to the partners of such partnership if we determine that the allocation of the partnership's income will give rise to taxable income for its partners. Generally, these tax distributions are computed based on our estimate of the net taxable income of the relevant entity allocable to a partner multiplied by an assumed tax rate equal to the highest effective marginal combined U.S. federal, state and local income tax rate prescribed for an individual or corporate resident in Los Angeles, California or New York, New York (taking into account the nondeductibility of certain expenses and the character of our income). Tax distributions are made only to the extent that all distributions from the Oaktree Operating Group for the relevant year were insufficient to cover such tax liabilities.

The partnership agreements of the Oaktree Operating Group partnerships also provide that substantially all of our expenses will be borne by the Oaktree Operating Group.

In connection with the Merger and the Restructuring, the partnership agreements of the Oaktree Operating Group entities were amended in order to (i) align the governance provisions with the provisions of our operating agreement and the operating agreement of Atlas OCM Holdings, LLC, (ii) provide for cash distributions to be made in a manner consistent with the payment of obligations under any notes that may be issued pursuant to the exchange mechanism in the Exchange Agreement, (iii) provide for non-pro rata distributions to discharge expenses relating to indemnification of directors, officers and other indemnitees under our operating agreement and the operating agreement of Atlas OCM Holdings, LLC, and (iv) provide for the payment of certain expenses of the Oaktree Operating Group. The amendments also aligned the partnership agreements of the Oaktree Operating Group entities with the cash distribution policy adopted at the closing of the Merger, which generally provides for the distribution by entities within the Oaktree Operating Group to their equity holders of at least 85% of the cash available for distribution (taking into account the special distributions described in this paragraph).

In connection with the issuance by the Company of each series of preferred units, Oaktree Capital I issued preferred units that have economic terms designed to mirror those of the Company's preferred units and that are held directly or indirectly by the Company.

Aircraft Use

OCM leases from Mr. Karsh on a non-exclusive basis an aircraft owned personally by him, pursuant to which he may use the plane for both Oaktree-related travel and personal travel. All payments related to the plane are made by OCM and not by us.

Investments in Funds

Our directors and executive officers are permitted to invest their own capital (or the capital of family trusts or other estate planning vehicles they control) in Oaktree funds. These investment opportunities are available to all Oaktree professionals who Oaktree has determined have a status that reasonably permits Oaktree to offer them these types of investments in compliance with applicable laws and regulations. These investment opportunities are available on the same terms and conditions as those applicable to third-party investors in Oaktree funds and bear their share of management fees, except that they are not subject to incentive fees. As of December 31, 2021, Oaktree manages approximately $1.0 billion of AUM invested by our directors, executive officers and certain current and former employees in Oaktree funds. During the year ended December 31, 2021, the following current directors and executive officers made the following contributions of their own capital (and/or the capital of family trusts or other estate planning vehicles they control) to Oaktree funds and are expected to continue to contribute capital in Oaktree funds from time to time: Mr. Marks contributed an aggregate of $21,919,000; Mr. Karsh and an organization affiliated with Mr. Karsh contributed an aggregate of $32,642,558; Mr. Frank contributed an aggregate of $5,288,691; Mr. Stone contributed an aggregate of $5,683,978; Mr. Wintrob contributed an aggregate of $4,386,978; Mr. Masson contributed an aggregate of $438,504; Mr. Levin contributed an aggregate of $1,073,369 and Mr. Molz contributed an aggregate of $126,809, respectively. During the year ended December 31, 2021, the following current directors and executive officers (and/or family trusts or other estate planning vehicles they control) received the following net distributions from Oaktree funds as a result of their invested capital: Mr. Stone received $16,487,076; Mr. Wintrob received $8,994,608; Mr. Frank received $3,774,036; Mr. Karsh and an organization affiliated with Mr. Karsh received an aggregate of $81,043,181; Mr. Marks received $15,581,655; Mr. Masson received $448,929; Mr. Molz received $312,952, Mr. Levin received $466,000 and Ms. Whittington received $376,177, from Oaktree funds, respectively.

Limitations on Liability; Indemnification of Directors, Officers and Manager

Our operating agreement provides that our directors and officers will be liable to us or our unitholders for an act or omission only if such act or omission constitutes a breach of the duties owed to us or our unitholders, as applicable, by any such director or officer and such breach is the result of (a) willful malfeasance, gross negligence, the commission of a felony or a material violation of law, in each case, that has or could reasonably be expected to have a material adverse effect on us or (b) fraud.

Moreover, in our operating agreement we have agreed to indemnify our directors and officers, to the fullest extent permitted by law, against all expenses and liabilities (including judgments, fines, penalties, interest, amounts paid in settlement with our approval and counsel fees and disbursements) arising from the performance of any of their obligations or duties in connection with their service to us, including in connection with any civil, criminal, administrative, investigative or other action, suit or proceeding to which any such person may be made a party by reason of being or having been one of our directors or officers or our manager, except for any expenses or liabilities that have been finally judicially determined to have arisen primarily from acts or omissions that violated the standard set forth in the preceding paragraph.

The indemnification rights that we provide to our directors and officers are more expansive than those provided to the directors and officers of a Delaware corporation.

Intercompany Loans

We have from time to time put in place and expect in the future to continue putting in place one or more intercompany loans between OCM, Oaktree Capital II, Oaktree Investment Holdings or Oaktree AIF and certain of our operating company subsidiaries to facilitate short-term cash management.

Statement of Policy Regarding Transactions with Related Persons

Our board of directors has adopted a written statement of policy for our company regarding transactions with related persons. Our related person policy covers any “related person transaction” including, but not limited to, any transaction, arrangement or relationship (including any indebtedness or guarantee of indebtedness) or series of similar transactions, arrangements or relationships that is reportable by us under Item 404(a) of Regulation S-K in which we were or are to be a participant and the amount involved exceeds $120,000 and in which any “related person” (as defined in Item 404(a) of Regulation S-K) had or will have a direct or indirect material interest. With certain limited exceptions, our related person policy requires that each related person transaction, and any material amendment or modification to a related person transaction, be reviewed and approved or ratified by a committee or subcommittee of our board of directors composed solely of disinterested directors, by a majority of the disinterested members of our board of directors, by a majority of disinterested members of the executive committee of our board of directors or as otherwise approved in accordance with our operating agreement. In light of the governance and related consent rights contained in our operating agreement, our related person policy does not separately apply to transactions between us and OCGH or Brookfield.

Director Independence

Because our preferred equity, but not our common equity, is listed on the New York Stock Exchange, the corporate governance standards of the New York Stock Exchange do not generally apply to us, other than the requirement to maintain an audit committee that satisfies the requirements of Rule 10A-3 under the Exchange Act, and related certification requirements. Presently, in applying such requirements, the board of directors has determined that the members of its audit committee, Messrs. Gilbert and Masson and Mss. McGruder and Whittington, satisfy the requirements of such rule.

Item 14. Principal Accounting Fees and Services

The following table sets forth the aggregate fees for professional services provided by our independent registered public accounting firm, Ernst & Young LLP, for the years ended December 31, 2021 and 2020.

	For the Year Ended December 31,			
	2021		2020	
	Oaktree Capital Group, LLC	Oaktree Consolidated Funds and Affiliates	Oaktree Capital Group, LLC	Oaktree Consolidated Funds and Affiliates
	($ in thousands)			
Audit fees [(1)]	$ 3,888	$ 699	$ 3,635	$ 616
Audit-related fees [(2)]	305	206	313	166
Tax fees [(3)]	6,308	664	5,792	704

(1) Audit fees consist of fees for services related to the annual audit of our consolidated financial statements, reviews of our interim consolidated financial statements on Form 10-Q, statutory audits, and services that only the independent auditors can reasonably provide such as services associated with SEC registration statements or other documents issued in connection with securities offerings (including consents and comfort letters), accounting consultations related to transactions or events affecting the current period audit and services that are normally provided in connection with statutory and regulatory filings and engagements.

(2) Audit-related fees include fees associated with examinations of operating controls at our investment adviser, accounting consultations related to the potential impact of future transactions or events, including the adoption of new accounting standards, and attestation services not required by statute or regulation.

(3) Tax fees consist of fees related to tax compliance and tax advisory services. Tax fees in 2021 include $3,447 for tax compliance services and $3,525 for tax advisory services. Tax fees in 2020 include $3,829 for tax compliance services and $2,667 for tax advisory services.

In accordance with our audit committee charter, the audit committee is required to approve, in advance, all audit and non-audit services to be provided by our independent registered public accounting firm. All services reported in the Audit, Audit-related and Tax categories above were approved by the audit committee. Our audit committee charter is available on our website at www.oaktreecapital.com under the “Unitholders—Investor Relations” section.

PART IV.

Item 15. Exhibits, Financial Statement Schedules

(a) The following documents are filed as part of this report:

(1) Financial statements: Please see Item 8 above.

(2) Financial statement schedules: Schedules for which provision is made in the applicable accounting regulations of the SEC are not required under the related instructions or are not applicable and therefore have been omitted.

(3) Exhibits: For a list of exhibits filed with this report, refer to the Exhibits Index on the page immediately preceding the exhibits, which Exhibit Index is incorporated herein by reference.

Item 16. Form 10-K Summary

None.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: March 11, 2022

Oaktree Capital Group, LLC

By: /s/ Daniel D. Levin

Name: **Daniel D. Levin**

Title: **Chief Financial Officer and Authorized Signatory**

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant in the capacities indicated on this 11th day of March 2022:

Signature	**Title**
/s/ Howard S. Marks Howard S. Marks	Director and Co-Chairman
/s/ Bruce A. Karsh Bruce A. Karsh	Director, Co-Chairman and Chief Investment Officer
/s/ Jay S. Wintrob Jay S. Wintrob	Director and Chief Executive Officer (Principal Executive Officer)
/s/ John B. Frank John B. Frank	Director and Vice Chairman
/s/ Daniel D. Levin Daniel D. Levin	Chief Financial Officer (Principal Financial Officer and Principal Accounting Officer)
/s/ Sheldon M. Stone Sheldon M. Stone	Director and Principal
/s/ Justin B. Beber Justin B. Beber	Director
/s/ J. Bruce Flatt J. Bruce Flatt	Director
/s/ Steven J. Gilbert Steven J. Gilbert	Director
/s/ D. Richard Masson D. Richard Masson	Director
/s/ Depelsha McGruder Depelsha McGruder	Director
/s/ Marna C. Whittington Marna C. Whittington	Director

EXHIBITS INDEX

Exhibit No.	Description of Exhibit
3.1	Restated Certificate of Formation of the Registrant (incorporated by reference to Exhibit 3.1 to the Registrant's Registration Statement on Form S-1, filed with the SEC on June 17, 2011).
3.2	Fifth Amended and Restated Operating Agreement of the registrant dated as of September 30, 2019 and effective as of October 1, 2019 (including Unit Designation, dated as of November 16, 2015, Unit Designation with respect to the Series A Preferred Units, dated May 17, 2018, and Unit Designation with respect to the Series B Preferred Units, dated August 9, 2018) (incorporated by reference to Exhibit 3.1 to the Registrant's Current Report on Form 8-K dated October 4, 2019, filed with the SEC on October 4, 2019).
4.1	Form of 6.625% Series A Preferred Unit Certificate (incorporated by reference to Exhibit 4.1 to the Registrant's Current Report on Form 8-K, filed with the SEC on May 17, 2018).
4.2	Form of 6.550% Series B Preferred Unit Certificate (incorporated by reference to Exhibit 4.1 to the registrant's Current Report on Form 8-K, filed with the SEC on August 9, 2018).
4.3	Note and Guaranty Agreement, dated as of July 11, 2014, by and among Oaktree Capital Management, L.P., Oaktree Capital I, L.P., Oaktree Capital II, L.P. and Oaktree AIF Investments, L.P. and each of the purchasers party thereto (incorporated by reference to Exhibit 4.1 to the Registrant's Current Report on Form 8-K, filed with the SEC on July 15, 2014).
4.4	Amendment to the 2014 Note and Guaranty Agreement, dated as of October 18, 2017, by and among Oaktree Capital Management, L.P., Oaktree Capital I, L.P., Oaktree Capital II, L.P. and Oaktree AIF Investments, L.P. and each of the holders party thereto (incorporated by reference to Exhibit 4.4 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 2020, filed with the SEC on February 26, 2021).
4.5	Second Amendment to the 2014 Note and Guaranty Agreement, dated as of April 24, 2020, by and among Oaktree Capital Management, L.P., Oaktree Capital I, L.P., Oaktree Capital II, L.P. and Oaktree AIF Investments, L.P. and each of the holders party thereto (incorporated by reference to Exhibit 4.5 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 2020, filed with the SEC on February 26, 2021).
4.6	Form of 3.91% Senior Notes, Series A, due September 3, 2024 (incorporated by reference to Exhibit 4.2 to the Registrant's Current Report on Form 8-K, filed with the SEC on July 15, 2014).
4.7	Form of 4.01% Senior Notes, Series B, due September 3, 2026 (incorporated by reference to Exhibit 4.3 to the Registrant's Current Report on Form 8-K, filed with the SEC on July 15, 2014).
4.8	Form of 4.21% Senior Notes, Series C, due September 3, 2029 (incorporated by reference to Exhibit 4.4 to the Registrant's Current Report on Form 8-K, filed with the SEC on July 15, 2014).
4.9	Note and Guaranty Agreement, dated as of July 12, 2016, by and among Oaktree Capital Management, L.P., Oaktree Capital I, L.P., Oaktree Capital II, L.P. and Oaktree AIF Investments, L.P. and each of the purchasers party thereto (incorporated by reference to Exhibit 4.1 to the Registrant's Current Report on Form 8-K, filed with the SEC on July 12, 2016).
4.10	Amendment to the 2016 Note and Guaranty Agreement, dated as of April 24, 2020, by and among Oaktree Capital Management, L.P., Oaktree Capital I, L.P., Oaktree Capital II, L.P. and Oaktree AIF Investments, L.P. and each of the holders party thereto (incorporated by reference to Exhibit 4.10 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 2020, filed with the SEC on February 26, 2021).
4.11	Form of 3.69% Senior Notes due July 12, 2031 (incorporated by reference to Exhibit 4.2 to the Registrant's Current Report on Form 8-K, filed with the SEC on July 12, 2016).
4.12	Note and Guaranty Agreement, dated as of November 16, 2017, by and among Oaktree Capital Management, L.P., Oaktree Capital I, L.P., Oaktree Capital II, L.P. and Oaktree AIF Investments, L.P. and each of the purchasers party thereto (incorporated by reference to Exhibit 4.1 to the Registrant's Current Report on Form 8-K, filed with the SEC on November 17, 2017).

4.13	Amendment to the 2017 Note and Guaranty Agreement, dated as of April 24, 2020, by and among Oaktree Capital Management, L.P., Oaktree Capital I, L.P., Oaktree Capital II, L.P. and Oaktree AIF Investments, L.P. and each of the holders party thereto (incorporated by reference to Exhibit 4.13 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 2020, filed with the SEC on February 26, 2021).
4.14	Form of 3.78% Senior Notes due December 18, 2032 (incorporated by reference to Exhibit 4.2 to the Registrant's Current Report on Form 8-K, filed with the SEC on November 17, 2017).
4.15	Note and Guaranty Agreement, dated as of May 20, 2020, by and among Oaktree Capital Management, L.P., Oaktree Capital I, L.P., Oaktree Capital II, L.P., Oaktree AIF Investments, L.P. and each of the purchasers party thereto (incorporated by reference to Exhibit 4.1 to the Registrant's Current Report on Form 8-K, filed with the SEC on May 26, 2020).
4.16	Form of 3.64% Senior Notes, Series A, due July 22, 2030 (incorporated by reference to Exhibit 4.2 to the Registrant's Current Report on Form 8-K, filed with the SEC on May 26, 2020).
4.17	Form of 3.84% Senior Notes, Series B, due July 22, 2035 (incorporated by reference to Exhibit 4.3 to the Registrant's Current Report on Form 8-K, filed with the SEC on May 26, 2020).
4.18	Description of securities registered under Section 12 of the Securities Exchange Act of 1934 (incorporated by reference to Exhibit 4.11 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 2019, filed with the SEC on March 2, 2020).
4.19	Note and Guaranty Agreement, dated as of November 4, 2021, by and among Oaktree Capital Management, L.P., Oaktree Capital I, L.P., Oaktree Capital II, L.P., Oaktree AIF Investments, L.P. and each of the purchasers party thereto (incorporated by reference to Exhibit 4.1 to the Registrant's Current Report on Form 8-K, filed with the SEC on November 8, 2021).
4.20	Form of 3.06% Senior Notes due January 12, 2037 (incorporated by reference to Exhibit 4.2 to the Registrant's Current Report on Form 8-K, filed with the SEC on November 8, 2021).
10.1	Third Amended and Restated Limited Partnership Agreement of Oaktree Capital I, L.P., dated as of September 30, 2019 (including Unit Designation with respect to the Series A Preferred Mirror Units of Oaktree Capital I, L.P., dated May 17, 2018, and Unit Designation with respect to the Series B Preferred Mirror Units of Oaktree Capital I, L.P., dated August 9, 2018) (incorporated by reference to Exhibit 10.1 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 2019, filed with the SEC on March 2, 2020).
10.2	Second Amended and Restated Limited Partnership Agreement of Oaktree Capital Management (Cayman), L.P., dated as of September 30, 2019 (incorporated by reference to Exhibit 10.2 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 2019, filed with the SEC on March 2, 2020).
10.3	Restructuring Agreement, dated as of September 30, 2019, by and among Brookfield Asset Management Inc., Oaktree Capital Group, LLC, Berlin Merger Sub, LLC, Oslo Holdings LLC, Oslo Holdings Merger Sub LLC, Brookfield Holdings Canada Inc., Brookfield US Holdings, Inc., Brookfield US Inc., Atlas Holdings, LLC, Atlas OCM Holdings, LLC, Oaktree Capital Group Holdings, L.P. and the other parties thereto (incorporated by reference to Exhibit 10.2 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended September 30, 2019, filed with the SEC on November 7, 2019).
10.4	Third Amended and Restated Tax Receivable Agreement, dated as of September 30, 2019, by and among Brookfield Asset Management Inc., Oaktree Holdings, Inc., Oaktree AIF Holdings, Inc., Oaktree Capital II, L.P., Oaktree Capital Management, L.P., Oaktree Investment Holdings, L.P., Oaktree AIF Investments, L.P., Oaktree Capital Group Holdings, L.P. and the other parties thereto (incorporated by reference to Exhibit 10.3 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended September 30, 2019, filed with the SEC on November 7, 2019).
10.5	Third Amended and Restated Exchange Agreement, dated as of September 30, 2019, by and among Atlas Holdings, LLC, Atlas OCM Holdings, LLC, Oaktree Capital Group, LLC, OCM Holdings I, LLC, Oaktree New Holdings, LLC, Oaktree AIF Holdings II, LLC, Oaktree Holdings, Ltd., Oaktree Capital Group Holdings, L.P., Oaktree Capital I, L.P., Oaktree Capital II, L.P., Oaktree Capital Management, L.P., Oaktree Capital Management (Cayman), L.P., Oaktree AIF Investments, L.P., Oaktree Investment Holdings, L.P., OCGH ExchangeCo, L.P. and the other parties thereto (incorporated by reference to Exhibit 10.1 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended September 30, 2019, filed with the SEC on November 7, 2019).
10.6	Services Agreement, dated as of February 24, 2020, between Oaktree Capital Management, L.P. and Oaktree Capital Group, LLC (incorporated by reference to Exhibit 10.6 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 2019, filed with the SEC on March 2, 2020).

10.7	Amended & Restated Services Agreement, dated as of December 18, 2020, between Oaktree Capital Management, L.P. and Oaktree Capital Management (UK) LLP (incorporated by reference to Exhibit 10.7 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 2020, filed with the SEC on February 26, 2021).
10.8	Services Agreement, dated as of September 25, 2018, between Oaktree Capital Management, L.P. and Oaktree Capital Management (International) Limited (incorporated by reference to Exhibit 10.8 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 2019, filed with the SEC on March 2, 2020).
10.9	Third Amended and Restated Services Agreement, dated as of January 6, 2021, between Oaktree Capital Management, L.P. and Oaktree Capital (Hong Kong) Limited (incorporated by reference to Exhibit 10.9 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 2020, filed with the SEC on February 26, 2021).
10.10	Credit Agreement, dated as of March 31, 2014, by and among Oaktree Capital Management, L.P., Oaktree Capital II, L.P., Oaktree AIF Investments, L.P., Oaktree Capital I, L.P., the Lenders party thereto, Wells Fargo Bank, National Association, as Administrative Agent, L/C Issuer and Swing Line Lender, and Wells Fargo Securities, LLC, as Sole Lead Arranger and Sole Lead Bookrunner (incorporated by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K, filed with the SEC on April 4, 2014).
10.10.1	First Amendment, dated as of November 3, 2014, to the March 31, 2014 Credit Agreement by and among Oaktree Capital Management, L.P., Oaktree Capital II, L.P., Oaktree AIF Investments, L.P., Oaktree Capital I, L.P., the Lenders party thereto, Wells Fargo Bank, National Association, as Administrative Agent, L/C Issuer and Swing Line Lender, and Wells Fargo Securities, LLC, as Sole Lead Arranger and Sole Lead Bookrunner (incorporated by reference to Exhibit 10.1 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended September 30, 2014, filed with the SEC on November 7, 2014).
10.10.2	Second Amendment, dated as of March 31, 2016, to the March 31, 2014 Credit Agreement, by and among Oaktree Capital Management, L.P., Oaktree Capital II, L.P., Oaktree AIF Investments, L.P., Oaktree Capital I, L.P., the Lenders party thereto, and Wells Fargo Bank, National Association, as Administrative Agent for the Lenders (incorporated by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K, filed with the SEC on April 6, 2016).
10.10.3	Third Amendment, dated as of November 14, 2017, to the March 31, 2014 Credit Agreement, by and among Oaktree Capital Management, L.P., Oaktree Capital II, L.P., Oaktree AIF Investments, L.P., Oaktree Capital I, L.P., the Lenders party thereto, and Wells Fargo Bank, National Association, as Administrative Agent for the Lenders (incorporated by reference to Exhibit 10.9.3 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 2017, filed with the SEC on February 23, 2018).
10.10.4	Fourth Amendment, dated as of March 29, 2018, to the March 31, 2014 Credit Agreement, by and among Oaktree Capital Management, L.P., Oaktree Capital II, L.P., Oaktree AIF Investments, L.P., Oaktree Capital I, L.P., the Lenders party thereto, and Wells Fargo Bank, National Association, as Administrative Agent for the Lenders (incorporated by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K, filed with the SEC on April 4, 2018).
10.10.5	Fifth Amendment, dated as of December 13, 2019, to the March 31, 2014 Credit Agreement, by and among Oaktree Capital Management, L.P., Oaktree Capital II, L.P., Oaktree AIF Investments, L.P., Oaktree Capital I, L.P., the Lenders party thereto, and Wells Fargo Bank, National Association, as Administrative Agent for the Lenders (incorporated by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K, filed with the SEC on December 18, 2019).
10.10.6	Sixth Amendment to Credit Agreement, dated as of September 14, 2021, by and among Oaktree Capital Management, L.P., Oaktree Capital II, L.P., Oaktree AIF Investments, L.P., Oaktree Capital I, L.P., the Lenders party thereto, and Wells Fargo Bank, National Association, as administrative agent for the Lenders (incorporated by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K, filed with the SEC on September 20, 2021).
10.11*	Summary Employment Agreement by and among Oaktree Capital Management Limited and Howard Marks, dated as of September 26, 2006 (incorporated by reference to Exhibit 10.14 to the Registrant's Registration Statement on Form S-1, filed with the SEC on August 1, 2011).
10.12*	Seventh Amended and Restated Limited Partnership Agreement of Oaktree Fund GP I, L.P., dated as of June 30, 2021.†
10.13*	Amended and Restated Oaktree Capital Group, LLC 2011 Equity Incentive Plan (incorporated by reference to Exhibit 4.4 to the Registrant's Registration Statement on Form S-8, filed with the SEC on March 30, 2016).

10.14*	Form of Grant Agreement under the Oaktree Capital Group, LLC 2011 Equity Incentive Plan (incorporated by reference to Exhibit 10.20 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 2014, filed with the SEC on February 27, 2015).
10.15*	Fourth Amended and Restated Employment Agreement by and among the Registrant, Oaktree Capital Management, L.P. and Jay S. Wintrob dated March 10, 2022.†
10.16*	Third Amended and Restated Grant Agreement under the Oaktree Capital Group, LLC 2011 Equity Incentive Plan by and among Oaktree Capital Group Holdings, L.P., Oaktree Capital Group Holdings GP, LLC and Jay S. Wintrob dated February 20, 2018 (incorporated by reference to Exhibit 10.20 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 2017, filed with the SEC on February 23, 2018).
10.16.1*	Amendment Letter dated as of February 25, 2020 to Third Amended and Restated Grant Agreement under the Oaktree Capital Group, LLC 2011 Equity Incentive Plan by and among Oaktree Capital Group Holdings, L.P., Oaktree Capital Group Holdings GP, LLC and Jay S. Wintrob dated February 20, 2018 (incorporated by reference to Exhibit 10.16.1 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 2019, filed with the SEC on March 2, 2020).
10.17*	Form of Oaktree Capital Group, LLC 2018 Class A Restricted Unit Award Agreement (incorporated by reference to Exhibit 10.20 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 2018, filed with the SEC on February 22, 2019).
10.18*	Form of Oaktree Capital Group Holdings, L.P. Restricted Unit Award Agreement (incorporated by reference to Exhibit 10.3 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended March 31, 2016, filed with the SEC on May 9, 2016).
10.19*	Form of Oaktree Capital Group, LLC Class A Restricted Unit Award Agreement for Outside Directors (incorporated by reference to Exhibit 10.22 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 2018, filed with the SEC on February 22, 2019).
10.20*	Oaktree Capital Group, LLC Long-Term Incentive Plan (incorporated by reference to Exhibit 10.20 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 2020, filed with the SEC on February 26, 2021).
10.21*	Form of Award Agreement under the Oaktree Capital Group, LLC Long-Term Incentive Plan (incorporated by reference to Exhibit 10.21 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 2020, filed with the SEC on February 26, 2021).
10.22*	Summaries of compensation for Daniel D. Levin and John B. Frank (incorporated by reference to sections C and D, respectively, under "Executive Compensation-Compensation Discussion and Analysis-Compensation of the Individual NEOs" on pages 140-146 of the Registrant's Annual Report on Form 10-K for the year ended December 31, 2021, filed with the SEC on March 11, 2022).
21.1	Subsidiaries of the Registrant.
23.1	Consent of Ernst & Young LLP.
31.1	Certification of the Principal Executive Officer pursuant to Rule 13a-14(a) or 15d-14(a) of the Exchange Act, as adopted, pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of the Principal Financial Officer pursuant to Rule 13a-14(a) or 15d-14(a) of the Exchange Act, as adopted, pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Certification of the Principal Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to section 906 of the Sarbanes-Oxley Act of 2002 (furnished herewith).
32.2	Certification of the Principal Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to section 906 of the Sarbanes-Oxley Act of 2002 (furnished herewith).
101.INS	XBRL Instance Document.
101.SCH	XBRL Taxonomy Extension Schema Document.
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document.
101.LAB	XBRL Taxonomy Extension Label Linkbase Document.
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document.

101.DEF XBRL Taxonomy Extension Definition Linkbase Document.

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* Management contract or compensatory plan or arrangement.
† Filed herewith.

Exhibit 10.12

Execution Version

OAKTREE FUND GP I, L.P.

SEVENTH AMENDED AND RESTATED

LIMITED PARTNERSHIP AGREEMENT

LIMITED PARTNER INTERESTS IN OAKTREE FUND GP I, L.P., A DELAWARE LIMITED PARTNERSHIP, HAVE NOT BEEN REGISTERED WITH OR QUALIFIED BY THE U.S. SECURITIES AND EXCHANGE COMMISSION, ANY STATE SECURITIES REGULATORY AUTHORITY OR ANY OTHER REGULATORY AUTHORITY OF ANY JURISDICTION. SUCH LIMITED PARTNER INTERESTS ARE BEING SOLD IN RELIANCE UPON EXEMPTIONS FROM SUCH REGISTRATION OR QUALIFICATION REQUIREMENTS. SUCH LIMITED PARTNER INTERESTS CANNOT BE SOLD, TRANSFERRED, ASSIGNED OR OTHERWISE DISPOSED OF, IN EACH CASE, EXCEPT IN COMPLIANCE WITH THE RESTRICTIONS ON TRANSFERABILITY CONTAINED IN THIS AGREEMENT AND THE SECURITIES LAWS OF ALL APPLICABLE JURISDICTIONS, INCLUDING APPLICABLE U.S. FEDERAL AND STATE SECURITIES LAWS.

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SEVENTH AMENDED AND RESTATED

LIMITED PARTNERSHIP AGREEMENT

OF

OAKTREE FUND GP I, L.P.

This **Seventh Amended and Restated Limited Partnership Agreement** (as may be amended, modified, supplemented or restated from time to time, this "Agreement") of **Oaktree Fund GP I, L.P.**, a Delaware limited partnership (the "Partnership"), is made and entered into as of June 30, 2021 (the "Effective Date"), by and among Oaktree Capital I, L.P., a Delaware limited partnership, as general partner of the Partnership (in its capacity as such, the "General Partner"), and each Person listed as a limited partner of the Partnership on the Register (as defined below) (each such Person, in its, his or her capacity as a limited partner of the Partnership, a "Limited Partner"), for the purpose of amending and restating that certain Sixth Amended and Restated Limited Partnership Agreement of the Partnership (the "Prior LPA"), dated as of March 20, 2015.

Now, therefore, the Prior LPA is hereby amended and restated, and the General Partner and the Limited Partners hereby agree, as follows:

Article I

Definitions

1.1 Defined Terms. As used in this Agreement, the following terms shall have the following meanings:

Acknowledging Partner: as defined in Section 9.1.

Act: the Delaware Revised Uniform Limited Partnership Act, 6 Del. C. Section 17-101 et seq. and the provisions of any succeeding law.

Affiliate: with respect to any Person, any other Person that directly or indirectly through one or more intermediaries Controls, is Controlled by, or is under common Control with, the Person in question; provided that (a) no Fund or portfolio company of any Oaktree Group Member shall be deemed to be an Affiliate of any Oaktree Group Member, and (b) neither Brookfield nor any of its Affiliates (defined by reference to the first clause of this definition) shall be deemed to be an Affiliate of the Partnership except to the extent the General Partner determines, consistent with past practice, that such Person is an entity through which the Oaktree Business (as defined in the OCG Operating Agreement) is conducted.

Agreement: as defined in the preamble hereto.

Annual Partnership Tax Liability: the product of (a) the General Partner's reasonable good faith determination, with respect to a Partner, of such Partner's share of the Partnership's net taxable income pursuant to Article VI for a given Fiscal Year, giving effect to such Partner's share of losses and deductions, including any applicable carryforwards, multiplied by (b) the sum of the highest marginal U.S. federal, state and local income tax rates applicable to any Partner (taking into account the effect of any

allowable U.S. federal income tax deduction for state and local taxes). For this purpose, "net taxable income" of the Partnership shall be calculated taking into account separately stated items, and without regard to items of income exempt from tax.

Assignee: as defined in Section 4.4.

Associated Fund: as defined in Section 4.1(c).

Associated Person: as defined in Section 1.3.

Available Cash: the gross cash proceeds of the Partnership less the portion thereof used to pay or establish reserves for Partnership expenses, working capital, debt payments, capital improvements, replacements, and contingencies, all as determined by the General Partner. Available Cash shall not be reduced by depreciation, amortization, cost recovery deductions, or similar allowances, but shall be increased by any reductions of reserves previously established pursuant to the first sentence of this definition.

Brookfield: Brookfield Asset Management Inc., an Ontario corporation.

Capital Account: as defined in Section 5.2.

Capital Contribution: the total value of cash contributed to the Partnership pursuant to Section 5.1, and the Gross Asset Value of any property other than cash contributed to the Partnership pursuant to Section 5.1, net of liabilities secured by such property that the Partnership is considered to assume or take under Code Section 752.

Cause: with respect to any Partner, the occurrence of any of the following events during such Partner's provision of services to the Oaktree Group (regardless whether the occurrence is discovered before or after such Partner's cessation of services to the Oaktree Group): (a) gross negligence or misconduct detrimental to an Oaktree Group Member or a Fund, (b) material breach of this Agreement, any other agreement between such Partner and an Oaktree Group Member or written policies of the Oaktree Group applicable to such Partner, (c) a violation of any applicable regulatory rule or regulation, (d) conviction of, or entry of a guilty plea or of no contest to**,** a felony (other than a motor-vehicle-related felony for which no custodial penalty is imposed)**,** (e) entry of an order issued by any court or regulatory agency removing such Partner as an officer of an Oaktree Group Member or prohibiting such Partner from participation in the conduct of the affairs of an Oaktree Group Member, and (f) fraud, theft, misappropriation or dishonesty by such Partner relating to an Oaktree Group Member or a Fund, including any theft of funds.

Certificate: the Certificate of Limited Partnership of the Partnership, as amended, modified, supplemented or restated from time to time.

Clawback: as defined in Section 6.5(b).

Communications Act: the U.S. Communications Act of 1934, as amended, and the provisions of any succeeding law.

Code: the U.S. Internal Revenue Code of 1986, as amended, and the provisions of any succeeding law.

Competitive Business: any business that is competitive with the business of any Oaktree Group Member (including raising, organizing, managing or advising any fund or

separate account having an investment strategy in any way competitive with any of the funds or separate accounts managed by any Oaktree Group Member).

Confidential Information: any information concerning the employees, organization, business or finances of any Oaktree Group Member, any Fund or any third party (including any client, investor, partner, portfolio company, customer, vendor, or other person) with which an Oaktree Group Member or a Fund is engaged or conducts business, including business strategies, operating plans, acquisition strategies (including the identities of, and any other information concerning, possible acquisition candidates), financial information, valuations, analyses, investment performance, market analysis, acquisition terms and conditions, personnel, compensation and ownership information, know-how, customer lists and relationships, the identity of any client, investor, partner, portfolio company, customer vendor or other third party, and supplier lists and relationships, as well as all other secret, confidential or proprietary information belonging to any Oaktree Group Member or any Fund; provided that Confidential Information shall not include any information generally known to the public other than as a result of disclosure by any Limited Partner not permitted hereunder.

Control: the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a Person, whether through ownership of voting securities, by contract or otherwise.

Data: as defined in Section 7.4.

Depreciation: for each Fiscal Year or other period, an amount equal to the depreciation, amortization or other cost recovery deduction allowable for U.S. federal income tax purposes with respect to an asset for such Fiscal Year or other period, except that if the Gross Asset Value of an asset differs from its adjusted tax basis for U.S. federal income tax purposes at the beginning of such Fiscal Year or other period, Depreciation shall be an amount that bears the same ratio to such beginning book value as the U.S. federal income tax depreciation, amortization or other cost recovery deduction for such Fiscal Year or other period bears to such beginning adjusted tax basis, and if such adjusted tax basis is zero, the Depreciation shall be based on the method and assumptions used to depreciate, amortize or otherwise recover the cost of such type of asset in preparing the financial statements of the Partnership.

Disabling Conduct: with respect to any Person, (a) a breach by such Person of its, his or her fiduciary duties to the Partnership or any other Oaktree Group Member, provided that such breach is the result of willful malfeasance, gross negligence, the commission of a felony or a material violation of applicable law (including any U.S. federal or state securities law) that, in each case has resulted in, or could reasonably be expected to result in, a material adverse effect on the business or properties of the Partnership, or (b) fraud.

Dissolution Event: as defined in Section 10.1.

Effective Date: as defined in the preamble hereto.

ERISA: the U.S. Employee Retirement Income Security Act of 1974, as amended, and the rules and regulations promulgated thereunder, and the provisions of any succeeding law.

FCC: the U.S. Federal Communications Commission, or any governmental entity that succeeds to the powers and functions thereof.

FCC Rules: the rules, regulations or written policies of the FCC that (a) limit or restrict ownership in Media Companies on the basis of ownership in other Media Companies or under which the Partnership's ownership of a Media Company may be attributed to the Partners (or a Partner's ownership of another Media Company may be subject to limitation or restriction as a result of the ownership by the Partnership of such Media Company or another Media Company), including the rules, regulations or written policies of the FCC that provide for the insulation from such attributable interests in Media Companies, or (b) limit or restrict ownership in Media Companies by non-U.S. persons (as defined by the FCC), as such rules, regulations or written policies may be modified from time to time.

Fiscal Year: as defined in Section 2.6.

Formation Date: May 15, 2007.

Fund: any limited partnership, limited liability company, group trust, mutual fund, investment company or other entity, or any investment account, which is managed or Controlled by any Oaktree Group Member or by an entity Controlled by any Oaktree Group Member and which is specifically designated as such by the General Partner.

General Partner: as defined in the preamble hereto, and any Person who becomes a successor general partner of the Partnership pursuant to the terms of this Agreement and the Act, each in its capacity as the general partner of the Partnership.

General Partner Related Person: any of (a) the General Partner, (b) OCG, (c) OCM Holdings, (d) OCGH, (e) OCGH GP, (f) the current and former direct and indirect shareholders, partners, members and equityholders of OCGH GP, (g) the current and former principals, officers, directors, employees and duly authorized agents and representatives of any of the entities described in the foregoing clauses (a) through (e), and (h) the current and former officers of the Partnership.

Governmental Authority: any national, federal, state, county, municipal, local or other government, governmental, regulatory, self-regulatory or administrative authority (including the U.S. Securities and Exchange Commission, the Financial Industry Regulatory Authority and the New York Stock Exchange), agency or commission, or any court, tribunal or judicial or arbitral body, whether domestic or foreign, in each case, of competent jurisdiction.

Gross Asset Value: with respect to any asset, the asset's adjusted basis for U.S. federal income tax purposes, except as follows:

(a) The initial Gross Asset Value of any asset contributed by a Partner to the Partnership shall be the gross fair market value of such asset, as determined by the contributing Partner and the Partnership.

(b) If and to the extent that the General Partner determines that such an adjustment is necessary, appropriate, advisable or convenient, the Gross Asset Values of all assets of the Partnership shall be adjusted to equal their respective gross fair market values, as determined by the General Partner, immediately prior to the following events:

(i) a Capital Contribution (other than a de minimis Capital Contribution) to the Partnership by a new or existing Partner as consideration for one or more Interests;

(ii) the distribution by the Partnership to a Partner of more than a de minimis amount of Partnership property as consideration for the redemption of one or more Interests; and

(iii) the liquidation of the Partnership within the meaning of Treasury Regulations Section 1.704-1(b)(2)(ii)(g).

(c) The Gross Asset Value of any Partnership property distributed to any Partner shall be the gross fair market value of such property on the date of distribution.

(d) The Gross Asset Values of Partnership property shall be increased (or decreased) to reflect any adjustments to the adjusted basis of such assets pursuant to Code Section 734(b) or Code Section 743(b), but only to the extent that such adjustments are taken into account in determining Capital Accounts pursuant to Treasury Regulations Section 1.704-1(b)(2)(iv)(m); provided that Gross Asset Values shall not be adjusted pursuant to this subparagraph (d) to the extent that the General Partner determines that an adjustment pursuant to subparagraph (b) above is necessary, appropriate, advisable or convenient in connection with a transaction that would otherwise result in an adjustment pursuant to this subparagraph (d).

If the Gross Asset Value of an asset has been determined or adjusted pursuant to subparagraph (a), (b) or (d) above, such Gross Asset Value shall thereafter be adjusted by the Depreciation taken into account with respect to such asset, for purposes of computing Net Profit and Net Losses.

Incentive Income: any fee, carried interest or override participation received (or to be received) by the Partnership that is derived from a Fund.

Incentive Profit and Incentive Losses: for each Fiscal Year or other period, an amount, determined separately for each Fund equal to the Partnership's profit or loss for such Fiscal Year or other period relating to the Incentive Income derived from such Fund, determined in the same manner that Net Profits and Net Losses are determined (but excluding subparagraph (f) thereof).

Incentive Sharing Percentage: as defined in Section 4.2.

Initial Closing Date: May 25, 2007.

Intellectual Property: (a) any and all investment or trading, records, agreements or data; (b) any and all financial and other analytic models, records, data, methodologies or software; (c) any and all investment advisory contracts, fee schedules and investment performance data; (d) any and all investment agreements, limited partnership agreements, subscription agreements, private placement memorandums and other offering documents and materials; (e) any and all client, investor or vendor lists, records or contact data; (f) any and all other documents, records, materials, data, trade secrets and other incidents of

business carried on by any Oaktree Group Member (whether, for the avoidance of doubt, on behalf of itself, on behalf of any Fund, or otherwise) or learned, created, developed or carried on by any employee of any Oaktree Group Member (in whatever form, including print, computer file, diskette or otherwise); and (g) all trade names, service marks and logos under which any Oaktree Group Member does business (whether, for the avoidance of doubt, on behalf of itself, on behalf of any Fund, or otherwise), and any and all combinations and variations thereof and all related logos.

Interests: a limited partner interest in the Partnership, including the right of the holder thereof to any and all benefits to which a holder may be entitled as provided in this Agreement, together with the obligation of such holder to comply with all the terms and provisions of this Agreement. Interests may be common limited partner interests or preferred limited partner interests, and may be issued in different classes or series.

Investment Company Act: the U.S. Investment Company Act of 1940, as amended, and the rules and regulations promulgated thereunder, and the provisions of any succeeding law.

JAMS: as defined in Section 11.1(a).

Limited Partners: as defined in the preamble hereto, and shall include their successors and permitted assigns and any Person hereafter admitted to the Partnership as a Limited Partner in accordance with the terms hereof, each in their capacity as a limited partner of the Partnership, and shall exclude any Person who ceases to be a Limited Partner in accordance with the terms hereof. For purposes of the Act, the Limited Partners shall constitute a single class or group of limited partners. The General Partner shall be deemed to be a Limited Partner to the extent the General Partner holds any Interests. For the avoidance of doubt, references herein to Limited Partners may also include Assignees or other owners of economic (but not legal) interests in Interests to the extent the General Partner determines such inclusion is necessary, appropriate, advisable or convenient to carry out the purposes of this Agreement.

Media Company: any Person that, directly or indirectly, owns, controls or operates a broadcast radio or television station or any other communications facility operated pursuant to a license granted by the FCC and subject to the provisions of Section 310(b) of the Communications Act, or any other business that is subject to the FCC Rules.

Media Company Professional: a Limited Partner that provides services to the Oaktree Group and handles matters relating to Oaktree Media Companies or the Media Company business of the Partnership or Oaktree.

Membership Transaction: as defined in Section 3.8.

Net Profit or Net Loss: for each Fiscal Year or other period, an amount equal to the Partnership's taxable income or loss for such Fiscal Year or other period, determined in accordance with U.S. federal income tax accounting principles, with the following adjustments:

(a) any income for such Fiscal Year or other period of the Partnership that is exempt from U.S. federal income tax and not otherwise taken into account in computing Net Profits or Net Losses shall be included in computing such Net Profits or Net Losses;

(b) any expenditures of the Partnership for such Fiscal Year or other period described in Code Section 705(a)(2)(B) or treated as Code Section 705(a)(2)(B) expenditures pursuant to Treasury Regulations Section 1.704-1(b)(2)(iv)(i), and not otherwise taken into account in computing Net Profits or Net Losses, shall be subtracted in computing such Net Profits or Net Losses;

(c) gain or loss for such Fiscal Year or other period resulting from any disposition of an asset of the Partnership shall be computed by reference to the Gross Asset Value of the asset disposed of notwithstanding that the adjusted tax basis of such asset differs from its Gross Asset Value;

(d) in lieu of the depreciation, amortization and other cost recovery deductions taken into account in computing taxable income or loss, there shall be taken into account Depreciation for such Fiscal Year or other period;

(e) if the Gross Asset Value of any Partnership asset is adjusted pursuant to subparagraph (b) or (c) of the definition of "Gross Asset Value", the amount of such adjustment shall be taken into account as gain or loss from the disposition of such asset for purposes of computing Net Profits or Net Losses; provided that with respect to property first received by the Partnership in distribution from a Fund (and then, in turn, distributed by the Partnership to Partners), such adjustment shall be determined as if the asset's starting adjusted tax basis, on the date of distribution by the Partnership, were equal to the fair market value of such asset, as determined pursuant to the limited partnership agreement (or other equivalent governing document) of such Fund, at the time such asset is distributed by such Fund to the Partnership, net of any liabilities secured by such distributed property that the Partnership or the Partners are considered to assume or take subject to under Code Section 752; and

(f) Incentive Profits, Incentive Losses and any items that are specially allocated pursuant to Section 6.2 shall not be taken into account in computing Net Profits or Net Losses.

Non-U.S. Person: (a) a citizen of a country other than the United States, (b) an entity organized under the laws of a jurisdiction other than those of the United States or any state, territory or possession of the United States, (c) a government other than the government of the United States or of any state, territory or possession of the United States, (d) a corporation of which, in the aggregate, more than 10% of the capital stock is owned of record or voted by Persons described in any of clauses (a) through (c) above or in this clause (d), (e) a general or limited partnership, or a limited liability company, of which 10% of the equity contributions or interests therein are directly or indirectly made or held by any Person described in any of clauses (a) through (c) above, taking into account, in calculating indirect contributions or interests in such partnership or company, that the percentage interests of a Person that is a stockholder, limited partner or member insulated in accordance with the FCC Rules relating to a Person that directly makes or holds an equity contribution or interest in such partnership or company may be multiplied by the percentage of such direct interest in such partnership or company, or (f) a representative of, or entity controlled by, any Person referred to in any of the foregoing clauses (a) through (e).

Oaktree Group: the group of entities that the General Partner determines, consistent with past practice, to be the entities through which the Oaktree Business (as defined in the OCG Operating Agreement) is conducted.

Oaktree Group Member: each of (a) the OpCos and (b) any Affiliate (including the Partnership) of any of the OpCos that the General Partner determines to be part of the Oaktree Group.

Oaktree Media Company: a Media Company in which any Oaktree Group Member, or a fund or separate account managed by any Oaktree Group Member, has an attributable interest (as defined in the FCC Rules).

OCG: Oaktree Capital Group, LLC, a Delaware limited liability company, and any successor-in-interest thereto.

OCG Operating Agreement: the Fifth Amended and Restated Operating Agreement of OCG, to be dated on or around September 30, 2019, as may be amended, modified, supplemented or restated from time to time.

OCGH: Oaktree Capital Group Holdings, L.P., a Delaware limited partnership.

OCGH GP: Oaktree Capital Group Holdings GP, LLC, a Delaware limited liability company.

OCM Holdings: Atlas OCM Holdings LLC, a Delaware limited liability company and any successor-in-interest thereto.

OpCo: the upper-most entities (x) over which OCGH and Brookfield (either directly or indirectly) both have an economic interest and (y) through which the business of the Oaktree Group is conducted, as determined by the General Partner consistent with the OCG Operating Agreement's definition of "Oaktree Operating Group". For the avoidance of doubt, as of the Effective Date, each of the following entities is an OpCo: (a) Oaktree Capital I, L.P., a Delaware limited partnership, (b) Oaktree Capital II, L.P., a Delaware limited partnership, (c) Oaktree Capital Management, L.P., a Delaware limited partnership, (d) Oaktree Investment Holdings, L.P., a Delaware limited partnership, (e) Oaktree AIF Investments, L.P., a Delaware limited partnership, and (f) Oaktree Capital Management (Cayman), L.P., a Cayman Islands exempted limited partnership. For the further avoidance of doubt, as of the Effective Date, none of (i) OCG, (ii) Oaktree Holdings, Inc., a Delaware corporation, (iii) Oaktree Holdings, LLC, a Delaware limited liability company, (iv) OCM Holdings, (v) OCM Holdings I, LLC, a Delaware limited liability company, (vi) Oaktree AIF Holdings, Inc., a Delaware corporation, or (vii) Oaktree Holdings, Ltd., a Cayman Islands exempted limited liability company, is an OpCo.

Partner: any Person hereafter admitted to the Partnership as a Limited Partner or a General Partner (as the case may be) in accordance with the terms hereof, and excluding any Person who ceases to be a Limited Partner or a General Partner (as the case may be) in accordance with the terms hereof. In the event any Partner shall have withdrawn in whole from the Partnership as provided in this Agreement, such Person shall no longer be a Partner as defined herein after such withdrawal.

Partnership: as defined in the preamble hereto.

Percentage Interest: with respect to any Partner, such Partner's percentage ownership (measured by such Partner's percentage share of current year income other than income relating to Incentive Income) of the total Interests outstanding of the Partnership. The aggregate Percentage Interests of the Partners shall at all times total 100%.

Permitted Transfer: with respect to any Interests, a Transfer of such Interests that has been approved by the General Partner.

Person: an individual, a general partnership, a limited partnership, a limited liability company, an association, a joint venture, a corporation, a business, a trust, an unincorporated organization, any other entity or a government or any department, agency, authority, instrumentality or political subdivision thereof.

Prior Holders: as defined in Section 6.5(c).

Prior LPA: as defined in the preamble hereto.

Protective Provisions: (a) the provisions applicable to a Partner under Sections 9.2, 9.3, 9.4 and 9.5 and (b) any provision contained in a Series Designation or the Supplemental Schedule that is designated as a "Protective Provision".

Register: as defined in Section 7.1(a).

Request: as defined in Section 7.4.

Secretary of State: the office of the Secretary of State of the State of Delaware.

Series Designation: as defined in Section 4.1(c).

Side Letter: as defined in Section 11.3.

Subscription Contribution: as defined in Section 5.1.

Supplemental Schedule: the supplemental schedule on the conversion, vesting and forfeiture of Interests and related provisions, as adopted by the General Partner and amended, revised, supplemented and restated by the General Partner from time to time in accordance with its terms.

Tax Matters Partner: as defined in Section 6.12.

Transfer: with respect to any Interests, any transaction by which a Limited Partner assigns such Interests to another Person, and includes a sale, assignment, gift, exchange and any other disposition by law or otherwise, including any transfer upon foreclosure of any pledge, encumbrance, hypothecation or mortgage.

Treasury Regulations: the temporary and final regulations promulgated by the U.S. Treasury Department under the Code, as such regulations may be amended from time to time (including corresponding provisions of succeeding regulations).

1.2 Interpretation. All ambiguities shall be resolved without reference to which party may have drafted this Agreement. All article or section headings or other captions in this Agreement are for convenience only, and they shall not be deemed part of this Agreement and in no way define, limit, extend or describe the scope or intent of any provisions hereof.

Unless the context clearly indicates otherwise: (a) a term has the meaning assigned to it; (b) "or" is not exclusive; (c) provisions apply to successive events and transactions; (d) each definition herein includes the singular and the plural; (e) each reference herein to any gender includes the masculine, feminine and neuter where appropriate; (f) the word "including" when used herein means "including, but not limited to," and the word "include" when used herein means "include, without limitation"; and (g) references herein to specified article or section numbers refer to the specified article or section of this Agreement. The words "hereof," "herein," "hereto," "hereby," "hereunder" and derivative or similar words refer to this Agreement as a whole and not to any particular provision of this Agreement. The words "applicable law" and any other similar references to the law include all applicable statutes, laws (including common law), treaties, orders, rules, regulations, determinations, orders, judgments and decrees of any Governmental Authority. The abbreviation "U.S." refers to the United States of America. All monetary amounts expressed herein by the use of the words "U.S. dollar" or "U.S. dollars" or the symbol "$" are expressed in the lawful currency of the United States of America. The words "foreign" and "domestic" shall be interpreted by reference to the United States of America.

1.3 Associated Persons. Each Limited Partner acknowledges that the provisions of this Agreement were drafted with the assumption that each beneficial owner of Interests (other than the General Partner) would be a natural person who will be providing (or formerly provided) services to the Oaktree Group. Accordingly, and notwithstanding anything herein to the contrary, to the extent any such natural person (each, an "Associated Person") holds Interests through one or more trusts or entities, or has transferred Interests to a spouse, former spouse, child (natural or adopted), or any other lineal descendant or family member, in each case, in accordance with the terms and conditions of this Agreement, references herein to a Partner or former Partner shall be interpreted in good faith by the General Partner to include reference to such Associated Person to the extent necessary, appropriate, advisable or convenient to ensure that such trust or entity, spouse, former spouse, child (natural or adopted), or any other lineal descendant or family member, is not treated more favorably as a Partner than such natural person would have been treated had the Interests held by such entity been held by such natural person directly (or had never transferred such Interests) and such natural person had been admitted as a Limited Partner in lieu of such trust or entity or had remained as a Limited Partner in lieu of such transferee.

1.4 Former Partners. The word "Partner" or "Limited Partner" shall be deemed to include reference to former Partners and former Limited Partners to the extent necessary or appropriate, in the good faith judgment of the General Partner to give effect to the economic intent of this Agreement and, for the avoidance of doubt, for the continuation of the rights, duties and liabilities of the parties to this Agreement after a Person has ceased to be a partner of the Partnership. Without limiting the foregoing, references in Article V, Article VI, Article VIII, Article IX and Article XI, to "Partner" or "Limited Partner" shall be deemed to include reference to former Partners and former Limited Partners.

Article II

Organization

1.1 Formation; Continuation. The Partnership was formed as of the Formation Date under and pursuant to the provisions of the Act as a limited partnership, and in connection therewith, the Certificate was filed with the Secretary of State pursuant to the Act. The parties hereto hereby continue the Partnership as a limited partnership under and pursuant to the provisions of the Act and agree that the rights, duties and liabilities of the Partners shall be as provided in the Act, except as otherwise provided herein. Without limiting the foregoing, the General Partner hereby continues as the general partner of the Partnership, and each Limited Partner hereby continues as a limited partner of the Partnership. The General Partner and the

Limited Partners hereby amend and restate the Prior LPA and enter into this Agreement. In the event of any inconsistency between any term or condition contained in this Agreement and any non-mandatory provision of the Act, the terms and conditions contained in this Agreement shall govern. A Person shall be deemed to be admitted to the Partnership as a Limited Partner at the time (a) this Agreement or a joinder hereto is executed by or on behalf of such Person, and (b) such Person is listed by the General Partner as a limited partner of the Partnership on the Register.

1.2 Name. The name of the Partnership is "**Oaktree Fund GP I, L.P.**" The General Partner is authorized to make any variations in the Partnership's name, and to conduct the business of the Partnership under such other names, in each case as determined by the General Partner; provided that (a) such name shall contain the words "Limited Partnership" or the abbreviation "L.P." or the designation "LP" and (b) such name is otherwise permitted under the Act.

1.3 Delaware Registered Agent and Office. The Partnership shall maintain, pursuant to the Act, a registered office in Delaware and a registered agent for service of process on the Partnership in Delaware, such office and agent to be selected by the General Partner and to be set forth in the Certificate. Initially, (a) the address of the registered office of the Partnership in the State of Delaware shall be c/o Corporation Service Company, 2711 Centerville Road, Suite 400, Wilmington, New Castle County, Delaware 19808, United States of America, and (b) the registered agent for service of process on the Partnership in Delaware shall be Corporation Service Company.

1.4 Principal Place of Business. The Partnership shall have its principal place of business at 333 South Grand Avenue, 28th Floor, Los Angeles, California 90071, United States of America, or at such other place as the General Partner may from time to time designate. In addition, the Partnership may maintain such other offices as the General Partner may deem necessary, appropriate, advisable or convenient at any other place or places inside or outside of the United States of America.

1.5 Term. The term of the Partnership commenced on the Initial Closing Date and shall continue until the dissolution of the Partnership in accordance with Article X. Notwithstanding the expiration of such term, the legal existence of the Partnership shall continue until the cancellation of the Certificate in accordance with Section 10.3.

1.6 Fiscal Year. The fiscal year (the "Fiscal Year") of the Partnership for accounting and income tax purposes shall be the calendar year; provided that (a) the first Fiscal Year shall be the portion of the calendar year beginning on the Initial Closing Date and ending on December 31, 2007, and (b) the Fiscal Year in which the Partnership is terminated in accordance with Article X shall be the portion of the calendar year ending on the date on which the Partnership is terminated.

1.7 Title to Partnership Property. Legal title to all of the Partnership's property shall be held in such manner as the General Partner determines to be in the best interests of the Partnership. Each Limited Partner acknowledges and agrees that the manner of holding title to Partnership property is solely for the convenience of the Partnership, and, accordingly, neither the Partners nor their legal representatives, beneficiaries, distributees, successors or assignees shall have any right, title or interest in or to any such Partnership property by reason of the manner in which title is held, but all such property shall be treated as Partnership property subject to the terms of this Agreement.

Article III

The Partnership

1.1 Purpose and Scope of Business; Powers. Subject to the other provisions of this Agreement, the purposes of the Partnership shall be to (a) promote, conduct or engage in, directly or indirectly, any business, purpose or activity that lawfully may be conducted by a limited partnership organized pursuant to the Act, (b) acquire, hold and dispose of interests in any corporation, partnership, joint venture, limited liability company or other entity (including equity interests in entities that serve as the general partner of the Funds) and, in connection therewith, to exercise all of the rights and powers conferred upon the Partnership with respect to its interests therein, and (c) promote, conduct or engage in, directly or indirectly, all other lawful activities determined by the General Partner to be necessary, appropriate, advisable, convenient or incidental to, or otherwise in furtherance of, any of the foregoing. Subject to the other provisions of this Agreement, the Partnership shall have the power to do any and all acts necessary, appropriate, advisable, convenient or incidental to, or otherwise in furtherance of, the purposes and business of the Partnership described herein, and shall have, without limitation, any and all of the powers that may be exercised on behalf of the Partnership by the General Partner pursuant to Section 3.2.

1.2 Powers of the General Partner. Subject to the other provisions of this Agreement, the power to manage, operate and establish the policies of the Partnership shall be vested exclusively in the General Partner, and the General Partner is hereby authorized and empowered on behalf of and in the name of the Partnership to carry out, delegate or appoint to one or more other Persons (including any partner of the General Partner) any and all objects and purposes of the Partnership and to perform all acts and enter into and perform all contracts and other undertakings that it may deem necessary, appropriate, advisable or convenient in connection therewith or incidental thereto. To the fullest extent permitted by applicable law, in construing the provisions of this Agreement, the presumption shall be in favor of a grant of power to the General Partner. Such powers of the General Partner may be exercised without order of, or resort to, any Governmental Authority, except to the extent required by applicable law. In dealing with the General Partner and its duly appointed agents, no Person shall be required to inquire as to the General Partner's or any such agent's authority to bind the Partnership.

1.3 Powers of Limited Partners. No Limited Partner, as such, shall take part in or interfere in any manner with the management, conduct or control of the business or affairs of the Partnership, or have any right or authority to enter into any letter, contract, agreement, deed, instrument or document whatsoever on behalf of the Partnership, or otherwise act for or bind the Partnership. In addition, to the extent permitted by applicable law, no Limited Partner shall have the right or power to bring an action for partition against the Partnership or cause the termination and dissolution of the Partnership, except as set forth in this Agreement. For the avoidance of doubt, this Agreement does not grant any Limited Partner any rights as a partner of any Fund or any ability to direct any entity which controls such Fund.

1.4 Officers. The General Partner may, from time to time, designate one or more Persons to be officers of the Partnership, with such titles as the General Partner may assign to such Persons. Officers so designated shall have such authority and perform such duties of the General Partner hereunder as the General Partner may, from time to time, delegate to them. Any number of offices and other positions may be held by the same Person. No Person shall receive any salary or other compensation from the Partnership for his service as an officer of the Partnership. Any officer of the Partnership may resign as such at any time. Such resignation shall be made in writing and shall take effect at the time specified therein, or if no time be specified, at the time of receipt of notice of resignation by the General Partner. The acceptance

of a resignation shall not be necessary to make it effective, unless expressly so provided in the resignation. Any officer of the Partnership may be removed as such, either with or without cause, by the General Partner. Each officer of the Partnership shall serve as such until his resignation, removal, death, disability or other incapacitation.

1.5 Media Company Provisions.

(a) Notwithstanding any provision of this Agreement to the contrary, for so long as the Partnership has an investment in a Media Company, no Limited Partner (and no officer, director, partner, member or equivalent official of a Limited Partner) other than a Media Company Professional shall:

(i) act as an employee of the Partnership or an Oaktree Media Company if such Person's functions, directly or indirectly, relate to an Oaktree Media Company or to the Media Company business of the Partnership or any other Oaktree Group Member;

(ii) serve, in any material capacity, as an independent contractor or agent of an Oaktree Media Company or of the Media Company business of the Partnership or any other Oaktree Group Member;

(iii) communicate on matters pertaining to the day-to-day operations of an Oaktree Media Company, or the day-to-day Media Company business of the Partnership or any other Oaktree Group Member, with (A) an officer, director, partner, member, agent, representative or employee of such Oaktree Media Company or (B) the General Partner;

(iv) perform any services for an Oaktree Media Company or relating to the Media Company business of the Partnership or any other Oaktree Group Member, with the exception of making loans to, or acting as surety for, an Oaktree Media Company or the Partnership; provided that the amount of any such loan, plus any interest of such Limited Partner in an Oaktree Media Company or the Partnership, shall not exceed 33% of the total assets of such Oaktree Media Company or the Partnership, as defined by and in accordance with the FCC's "equity/debt plus" rule;

(v) become actively involved in the management or operation of an Oaktree Media Company or of the Media Company business of the Partnership or any other Oaktree Group Member;

(vi) vote on the admission of any new general partner to the Partnership unless such admission is approved by the existing General Partner; or

(vii) vote on the removal of the General Partner, unless the General Partner is subject to bankruptcy proceedings, is adjudicated incompetent by a court of competent jurisdiction, or is removed for cause as determined by a neutral arbiter.

(b) To ensure that the Partnership has the ability to make investments, directly or indirectly, in media and wireless communications services companies, or investments in Oaktree Group Members (which may manage or control Funds which in turn invest in

media and wireless communications services companies), in each case consistent with the requirements of the Communications Act and the FCC Rules, each Limited Partner shall use reasonable efforts to provide the General Partner, promptly upon request, the following information:

(i) information regarding the percentage of such Limited Partner's equity securities owned, controlled or voted by Non-U.S. Persons, and the number and percentage of such Limited Partner's partners or members that are Non-U.S. Persons;

(ii) all other non-confidential information that the General Partner requires to make necessary filings with, or other submissions to, the FCC; and

(iii) all other non-confidential information that the General Partner reasonably deems necessary, advisable, convenient or incidental to enable the Partnership or any other Oaktree Group Member to make, manage and dispose of investments in compliance with this Agreement and applicable FCC Rules.

In addition, no Limited Partner shall take any action that such Limited Partner knows would cause a violation by the Partnership of the Communications Act or the FCC Rules.

(c) Each Limited Partner that becomes, or will or may become, a Non-U.S. Person as a result of a change in citizenship, change in control or reorganization of such Limited Partner shall provide notice of such event to the General Partner or Oaktree at least 30 calendar days prior to the effective time of such change in citizenship, change of control or reorganization. In the case of the withdrawal, resignation, departure, termination, change in citizenship, change in control or reorganization of any Limited Partner that is not a Non-U.S. Person and that has the effect of causing the total Percentage Interests of the Limited Partners that are Non-U.S. Persons to exceed 24.99%, then such Limited Partner shall take such commercially reasonable actions as the General Partner deems reasonably necessary to cause total Percentage Interests of the Limited Partners that are Non-U.S. Persons to not exceed 24.99%.

1.6 Meetings and Voting. For situations in which the approval of the Limited Partners is expressly required by applicable law or under this Agreement, the Limited Partners shall act through meetings and written consents as described in this Section 3.6. The actions by the Limited Partners permitted hereunder may be taken at a meeting called by the General Partner on at least five calendar days' prior written notice to the Limited Partners, which notice shall state the purpose or purposes for which such meeting is being called. Partners may participate in a meeting of the Partnership through the use of conference telephones or similar communications equipment so long as all Partners participating in the meeting can hear one another. Participation in a meeting pursuant to this Section 3.6 constitutes presence in person at such meeting and waiver of any requirement for notice of such meeting. Alternatively, the actions by the Limited Partners permitted hereunder may be taken by written consent (without a meeting and without a vote) so long as such written consent is signed or otherwise affirmed (including by electronic mail or other electronic transmission) by the Limited Partners as would be necessary to authorize or take such action at a meeting at which the Partners entitled to vote thereon were present and voted. Any action taken pursuant to such written consent shall have the same force and effect as if taken by the Limited Partners at a meeting thereof.

1.7 Admissions and Withdrawals. No Person shall be admitted to the Partnership as a partner of the Partnership, except for (a) the General Partner, who shall be

deemed to have been admitted as the general partner of the Partnership as of the Formation Date, (b) the Persons who were admitted as Limited Partners as of the Initial Closing Date, and (c) additional Limited Partners admitted in accordance with Section 4.1 and substitute Limited Partners admitted in accordance with Section 4.4. No Partner shall be entitled to withdraw from being a partner of the Partnership without the consent of the General Partner; provided that each Person who is a Limited Partner shall immediately and automatically cease to be a Limited Partner at the time such Person ceases to be the record holder of any Interests.

1.8 Conditions to Membership Transactions. Notwithstanding any provision of this Agreement to the contrary, no Interests shall be issued to any Person, no Interests shall be Transferred to any Person, no Person shall be admitted as a Limited Partner (whether as a result of any such issuance or Transfer or otherwise and whether as an additional Limited Partner, a substitute Limited Partner or otherwise), and no Interests shall be redeemed by the Partnership from any Person (each, a "Membership Transaction"), unless such Membership Transaction satisfies each of the following conditions (except to the extent waived by the General Partner):

(a) such Membership Transaction would not reasonably be expected to result in the violation by the Partnership, the General Partner or any other Oaktree Group Member or General Partner Related Person of any applicable law, including any applicable U.S. federal or state or foreign securities laws;

(b) such Membership Transaction would not reasonably be expected to terminate the existence or qualification of the Partnership under the laws of any jurisdiction;

(c) such Membership Transaction would not reasonably be expected to cause the Partnership to be treated as an association taxable as a corporation or otherwise to be taxed as an entity for U.S. federal income tax purposes (to the extent not already so treated or taxed);

(d) such Membership Transaction would not reasonably be expected to subject the Partnership, the General Partner or any other Oaktree Group Member or General Partner Related Person to any material regulatory requirement to which it, he or she otherwise would not be subject, including any requirement that the Partnership register as an investment company under the Investment Company Act or as a result of all or any portion of the Partnership's assets becoming or being deemed to be "plan assets" for purposes of ERISA; and

(e) such other conditions as the General Partner determines to be necessary, appropriate, advisable or convenient or otherwise in the best interests of the Partnership.

1.9 Power of Attorney. Each Limited Partner does hereby irrevocably constitute and appoint each of the Partnership, the General Partner, their respective authorized officers and attorneys-in-fact, and the members of the General Partner, with full power of substitution, as the true and lawful attorney-in-fact and agent of such Limited Partner, to execute, acknowledge, verify, swear to, deliver, record and file, in such Limited Partner's or such Limited Partner's assignee's name, place and stead, all instruments, documents and certificates which may from time to time be required by the laws of the State of Delaware, the State of California, any other jurisdiction in which the Partnership conducts or plans to conduct business, or any political subdivision or agency thereof, to effectuate, implement and continue the valid existence and business of the Partnership, including the power and authority to execute, verify, swear to, acknowledge, deliver, record and file:

(a) any and all instruments, documents and certificates that the General Partner determines to be necessary, appropriate, advisable or convenient to form, qualify or continue the Partnership as a limited partnership (or a partnership in which the limited partners have limited liability) in the State of Delaware and all other jurisdictions in which the Partnership conducts or plans to conduct business;

(b) any and all instruments, documents and certificates that the General Partner determines to be necessary, appropriate, advisable or convenient to reflect and effect the dissolution and termination of the Partnership pursuant to the terms of this Agreement;

(c) any and all instruments, documents and certificates which the General Partner determines to be necessary, appropriate, advisable or convenient to reflect and effect the admission, withdrawal, substitution or removal of any Limited Partner pursuant to the terms of this Agreement;

(d) any and all instruments, documents and certificates relating to the determination of the rights, preferences and privileges of any class or series of Interests issued pursuant to Section 4.1;

(e) any and all amendments to this Agreement duly adopted in accordance with Section 11.5;

(f) any and all certificates of assumed name and such other certificates and instruments that the General Partner determines to be necessary, appropriate, advisable or convenient under the fictitious or assumed name statutes from time to time in effect in all jurisdictions in which the Partnership conducts or plans to conduct business;

(g) any and all filings with any Governmental Authority that the General Partner determines to be necessary, appropriate, advisable or convenient to carry out the purposes of this Agreement and the business of the Partnership; and

(h) any and all other instruments, documents and certificates that the General Partner determines to be necessary, appropriate, advisable or convenient in connection with the proper conduct of the business of the Oaktree Group and which do not materially and adversely affect the interests of the Limited Partners.

This power of attorney shall not be affected by the subsequent disability or incapacity of the General Partner. This power of attorney shall be deemed to be coupled with an interest, shall be irrevocable and shall survive and not be affected by the death, disability, incompetence, dissolution, bankruptcy or termination or legal incapacity of any Limited Partner and shall extend to such Limited Partner's successors, assigns and personal representatives (within the meaning of Section 17-101(15) of the Act). This power of attorney may be exercised by such attorney-in-fact and agent for all Limited Partners (or any of them) by a single signature of the General Partner acting as attorney-in-fact with or without listing all of the Limited Partners executing an instrument. Any Person dealing with the Partnership may conclusively presume and rely upon the fact that any instrument referred to above, executed by such attorney-in-fact and agent, is authorized, regular and binding, without further inquiry. Each Limited Partner shall execute and deliver to the General Partner, within fifteen calendar days after receipt of any request therefor, such further designations, powers of attorney and other instruments, documents and certificates that the General Partner may deem necessary, appropriate, advisable or convenient to effectuate this Agreement and the purposes of the Partnership.

1.10 Additional Documents and Acts. Each Limited Partner agrees to execute and deliver such additional documents and instruments and to perform such additional acts as may be necessary or appropriate to effectuate, carry out and perform all of the terms, provisions and conditions of this Agreement and the actions contemplated hereby.

Article IV

Interests

1.1 Interests.

(a) As of the Effective Date, all of the outstanding equity interests in the Partnership are owned of record, directly or indirectly, solely by the Persons identified in the books and records of the Partnership.

(b) The Partnership may issue any number of Interests, and options, rights, warrants and appreciation rights relating to Interests, for any Partnership purpose at any time and from time to time to such Persons for such consideration (which may be cash, property, services or any other lawful consideration) or for no consideration and on such terms and conditions as the General Partner shall determine, all without the approval of any Limited Partner.

(c) Interests authorized to be issued by the Partnership pursuant to Section 4.1(b) may be issued in one or more classes, or one or more series of any such classes, with such designations, preferences, rights, powers, duties, restrictions and conditions (which may be junior to, equivalent to or senior or superior to any existing classes or series of Interests), as shall be fixed by the General Partner and may be reflected in a designation certificate approved by the General Partner (each, a "Series Designation") or otherwise in the books and records of the Partnership, including (i) the right to share in Partnership profits and losses or items thereof; (ii) the right to share in Partnership distributions, the dates distributions will be payable and whether distributions with respect to such class or series will be cumulative or non-cumulative; (iii) rights upon dissolution and liquidation of the Partnership; (iv) whether, and the terms and conditions upon which, the Partnership may redeem such Interests (including sinking fund provisions); (v) whether such Interests are issued with the privilege of conversion or exchange and, if so, the terms and conditions of such conversion or exchange; (vi) the terms and conditions upon which such Interests will be issued, including restrictions on assignment and transfer and whether such Interests will be evidenced by certificates; (vii) the method for determining the Percentage Interest, if any, applicable to such Interests; (viii) the right, if any, of the holder of each such Partnership to vote on Partnership matters, including matters relating to the relative rights, preferences and privileges of such Partnership, and (ix) the extent to which such Interests participate in Incentive Income derived from a particular Fund or group of Funds (an "Associated Fund").

(d) The General Partner is hereby authorized to take all actions that it determines to be necessary, appropriate, advisable or convenient in connection with (i) each issuance of Interests and options, rights, warrants and appreciation rights relating to Interests pursuant to this Section 4.1, including the admission of the holders thereof as Limited Partners in connection therewith and any related amendment of this Agreement, and (ii) all additional issuances of Interests and options, rights, warrants and appreciation rights relating to Interests. The General Partner shall determine the relative rights, powers and duties of the holders of the Interests or options, rights, warrants or appreciation rights relating to Interests being so issued. The General Partner is authorized to do all things that it determines to be necessary or appropriate in connection

with any future issuance of Interests or options, rights, warrants or appreciation rights relating to such Interests, including compliance with any statute, rule, regulation or guideline of any Governmental Authority or any securities market on which Interests or options, rights, warrants or appreciation rights relating to Interests are listed for trading.

(e) No Interests shall be issued to any Person unless such issuance satisfies each of the following conditions (except to the extent waived by the General Partner):

(i) all conditions to such issuance and the admission of the recipient of such Interests as an additional Limited Partner that are required to be satisfied under Section 3.8 have been satisfied (except to the extent any such condition is waived by the General Partner); and

(ii) the General Partner has received such written instruments, in form and substance (including containing such representations and warranties as are) reasonably satisfactory to the General Partner, as the General Partner determines to be necessary, appropriate, advisable or convenient in connection with such issuance and admission, including an instrument of joinder evidencing the consent of the recipient of such Interests to be bound by this Agreement.

The recipient of Interests pursuant to an issuance of such Interests in compliance with this Section 4.1 shall be admitted as an additional Limited Partner with respect to such Interests upon the consummation of such issuance. Any issuance of Interests or admission to the Partnership of any additional Limited Partner in violation of this Section 4.1 shall be null and void *ab initio*, shall not be recorded on the books of the Partnership, and shall not be recognized by the Partnership, in each case, except as otherwise required by applicable law.

1.2 Incentive Income. The Partnership shall maintain, in accordance with this Section 4.2, books and records reflecting, for each Partner, a sharing percentage in the Incentive Income derived from each Fund (a "Incentive Sharing Percentage"). In connection with any change in the number or composition of Interests outstanding or the ownership thereof, including in connection with any Membership Transaction and such other events that would cause a change in the Percentage Interests of the Partners, the Incentive Sharing Percentage of each Partner shall be adjusted in such a manner as the General Partner determines to be consistent with the Partners' respective economic interests in the Incentive Income, taking into account such change and the terms and conditions of such Interests. All determinations of Incentive Sharing Percentages shall be made on a Fund-by-Fund basis, and thus it may be possible for a Partner to have an Incentive Sharing Percentage with respect to some Funds but not others.

1.3 Supplemental Schedule. Except as may be otherwise expressly provided in a written agreement between a Limited Partner and the Partnership or in the Series Designation of any particular series of Interests, (a) all Interests issued on or prior to the July 28, 2011 shall be subject to the Supplemental Schedule in effect as of July 28, 2011, and (b) all Interests issued after July 28, 2011 shall be subject to the Supplemental Schedule in effect at the time of such issuance; provided that, notwithstanding anything in any Supplemental Schedule to the contrary, the definition of "Cause" in the Supplemental Schedules shall be deemed to have been replaced with the definition of "Cause" in this Agreement.

1.4 Transfer of Interests. No Limited Partner may Transfer all or any portion of such Limited Partner's Interests in any manner whatsoever to another Person (an "Assignee"),

unless such Transfer satisfies each of the following conditions (except to the extent waived by the General Partner):

(a) such Transfer is a Permitted Transfer;

(b) all conditions to such Transfer and the admission of the transferee as a substitute Limited Partner that are required to be satisfied under Section 3.8 have been satisfied (except to the extent any such condition is waived by the General Partner); and

(c) the General Partner has received such written instruments, in form and substance (including containing such representations and warranties as are) reasonably satisfactory to the General Partner, as the General Partner determines to be necessary, appropriate, advisable or convenient in connection with such Transfer and admission, including an instrument of Transfer evidencing such Transfer and an instrument of joinder evidencing such transferee's consent to be bound by this Agreement.

The transferee of any Interests pursuant to a Transfer in compliance with this Section 4.4 shall be admitted as a substitute Limited Partner with respect to such Interests upon the consummation of such Transfer. The Transferring Limited Partner shall cease to be a Limited Partner upon the occurrence of both the transfer of all of such Transferring Limited Partner's Interests to an Assignee and the admission to the Partnership of such Assignee as a substitute Limited Partner. Any Transfer or admission to the Partnership of any substitute Limited Partner in violation of this Section 4.4 shall be null and void *ab initio*, shall not be recorded on the books of the Partnership and shall not be recognized by the Partnership, in each case, except as otherwise required by applicable law.

1.5 Effects of Transfer. Any Partner who Transfers any Interests in compliance with the provisions of this Agreement shall cease to be a Partner with respect to such Interests and shall no longer have any rights or privileges of a Partner with respect to such Interests but, for the avoidance of doubt, shall remain subject to the Protective Provisions in accordance with their terms. Any Person (including any Assignee) who acquires in any manner whatsoever any rights in respect of an Interest, irrespective of whether such Person has executed a counterpart to this Agreement, shall be deemed by the acceptance of the benefits of the acquisition thereof to have agreed to be subject to and bound by all of the terms and conditions of this Agreement that any predecessor in such rights in respect of such Interest was subject to or by which such predecessor was bound, regardless of whether such Person is admitted as a substitute Limited Partner. Notwithstanding any provision of this Agreement to the contrary, any Person (other than the General Partner) who acquires in any manner whatsoever any Interests of the General Partner shall not be deemed to have received a general partner interest in the Partnership, and shall be deemed instead to have received a limited partner interest in the Partnership, and shall not be admitted as a general partner of the Partnership, and shall instead be deemed to be an Assignee who may be admitted as a substitute Limited Partner pursuant to Section 4.4.

1.6 Limited Rights of Assignees. To the fullest extent permitted by applicable law, an Assignee who is not admitted as a substitute Limited Partner in accordance with Section 4.4 shall have no right to any information or accounting of the affairs of the Partnership, shall not be entitled to inspect the books or records of the Partnership and shall not have any of the rights of a general partner of the Partnership or a limited partner of the Partnership under the Act or this Agreement. Instead, the Interests transferred to such Assignee shall represent only a non-voting economic right to receive, to the extent transferred, the distributions and allocations of income, gain, loss, deduction, credit, or similar item to which the Limited Partner which transferred such Interests would be entitled. In the event any Assignee desires to make a further assignment of

any Interests, such Assignee shall be subject to all of the provisions of this Agreement to the same extent and in the same manner as the Limited Partner who initially held such Interests.

1.7 Designation of Beneficiaries. With the consent of the General Partner, a Limited Partner who is a natural person may designate in writing, on forms prescribed by and filed with the Partnership, one or more beneficiaries to receive any distributions and payments to which such Limited Partner is entitled and that are payable after such Limited Partner's death; provided that such beneficiary shall not be substituted for such Limited Partner as a limited partner of the Partnership. Any such Limited Partner may at any time amend or revoke any such designation made by such Limited Partner; provided that if such Limited Partner is married and designates a person other than his or her spouse as a beneficiary, then his or her spouse must sign a statement specifically approving such designation. Any distributions and payments to which such a Limited Partner would be entitled by virtue of this Agreement while alive will be distributed and paid, following the death of such Limited Partner, to his or her designated beneficiary under this Section 4.7. If no beneficiary designation under this Section 4.7 is in effect at the time of death, or in the absence of a spouse's approval as provided in this Section 4.7, distributions and payments to which a Limited Partner is entitled hereunder shall be made to such Limited Partner's personal representative (within the meaning of Section 17-101(15) of the Act).

Article V

Capital Contributions; Capital Accounts

1.1 Capital Contributions. Each Partner's initial Capital Contribution (if any) is set forth on the books and records of the Partnership. No Partner shall be required to make any additional Capital Contribution to the Partnership, except as otherwise agreed between such Partner and the General Partner. For the avoidance of doubt, the General Partner may require Capital Contributions from any Limited Partner as a condition to such Limited Partner's subscription for any class or series of Interests (such Capital Contribution, a "Subscription Contribution").

1.2 Capital Accounts. There shall be established on the books and records of the Partnership a capital account (a "Capital Account") for each Partner, which shall be maintained in accordance with Code Section 704(b) and Treasury Regulations Section 1.704-1(b)(2)(iv), and such other provisions of Treasury Regulations Section 1.704-1(b) that must be complied with in order for the Capital Accounts to be determined in accordance with the provisions of such Treasury Regulations. Specifically:

(a) each Partner's Capital Account shall be increased by (i) the total Capital Contributions made by such Partner, and (ii) the Net Profits, Incentive Profits and any other items of income and gain allocated to such Partner pursuant to Article VI; and

(b) each Partner's Capital Account shall be decreased by (i) the total cash distributions to such Partner, (ii) the Gross Asset Value of property distributed in kind to such Partner, net of liabilities secured by such property that such Partner is deemed to assume or take subject to under Code Section 752, and (iii) the Net Losses, Incentive Losses and any other items of loss or deduction allocated to such Partner pursuant to Article VI.

In the event any Interests are Transferred in accordance with the terms of this Agreement, the transferee shall succeed to the Capital Account of the transferor to the extent that it relates to the Transferred Interests.

1.3 No Priorities of Partners. Except as expressly provided in this Agreement, (a) no Partner shall have priority over any other Partner as to the return of the amount of such Partner's Capital Contributions or as to income of the Partnership, (b) no Partner shall be entitled to demand or receive a return of or interest on such Partner's Capital Contributions or Capital Account, and (c) no Partner shall withdraw any portion of such Partner's Capital Contributions or receive any distributions from the Partnership as a return of capital on account of such Capital Contributions. Without limiting the foregoing, each Limited Partner acknowledges that such Limited Partner is not entitled to receive any distribution pursuant to Section 17-604 of the Act in connection with the withdrawal of such Limited Partner from the Partnership.

Article VI

Allocations; Distributions

1.1 Allocations of Net Profits and Net Losses and Other Items.

(a) Except as otherwise provided in this Article VI:

(i) All Incentive Profits and Incentive Losses, as well as any tax credits or other items of income, gain, loss or deduction that relate to Incentive Income, for each Fiscal Year or other period shall be allocated among the Partners in proportion to their respective Incentive Sharing Percentages with respect to such Incentive Income.

(ii) All Net Profits and Net Losses, as well as any tax credits or other items of income, gain, loss or deduction that do not relate to Incentive Income, for each Fiscal Year or other period shall be allocated among the Partners in accordance with their Percentage Interests.

(b) Notwithstanding anything in this Section 6.1 to the contrary, the General Partner may cause special allocations of (i) Incentive Profits and Incentive Losses, as well as any tax credits and other items of income, gain, loss or deduction that relate to Incentive Income, and (ii) Net Profits and Net Losses, as well as any tax credits or other items of income, gain, loss or deduction that do not relate to Incentive Income to be made, in each case, in such amounts and in such manner as the General Partner determines from time to time to be necessary, appropriate, advisable or convenient to effectuate the economic benefit intended to be conferred upon any Limited Partner, or any set or subset of Limited Partners, under the Interests held by such Limited Partner or Limited Partners.

1.2 Regulatory and Tax Allocations. Notwithstanding Section 6.1, items of income and gain shall be allocated to the Partners in a manner that complies with the "qualified income offset" requirement of Treasury Regulations Section 1.704-1(b)(2)(ii)(d)(3). To the extent permitted pursuant to Treasury Regulations Section 1.704-2, nonrecourse deductions (as defined in Treasury Regulations Section 1.704-2) of the Partnership shall be allocated to the Partners in proportion to their respective Percentage Interests. If there is a net decrease in the Partnership's partnership minimum gain or partner nonrecourse debt minimum gain (as defined in Treasury Regulations Section 1.704-2), then the Partners shall be allocated items of Partnership income and gain in a manner that complies with the "minimum gain chargeback" requirements of Treasury Regulations Section 1.704-2. The Partnership shall allocate any excess nonrecourse liabilities (as defined in Treasury Regulations Section 1.752-3(a)(3)) in any manner or manners permitted by Treasury Regulations Section 1.752-3(a)(3). Allocations of tax items

shall in all events be made in a manner that is consistent with Treasury Regulations Section 1.704-1(b) and Code Section 704(c). Notwithstanding anything in this Article VI to the contrary, the General Partner may make such allocations for purposes of maintaining Capital Accounts and for U.S. federal income tax purposes as it deems reasonably necessary to give economic effect to the provisions of this Agreement, taking into account such facts and circumstances as it deems reasonably necessary for these purposes.

1.3 Distributions. Subject to applicable law and the limitations contained in Section 6.4 and elsewhere in this Agreement, the Partnership shall from time to time distribute Available Cash, in each case, at such times and in such amounts as determined by the General Partner. If the Partnership decides to distribute property, the property shall be divided into separate interests to the extent practicable in accordance with the Partners' respective shares in the distribution thereof. If such property cannot practicably be so divided, then undivided interests therein shall be distributed to the Partners. During each Fiscal Year or other period, all distributions shall be made to the Partners entitled to such distributions pro rata in proportion to their Percentage Interests as of the respective record dates established by the General Partner for such distributions (with any distribution of property being taken into account at the amount described in Section 5.2(b)(ii)); provided that distributions relating to Incentive Income shall be made to those Partners who have an interest in such Incentive Income pro rata in proportion to such interests, as determined by the General Partner on a Fund-by-Fund basis.

1.4 Restriction on Distributions. Notwithstanding any provision of this Agreement to the contrary, no distribution to any Partner shall be made (a) if such distribution would violate the Act or other applicable law or (b) if, after giving effect to the distribution, (i) the Partnership would not be able to pay its debts as they become due in the usual course of business, (ii) such Partner's Capital Account would be negative by an amount greater than the amount such Partner would be required to restore pursuant to Section 6.5, or (iii) the Partnership's total assets would be less than the sum of its total liabilities plus, unless this Agreement provides otherwise, the amount that would be needed, if the Partnership were to be dissolved at the time of the distribution, to satisfy the preferential rights of other Partners, if any, upon dissolution that are superior to the rights of the Partner receiving the distribution. The General Partner may base a determination that a distribution is not prohibited pursuant to Section 6.4(b) on (x) financial statements prepared on the basis of accounting practices and principles that are reasonable under the circumstances, (y) a fair valuation or (z) any other method that is reasonable under the circumstances; provided that the determination under Section 6.4(b)(ii) whether a Partner's Capital Account will be negative shall be based on the Gross Asset Value of the Partnership's assets. Except as provided in Section 17-607(b) of the Act, the effect of a distribution is measured as of the date the distribution is authorized if the payment occurs within 120 calendar days after the date of authorization, or the date payment is made if it occurs more than 120 calendar days after the date of authorization.

1.5 Return of Advances and Distributions.

(a) Unless otherwise determined by the General Partner, all distributions made during a Fiscal Year shall be treated as advances to the Partners until it is determined by the Partnership's auditors that the amounts advanced to each Partner were properly computed pursuant to this Section 6.5 and that such distributions were permissible under this Article VI. If such determination determines that additional distributions are due to a Partner, then the Partnership shall make such additional distributions to such Partner without interest. If such determination determines that a Partner has received excess advances, then the General Partner shall provide such Partner with notice of such excess, and such Partner shall repay such excess to the Partnership, without interest, no later than the due date set forth in such notice (which due date shall be at least 30 calendar days after the date such notice is given). If a Partner fails to repay

such excess in full on or prior to the applicable due date, then the General Partner may impose upon such Partner an interest charge on the overdue portion of the excess, accruing beginning as of such due date and ending on the date such excess and all interest charges thereon have been repaid in full, at an interest rate determined by the General Partner. Such interest rate may be any interest rate permissible under applicable law. In addition, if the General Partner or the Partnership undertakes any legal action to enforce amounts owed by a Partner under this Section 6.5, such Partner shall be responsible for all fees and expenses incurred by the General Partner and the Partnership in such enforcement action, including the General Partner's and the Partnership's reasonable attorneys' fees and expenses. Any action by the General Partner with respect to any Partner in connection with this Section 6.5, including any election to extend or not extend any due date for such Partner to repay any excess advances, to impose or not impose an interest charge, or to charge any particular interest rate, shall not preclude the General Partner from acting differently with respect to any subsequent excess advance of such Partner or with respect to any other Partner. Except for distributions made in violation of the Act or this Agreement, and except as provided in this Section 6.5, no Partner shall be obligated to return any distribution to the Partnership or pay the amount of any distribution for the account of the Partnership or to any creditor of the Partnership.

(b) In the event any Oaktree Group Member is required to return to any Fund any Incentive Income (a "Clawback"), each Partner who received any distribution hereunder with respect thereto shall return to the Partnership promptly upon request by the General Partner, any distributions received by such Partner with respect thereto, and the Partnership shall be entitled to withhold future distributions to such Partner, equal to such Partner's pro rata share of such Clawback, as determined by the General Partner in good faith; provided that such Partner's liability for such Clawback shall not exceed the total amount of distributions that such Partner has received or is entitled to with respect to such Incentive Income. For the avoidance of doubt, each Partner's obligations under this Section 6.5(b) shall survive the withdrawal of such Partner from the Partnership.

(c) The General Partner may (but, for the avoidance of doubt, shall have no obligation to) adjust the distributions and allocations otherwise provided in this Agreement with respect to any Interests in such manner as the General Partner determines from time to time to be necessary, appropriate, advisable or convenient to offset any economic detriment to the Oaktree Group or to other Partners attributable to the pre-issuance ownership (if any) of the corresponding economic interests by other Persons ("Prior Holders"). By way of example only and without limiting the foregoing, the General Partner may reduce distributions with respect to Interests that the General Partner determines have been reallocated (which may include issuances of new Interests that the General Partner determines to correspond to Interests previously forfeited by a Prior Holder) if the General Partner determines that tax distributions or other amounts funded as an advance pursuant to Section 6.7 to such Prior Holder with respect to such reallocated interests cannot be fully offset by way of subsequent withholding from distributions otherwise to be made to such Prior Holder.

1.6 Allocations in Case of Adjustments in Percentage Interests. Except as provided for in this Section 6.6 and Section 6.1(b), Net Profits, Net Losses and similar items allocable to Partners whose Percentage Interests have changed during a Fiscal Year shall be allocated among such Partners either (a) ratably on a daily basis or (b) under any reasonable basis that is permitted under Code Section 706 and the underlying Treasury Regulations. Depreciation, amortization and similar items, under either method of allocation, shall accrue ratably on a daily basis over the entire period during which the corresponding asset is owned by the Partnership for the entire Fiscal Year, and over the portion of a Fiscal Year after such asset is placed in service by the Partnership if such asset is placed in service during the Fiscal Year.

1.7 Tax Distributions. If any Partner's Annual Partnership Tax Liability exceeds the aggregate amounts distributed to such Partner with respect to a Fiscal Year pursuant to Section 6.3 and this Section 6.7, the General Partner may (but, for the avoidance of doubt, shall have no obligation to) cause the Partnership to distribute amounts in accordance with this Section 6.7 to such Partner until such Partner has received an aggregate amount under Section 6.3 and this Section 6.7 for such Fiscal Year equal to such Partner's Annual Partnership Tax Liability (or such lesser amount determined by the General Partner). For purposes of Section 6.3, the General Partner, in its reasonable discretion, shall determine what portion (if any) of a distribution pursuant to this Section 6.7 to treat as a distribution of Incentive Income. Any amount distributed to a Partner pursuant to this Section 6.7 shall be treated as an advance against amounts distributable to such Partner pursuant to Section 6.3.

1.8 Return of Certain Capital Contributions. Except as otherwise determined by the General Partner, if a Limited Partner makes a Subscription Contribution, then the General Partner shall, promptly after the General Partner believes it is able to make the determination contemplated by this sentence with reasonable certainty, but no later than the final liquidation of the Associated Fund to which such Subscription Contribution relates, determine the extent (if any) to which the aggregate net distributions received (or to be received) by the Partnership (other than distributions of Incentive Income) that are derived from such Associated Fund exceeds (or would exceed) the amount equal to (x) the aggregate capital directly or indirectly invested by the Partnership in such Associated Fund net of (y) the aggregate Subscription Contributions made by Limited Partners in respect of such Associated Fund (taking into account any distributions that the General Partner believes are reasonably certain to be returned or contributed to such Associated Fund pursuant to any clawback or other obligation). In the event of any such excess, the Partnership shall distribute to such Limited Partner an amount equal to the lesser of (a) such Subscription Contribution or (b) such Limited Partner's pro rata share (as determined in good faith by the General Partner taking into account the aggregate Subscription Contributions made by Limited Partners in respect of such Associated Fund) of such excess. For the avoidance of doubt, the aggregate distributions receivable by any Limited Partner pursuant to this Section 6.8 shall not exceed such Limited Partner's aggregate Subscription Contributions in respect of the Associated Fund from which such distributions are derived. Except as provided in this Section 6.8 or otherwise determined by the General Partner, no Limited Partner shall be entitled to any return of, or other distributions with respect to, such Limited Partner's Subscription Contributions.

1.9 Withholding. The Partnership is authorized to withhold from distributions to a Partner, or with respect to allocations to a Partner, and to pay over to any Governmental Authority, any amounts required to be withheld pursuant to the Code or any provisions of any other U.S. federal, state, local or foreign law. In addition, the Partnership is authorized to withhold from distributions to a Partner, or with respect to a Partner, and to pay over to any Oaktree Group Member, any amounts owed by such Partner to such Oaktree Group Member. Any amounts withheld pursuant to this Section 6.9 shall be treated as distributed to such Partner pursuant to this Article VI for all purposes of this Agreement, and, if withheld from amounts allocated but not distributed, shall be offset against the next amounts otherwise distributable to such Partner.

1.10 Acknowledgment. Each Limited Partner acknowledges that such Limited Partner is aware of the income tax consequences of the allocations made by this Article VI and agrees to be bound by the provisions of this Article VI in reporting such Limited Partner's shares of Net Profits, Net Losses, and other items of income, gain, loss, deduction, and credit for U.S. federal, state and local income tax purposes and any applicable foreign tax purposes.

1.11 Partnership Classification for Tax Purposes. Each Partner recognizes, agrees and intends that, for U.S. federal and state income tax purposes, the Partnership shall be

classified as a partnership. The General Partner shall not permit the Partnership to elect, and the Partnership shall not elect, to be treated as an association taxable as a corporation for U.S. federal, state or local income tax purposes under Treasury Regulations Section 301.7701-3(a) or under any corresponding provision of state or local law.

1.12 Tax Matters. The General Partner and the Limited Partners shall take all necessary steps, including amending the Certificate and this Agreement, to cause the Partnership to be classified as a partnership for U.S. federal and California state tax purposes. A former Partner shall be treated as a partner for U.S. federal and California state tax purposes with respect to only his receipt of distributions pursuant to Sections 6.3 and 10.2 and allocations corresponding thereto. The Partnership shall determine whether any non-Partner transferee of the right to receive any payments from the Partnership shall be treated as a partner for U.S. federal and California tax purposes. The General Partner shall from time to time cause the Partnership to make such tax elections as it determines to be in the best interests of the Partnership and the Limited Partners; provided that each Limited Partner acknowledges that an election pursuant to Code Section 754 has been made by the Partnership. With respect to periods prior to January 1, 2018, the "tax matters partner" of the Partnership, within the meaning of Code Section 6231 (the "Tax Matters Partner"), shall represent the Partnership (at the Partnership's expense) in connection with all examinations of the Partnership's affairs by tax authorities, including resulting judicial and administrative proceedings, and shall expend the Partnership funds for professional services and costs associated therewith. With respect to periods from and after January 1, 2018, the "partnership representative" of the Partnership, within the meaning of Code Section 6223 (the "Partnership Representative") shall represent the Partnership (at the Partnership's expense) in connection with all examinations of the Partnership's affairs by tax authorities, including resulting judicial and administrative proceedings, and shall expend the Partnership funds for professional services and costs associated therewith. The Tax Matters Partner and the Partnership Representative, as applicable, shall oversee the Partnership tax affairs in the overall best interests of the Partnership. The General Partner is hereby designated as the initial Tax Matters Partner and the initial Partnership Representative; provided that the General Partner may designate another Partner (with such Partner's consent) to be the Tax Matters Partner or the Partnership Representative.

1.13 No Representations as to Tax Treatment. Neither the Partnership, nor the General Partner, nor any other Oaktree Group Member makes any representation (and shall not be liable to any Limited Partner) as to the tax treatment of allocations or distributions with respect to any Interests under applicable U.S. federal, state or local or foreign tax laws.

Article VII

Books and Records; Reports to Partners

1.1 Books and Records. The books and records of the Partnership shall be kept, and the financial position and the results of its operations recorded, in accordance with the accounting methods followed for U.S. federal income tax purposes. The books and records of the Partnership shall reflect all the Partnership transactions and shall be appropriate and adequate for the Partnership's business. The Partnership shall maintain at its principal office all of the following:

(a) a current list of the full name and last known business or residence address of each Partner, and such Partner's Percentage Interest and Incentive Sharing Percentages (such list, the "Register"), along with other information required by this Agreement to be maintained on the Register;

(b) a copy of the Certificate and any and all amendments thereto together with executed copies of any powers of attorney pursuant to which the Certificate or any amendments thereto have been executed; and

(c) such other books and records as the Partnership is required by applicable law to maintain or as the General Partner determines to be necessary, appropriate, advisable or convenient.

The books and records of the Partnership shall be maintained in such form as the General Partner determines to be appropriate, including in physical or electronic form and one or more spreadsheets, ledgers, tables or schedules, all of which, when taken together, shall constitute the books and records of the Partnership. For the avoidance of doubt, the Register shall be part of the books and records of the Partnership.

1.2 Access to and Confidentiality of Information and Records.

(a) Subject to Section 7.2(b), each Limited Partner shall have the right to obtain from the General Partner during regular business hours upon reasonable demand, at such Limited Partner's expense and for any purpose reasonably related to such Limited Partner's interest as a Limited Partner, the information described in subparagraphs (1) through (6) of Section 17-305(a) of the Act; provided that the General Partner may elect to not provide Percentage Interests, Incentive Sharing Percentages, the amount of Interests held by one or more Limited Partners or any other similar ownership information.

(b) The General Partner shall have the right to keep confidential from each Limited Partner for such period of time as the General Partner deems reasonable, any information which the General Partner reasonably believes to be in the nature of trade secrets or other information, the disclosure of which the General Partner believes in good faith is not in the best interest of the Partnership or could damage the Partnership or its business or which the Partnership is required by law or by agreement with a third party to keep confidential.

1.3 Bank Accounts. The Partnership shall maintain its funds in one or more separate bank accounts in the name of the Partnership, and shall not permit the funds of the Partnership to be commingled in any fashion with the funds of any other Person.

1.4 Sharing of Personal Data. Each Limited Partner understands and acknowledges that the Partnership and the other Oaktree Group Members collect, hold and process certain personal data (as defined by data protection law) about each Limited Partner, including, name, home address, email address, telephone number, date of birth, social security and social insurance number (to the extent permitted under applicable law) or other identification numbers, compensation, tax reporting information (e.g., IRS Schedule K-1s) and information relating to equity and carried interest awards from an Oaktree Group Member. This may also include from time to time certain special category data (as defined by data protection law) about each Limited Partner such as AML/KYC information (collectively, "Data"). Each Limited Partner understands and acknowledges that its Data is processed to, among other things, permit an Oaktree Group Member to perform and adhere to contractual, legal or other obligations such Oaktree Group Member may have to Brookfield and its Affiliates. Each Limited Partner understands and acknowledges that (a) certain Data may be transferred to Brookfield and its Affiliates to enable such performance and adherence, (b) the recipients of Data may be located in the United States or elsewhere, and a recipient's country may have different data protection laws than the country of a Limited Partner's residence, and (c) the Data will be held only as long as is necessary to carry out and effectuate such performance and adherence, and (d) a Limited Partner

may, subject to data protection law, at any time, view or access his or her Data (each a "Request") that is being shared, request information about the storage and processing of the Data or make any necessary amendments to the Data by contacting an Oaktree Group Member or Brookfield, which will process such Request in accordance with data protection law. Each Limited Partner is entitled to report to the data protection authorities in the country of its residence or work if it believes any breach of data protection law has occurred. For a Limited Partner that resides in the European Union or who is a partner of a European Union-incorporated Oaktree Group entity, such Limited Partner further (x) acknowledges that the processing and sharing of such Limited Partner's Data (other than special category data) is required on the grounds of contractual necessity and (y) acknowledges that the processing and sharing of such Limited Partner's special category data will be based on grounds such as explicit consent or substantial public interests.

Article VIII

Limitations on Liability; Indemnification

1.1 Limitations on Liability.

(a) Notwithstanding any provision of this Agreement to the contrary, to the fullest extent permitted by applicable law, no General Partner Related Person shall be liable to the Partnership or any Limited Partner for:

(i) without limiting Sections 8.1(a)(ii) and 8.1(a)(iii), any act or omission, or any alleged act or omission, including any actual or alleged mistake of fact or judgment, by such General Partner Related Person in connection with the Oaktree Group, including with respect to activities by such General Partner Related Person taken on behalf of any Oaktree Group Member in furtherance of the business of the Oaktree Group (including the business of the Partnership), or otherwise relating to or arising out of this Agreement, in each case, unless such act or omission, or alleged act or omission, is determined by a court of competent jurisdiction, in a final nonappealable judgment, or by an arbitrator of competent jurisdiction appointed pursuant to Section 11.1, to constitute Disabling Conduct on the part of such General Partner Related Person;

(ii) without limiting Sections 8.1(a)(i) and 8.1(a)(iii), any action or omission, or alleged act or omission, including any actual or alleged mistake of fact or judgment, by any Partner (other than, in the case such General Partner Related Person is itself also a Limited Partner, such General Partner Related Person's own acts and omissions in its capacity as a Limited Partner), regardless of whether such act or omission, or alleged act or omission, constitutes Disabling Conduct; or

(iii) without limiting Sections 8.1(a)(i) and 8.1(a)(ii), any act or omission, or alleged act or omission, including any actual or alleged mistake of fact or judgment, of any employee, broker or other agent or representative of any Oaktree Group Member (other than, in the case such General Partner Related Person is itself such an employee, broker, agent or representative, such General Partner Related Person's own acts and omissions), regardless of whether

such act or omission, or alleged act or omission, constitutes Disabling Conduct.

Notwithstanding any provision of this Agreement to the contrary, to the extent that, at law or in equity, any General Partner Related Person has duties (including fiduciary duties) and liabilities relating to the Partnership or to any Limited Partner, no General Partner Related Person acting under this Agreement shall be liable to the Partnership or such Limited Partner for such General Partner Related Person's good faith reliance on the provisions of this Agreement, and the activities of any General Partner Related Person expressly authorized by this Article VIII or any other provision of this Agreement may be engaged in by such General Partner Related Person and shall not, in any case or in the aggregate, be deemed a breach of this Agreement or any duty that might be owed by any such Person to the Partnership or to any Limited Partner. Notwithstanding any provision of this Agreement to the contrary, to the fullest extent permitted by applicable law, the provisions of this Agreement, to the extent that they modify, restrict or eliminate the duties (including fiduciary duties) and liabilities of any General Partner Related Person otherwise existing at law or in equity, are agreed by the parties hereto to replace such other duties and liabilities of such Person.

(b) Without limiting Section 8.1(a), to the fullest extent permitted by applicable law, no General Partner Related Person shall have any personal liability to the Partnership or any Limited Partner solely by reason of any change in U.S. federal, state or local or foreign income tax laws, or in interpretations thereof, as they apply to the Partnership or the Limited Partners, regardless of whether the change occurs through legislative, judicial or administrative action.

(c) Without limiting Section 8.1(a), to the fullest extent permitted by applicable law, no General Partner Related Person shall be liable to the Partnership or any Limited Partner for any action or inaction in reliance on the advice or an opinion of counsel reasonably selected by such General Partner Related Person with respect to legal matters.

(d) Without limiting Section 8.1(a), to the fullest extent permitted by applicable law, (i) no General Partner Related Person shall be liable to the Partnership or any Limited Partner for acting in reliance on any signature or writing believed in good faith by such General Partner Related Person to be genuine, and (ii) each General Partner Related Person may rely on a certificate signed by an officer of any Person in order to ascertain any fact with respect to such Person or within such Person's knowledge.

(e) Without limiting Section 8.1(a), each General Partner Related Person may consult with appraisers, engineers, contractors, accountants and other skilled Persons of such General Partner Related Person's choosing, on behalf of the Partnership or in furtherance of the business of the Partnership and, to the fullest extent permitted by applicable law, shall not be liable to the Partnership or any Limited Partner for (i) anything done, suffered or omitted in good faith reliance upon the advice of any of such skilled Person, or (ii) any act or omission, including any mistake of fact or judgment, of any skilled Person.

The provisions of this Section 8.1 are intended and shall be interpreted as only limiting the liability of a General Partner Related Person and not as in any way expanding such Person's liability.

1.2 Indemnification by the Partnership.

(a) The Partnership shall, to the fullest extent permitted by applicable law, indemnify, defend and hold harmless each General Partner Related Person from and against any loss, cost or expense suffered or sustained by it, him or her by reason of any acts, omissions or alleged acts or omissions arising out of or in connection with the Partnership, or this Agreement, including any judgment, award, settlement, reasonable attorneys' fees and other costs or expenses incurred in connection with the defense of any actual or threatened action, proceeding, or claim, in each case, unless such act or omission, or alleged act or omission, is determined by a court of competent jurisdiction, in a final nonappealable judgment, or by an arbitrator of competent jurisdiction appointed pursuant to Section 11.1, to constitute Disabling Conduct on the part of such General Partner Related Person. The termination of any action, proceeding or claim by settlement shall not, of itself, create a presumption that such acts, omissions or alleged acts or omissions were made in bad faith or constituted Disabling Conduct on the part of any General Partner Related Person.

(b) Expenses (including reasonable attorney's fees) incurred by a General Partner Related Person in defense of any actual or threatened action, proceeding, or claim that may be subject to a right of indemnification hereunder may, as determined by the General Partner, be advanced by the Partnership prior to the final disposition thereof upon receipt of a written undertaking by or on behalf of such General Partner Related Person to repay the amount advanced to the extent that it is determined by a court of competent jurisdiction that such General Partner Related Person is not entitled to be indemnified hereunder.

(c) The right of any General Partner Related Person to the indemnification provided herein shall be cumulative of, and in addition to, any and all rights to which such General Partner Related Person may otherwise be entitled by contract or as a matter of law or equity and shall be extended to such General Partner Related Person's successors, assigns and legal representatives. Any judgments against the Partnership and the General Partner in respect of which any General Partner Related Person is entitled to indemnification shall first be satisfied from the Partnership property before the General Partner shall be responsible therefor.

(d) Notwithstanding any provision of this Agreement to the contrary, the provisions of this Section 8.2 shall not be construed so as to provide for the indemnification of any General Partner Related Person for any liability (including liability under U.S. federal securities laws which, under certain circumstances, impose liability even on persons that act in good faith), to the extent (but only to the extent) that such indemnification would be in violation of applicable law, but shall be construed so as to effectuate the provisions of this Section 8.2 to the fullest extent permitted by applicable law.

Article IX

Certain Covenants

1.1 Certain Acknowledgments. Each Partner (the "Acknowledging Partner") hereby acknowledges and agrees that:

(a) the business of the Partnership and the Oaktree Group is of a special, unique, unusual, extraordinary and specialized character;

(b) each Partner has contributed valuable consideration to the Partnership or its predecessor in exchange for such Partner's Interests;

(c) any damage to the business and goodwill of the Partnership would diminish the value of each Partner's interest in the Partnership (including the value of the Acknowledging Partner's Interests);

(d) the Partnership and the Oaktree Group possess and will continue to possess information that has been created, discovered or developed by, or otherwise become known to them (including information created, discovered or developed by, or made known to, Partners who have provided services to the Oaktree Group), which information has commercial value in the business in which the Oaktree Group is engaged and is treated by the Partnership and Oaktree Group as Confidential Information, as a trade secret, as Intellectual Property or as proprietary information;

(e) the Protective Provisions are (i) in anticipation of, (ii) reasonable in all respects, and (iii) necessary to protect the goodwill, business, confidential information, trade secrets, intellectual property or any other proprietary information of the Partnership, the Oaktree Group and the Funds, as well as to protect the value of each Partner's interest in the Partnership, in each case, from the irreparable damage that could be caused to each of them by a Partner upon or after such Partner's disassociation from the Partnership;

(f) the Acknowledging Partner desires to further the long-term success of the Partnership, the Oaktree Group and the Funds, including because such success is expected to enhance the value of the Acknowledging Partner's own Interests;

(g) it is in the Acknowledging Partner's own best interests, including to protect the value of such Acknowledging Partner's interest in the Partnership and to further the long-term success of the Partnership, the Oaktree Group and the Funds, for all of the Partners to agree to be bound by the Protective Provisions; and

(h) no Partner is required to become a party to this Agreement, acquire an interest in the Partnership or make an investment in the Partnership.

1.2 Commitment. Each Partner hereby agrees that for so long as such Partner provides services to an Oaktree Group Member, such Partner shall devote substantially all of such Partner's business time, skill, energy and attention to such Partner's responsibilities with respect to the business of such Oaktree Group Member in a diligent manner.

1.3 Confidential Information, Intellectual Property and Proprietary Information.

(a) Each Partner hereby agrees that such Partner shall not, without the prior express written consent of the General Partner, (i) use for the benefit of such Partner, use to the detriment of any Oaktree Group Member or Fund, or disclose, at any time (including while providing services to the Oaktree Group), in each case, unless and to the extent required by law or as required in the performance of such Partner's services to an Oaktree Group Member, any Confidential Information, or (ii) remove or retain, upon such Partner ceasing to provide services to the Oaktree Group for any reason, any document, paper, electronic file or other storage medium containing or relating to any Confidential Information, any Intellectual Property or any physical property of any Oaktree Group Member.

(b) Each Partner hereby agrees to deliver to the Oaktree Group on the date such Partner ceases to provide services to the Oaktree Group for any reason, or promptly at any other time that any Oaktree Group Member may request, all memoranda, notes, plans, records, reports, computer tapes, printouts and software and other documents and

data (and copies thereof) within such Partner's possession or control that contain any Confidential Information or any Intellectual Property.

(c) Each Partner hereby agrees that any and all Intellectual Property is and shall be the exclusive property of the Oaktree Group for the Oaktree Group's sole use. In addition, each Partner hereby acknowledges and agrees that the investment performance of the funds and accounts managed by any Oaktree Group Member is attributable to the efforts of the team of professionals of the Oaktree Group and not to the efforts of any single individual, and that, therefore, the performance records of the funds and accounts managed by any Oaktree Group Member are and shall be the exclusive property of the Oaktree Group. Each Partner hereby agrees that such Partner, whether during or after such Partner's provision of services to any Oaktree Group Member, shall not use or disclose any Intellectual Property, including the performance records of the funds and accounts managed by any Oaktree Group Member without the prior written consent of the General Partner, except in the ordinary course of such Partner's services to an Oaktree Group Member.

(d) Without limiting the generality of the foregoing, any trade secrets of the Oaktree Group shall be entitled to all of the protections and benefits under applicable law. Each Partner hereby acknowledges that (i) such Partner may have had, and may have in the future, access to information that constitutes trade secrets but that has not been, and shall not be, marked to indicate its status as such and (ii) this Agreement constitutes reasonable efforts under the circumstances by the Partnership to notify such Partner of the existence of such trade secrets and to maintain the confidentiality of such trade secrets within the provisions of the Uniform Trade Secrets Act or other applicable law. Each Partner further acknowledges that (A) an individual will not be held criminally or civilly liable under any U.S. federal or state trade secret law for the disclosure of a trade secret that is made (1) in confidence to a U.S. federal, state or local government official or to an attorney solely for the purpose of reporting or investigating a suspected violation of law or (2) in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal, and (B) an individual who files a lawsuit for retaliation by an employer for reporting a suspected violation of law may disclose the trade secret to the attorney of the individual and use the trade secret information in the court proceeding, if the individual files any document containing the trade secret under seal and does not disclose the trade secret, except pursuant to court order. No Partner is required to obtain the prior authorization of (or to give notice to) the Oaktree Group regarding any communication or disclosure described in the preceding sentence; provided that a Partner may not disclose pursuant to the preceding sentence any information covered by the attorney-client privilege of any Oaktree Group Member or any attorney work product of any Oaktree Group Member without the prior written consent of the Oaktree Group's General Counsel.

(e) If a Partner's services to the Oaktree Group are governed by the laws of the State of California, then in accordance with Section 2870 of the California Labor Code such Partner's obligation to assign his or her right, title and interest throughout the world in and to all Intellectual Property does not apply to any works of authorship, inventions, intellectual property, materials, documents or other work product (including, without limitation, research, reports, software, databases, systems, applications, presentations, textual works, content or audiovisual materials) that such Partner developed entirely on his or her own time without using the Oaktree Group's equipment, supplies, facilities or Confidential Information (and any such works shall not be deemed "Intellectual Property" hereunder), except for the Intellectual Property that either (i) relates to the business of the Oaktree Group at the time of conception or reduction to practice of the Intellectual Property, or actual or demonstrably anticipated research or

development of the Oaktree Group, or (ii) results from any work performed by such Partner for the Oaktree Group.

(f) Nothing in this Agreement shall prohibit or restrict a Partner from (i) participating, testifying or assisting in any investigation, hearing or other proceeding before the Equal Employment Opportunity Commission, the National Labor Relations Board or any similar agency enforcing U.S. federal, state or local anti-discrimination or anti-harassment laws or (ii) (A) reporting possible violations of U.S. federal laws or regulations, including any possible securities laws violations, to any governmental agency or entity, including but not limited to the U.S. Department of Justice, the U.S. Securities and Exchange Commission, the United States Congress or any agency inspector general, (B) making any other disclosures that are protected under the whistleblower provisions of U.S. federal laws or regulations or (C) otherwise fully participating in any U.S. federal whistleblower programs, including any such programs managed by the Securities and Exchange Commission. Without limiting the foregoing, a Partner may testify truthfully in response to a subpoena or other legal process regarding any matter concerning such Partner's relationship with any Oaktree Group Member; provided that the Partner notifies the Oaktree Group's General Counsel within a reasonable time after receiving such a subpoena or other legal process (to the extent such notice is permitted by applicable law) so that the Oaktree Group may take appropriate steps to protect its interests.

(g) Each Partner hereby acknowledges and agrees that a remedy at law for any breach or threatened breach of the provisions of this Article IX would be inadequate, and, therefore, each Partner agrees that the Partnership shall be entitled to injunctive relief, in addition to any other available rights and remedies in case of any such breach or threatened breach; provided that nothing contained herein shall be construed as prohibiting the Partnership from pursuing any other rights and remedies available for any such breach or threatened breach.

1.4 Interference. Each Partner hereby agrees that for so long as such Partner provides services to an Oaktree Group Member, and for two years after such Partner ceases to provide such services for any reason, such Partner shall not directly or indirectly (a) solicit any customer or client of the Oaktree Group for a Competitive Business, provided that the foregoing clause (a) shall not be deemed to prohibit such Partner from participating in the normal marketing efforts of a Competitive Business, so long as such Partner does not solicit any client or customer known to such Partner as a result of his or her provision of services to an Oaktree Group Member to be a client or customer of the Oaktree Group, other than clients or customers of the Oaktree Group that, as of the date such Partner ceases to provide services to an Oaktree Group Member, are bona fide pre-existing clients or customers of such Competitive Business, (b) induce or attempt to induce any employee of the Oaktree Group to leave the Oaktree Group or in any way interfere with the relationship between the Oaktree Group and any employee thereof, or (c) hire, engage, employ, retain or otherwise enter into any business affiliation with any person who was an employee of the Oaktree Group at any time during the twelve-month period prior to the date such Partner ceases to provide services to the Oaktree Group.

1.5 Disparagement. Each Partner hereby agrees that such Partner shall not make any statements, encourage others to make statements or release information that disparages, discredits or defames any Oaktree Group Member or engage in any activity that would have the effect of disparaging, discrediting or defaming any Oaktree Group Member (including, for the avoidance of doubt, through the disparagement, discrediting or defamation of any Fund). Notwithstanding the foregoing, nothing in this Agreement shall prohibit any Partner from making truthful statements when required by law, from making any communication or

disclosure to the extent provided in Section 9.3(d) or Section 9.3(f) or from making any other statement or disclosure protected by applicable law.

Article X

Dissolution and Termination of the Partnership

1.1 Dissolution. The Partnership may be dissolved, liquidated and terminated, and have its affairs wound up, only pursuant to the provisions of this Article X, and the Partners do hereby irrevocably waive, to the fullest extent permitted by applicable law, any and all other rights they may have to cause a dissolution of the Partnership or a sale or partition of any Partnership property. The Partnership shall dissolve upon the earliest of (each a "Dissolution Event"):

(a) the entry of a decree of judicial dissolution pursuant to Section 17-802 of the Act;

(b) the sale of all or substantially of the assets of the Partnership;

(c) at any time there are no Limited Partners, unless the Partnership is continued pursuant to the Act; and

(d) any election by the General Partner to dissolve the Partnership.

The dissolution of the Partnership shall be effective on the day on which the Dissolution Event occurs, but the Partnership shall not terminate until it has been wound up, its assets have been distributed as provided in Section 10.2 and a certificate of cancellation of the Certificate has been filed with the Secretary of State in accordance with the Act. Notwithstanding the dissolution of the Partnership, prior to the termination of the Partnership, the business of the Partnership and the affairs of the Partners, as such, shall continue to be governed by this Agreement.

1.2 Liquidating Distributions. Upon dissolution of the Partnership, the Partnership shall be wound up and its assets shall be liquidated. The General Partner or any other Person designated pursuant to Section 10.4 to serve as the liquidator of the Partnership shall cause to be made distributions out of Partnership property (including cash proceeds from the liquidation of Partnership property) in the following manner and order:

(a) first, to the satisfaction of all of the Partnership's debts and other liabilities to creditors (including Partners who are creditors) in the order of priority provided by applicable law or otherwise, including by establishing reserves that the General Partner or such other Person who is winding up the affairs of the Partnership deems necessary, appropriate, advisable or convenient for any contingent, conditional or unmatured liabilities or obligations of the Partnership; provided that, if and when a contingency for which such a reserve has been established shall cease to exist, the monies, if any, then in such reserve shall be distributed as provided in Section 10.2(b) (except to the extent used to satisfy the Partnership's debts and liabilities or to fund other reserves pursuant to this Section 10.2(a)); and

(b) thereafter, upon receipt of such releases, indemnities and refunding agreements as the General Partner or such other Person who is winding up the affairs of the Partnership deems necessary, appropriate, advisable or convenient for its protection, distribute the remaining Partnership property, and subject to Article VI, to the Partners, pro rata in proportion to their Percentage Interests (with any distribution of property being taken into account at the amount described in Section 5.2(b)(ii)); provided that

distributions related to Incentive Income shall be made to those Partners who have an interest in such Incentive Income pro rata in proportion to such interests, as determined by the General Partner on a Fund-by- Fund basis.

Notwithstanding the foregoing, in the event that the General Partner determines that an immediate sale of all or any portion of Partnership property would cause undue loss to the Partners, the General Partner, in order to avoid such loss, and to the extent not then prohibited by the Act, may defer liquidation of and withhold from distribution for a reasonable time any Partnership property except as necessary to satisfy the Partnership's debts and other liabilities to creditors.

1.3 Termination. Upon completion of the dissolution, liquidation and winding up of the Partnership, the General Partner or any other Person who is winding up the affairs of the Partnership shall execute, acknowledge and file such certificates, instruments and other documents as may be necessary or appropriate to terminate the legal existence of the Partnership under the Act, including by executing, acknowledging and causing to be filed a certificate of cancellation of the Certificate with the Secretary of State.

1.4 Liquidator. The General Partner or a Person designated by the General Partner shall serve as the liquidator of the Partnership. The reasonable fees, costs and expenses of any liquidator for the Partnership shall be considered to be a Partnership expense and be paid from Partnership property prior to any final liquidating distribution to the Partners.

1.5 Restoration of Deficit Capital Account Balances. If any Partner has a deficit balance in such Partner's Capital Account (after giving effect to all contributions, distributions, and allocations for all Fiscal Years, including the year during which the liquidation occurs), then such Partner shall have no obligation to make any Capital Contribution with respect to such deficit, and such deficit shall not be considered a debt owed to the Partnership or to any other Person for any purpose whatsoever.

1.6 Limitations on Dissolution. Nothing in this Article X is intended to limit the survival of provisions of this Agreement that expressly survive the dissolution and termination of the Partnership. The Partnership may be dissolved, liquidated and terminated, and have its affairs wound up, only pursuant to the provisions of this Article X. Any dissolution of the Partnership other than as provided in this Article X shall be a dissolution in contravention of this Agreement.

Article XI

Miscellaneous

1.1 Arbitration of Disputes.

(a) Any and all disputes, claims or controversies arising out of or relating to this Agreement, including any and all disputes, claims or controversies arising out of or relating to (i) the Partnership, (ii) any Partner's rights and obligations hereunder, (iii) the validity or scope of any provision of this Agreement, (iv) whether a particular dispute, claim or controversy is subject to arbitration under this Section 11.1, and (v) the power and authority of any arbitrator selected hereunder, that are not resolved by mutual agreement shall be submitted to final and binding arbitration before Judicial Arbitration and Mediation Services, Inc. ("JAMS") pursuant to the Federal Arbitration Act, 9 U.S.C. Section 1 et seq. Either the Partnership or the disputing Partner may commence the arbitration process by filing a written demand for arbitration with JAMS and delivering a copy of such demand to the other party or parties to the arbitration in accordance with the

notice procedures set forth in Section 11.6. Unless prohibited by applicable law, the arbitration shall take place in Wilmington, Delaware. The arbitration shall be conducted in accordance with the provisions of JAMS Streamlined Arbitration Rules and Procedures in effect at the time of filing of the demand for arbitration. The parties to the arbitration shall cooperate with JAMS and each other in selecting an arbitrator from JAMS' panel of neutrals and in scheduling the arbitration proceedings. The arbitrator selected shall be neutral and a former Delaware chancery court judge or, if such judge is not available, a former U.S. federal judge with experience in adjudicating matters under the law of the State of Delaware; provided that if no such person is both willing and able to undertake such a role, the parties to the arbitration shall cooperate with each other and JAMS in good faith to select such other person as may be available from a JAMS' panel of neutrals with experience in adjudicating matters under the law of the State of Delaware. The parties to the arbitration shall participate in the arbitration in good faith. The Partnership shall pay those costs, if any, of arbitration that it must pay to cause this Section 11.1 to be enforceable, and all other costs of arbitration shall be shared equally between the parties to the arbitration.

(b) No party to the arbitration shall be entitled to undertake discovery in the arbitration; provided that, if discovery is required by applicable law, discovery shall not exceed (i) one witness deposition plus the depositions of any expert designated by the other party or parties, (ii) two interrogatories, (iii) ten document requests (limited to documents that are directly relevant to significant issues in the case or to the case's outcome), and (iv) ten requests for admissions; provided further that additional discovery may be permitted to the extent such additional discovery is required by applicable law for this Section 11.1 to be enforceable or as permitted by the JAMS Streamlined Arbitration Rules and Procedures. To the fullest extent permitted by applicable law, the arbitrator shall have no power to modify any of the provisions of this Agreement, to make an award or impose a remedy that, in each case, is not available to the Delaware chancery court or to make an award or impose a remedy that was not requested by a party to the dispute, and the jurisdiction of the arbitrator is limited accordingly. To the extent permitted by applicable law, the arbitrator shall have the power to order injunctive relief, and shall expeditiously act on any petition for such relief.

(c) The provisions of this Section 11.1 may be enforced by any court of competent jurisdiction, and, to the extent permitted by applicable law, the party seeking enforcement shall be entitled to an award of all costs, fees and expenses incurred in enforcing this Section 11.1, including attorneys' fees, to be paid by the party against whom enforcement is ordered. Notwithstanding any provision of this Agreement to the contrary, any party to an arbitration pursuant to this Section 11.1 shall be entitled to seek a restraining order or injunction in any court of competent jurisdiction to prevent any violation of the provisions of this Agreement pending a final determination on the merits by the arbitrator, and each party hereby consents that such a restraining order or injunction may be granted without the necessity of posting any bond.

(d) To the fullest extent permitted by applicable law, the details of any arbitration pursuant to this Section 11.1, including the existence or outcome of such arbitration and any information obtained in connection with any such arbitration, shall be kept strictly confidential and shall not be disclosed or discussed with any person not a party to the arbitration; provided that such party may make such disclosures as are required by applicable law or legal process or are permitted by Section 9.3(d) or 9.3(f); provided further that such party may make such disclosures to such party's attorneys, accountants or other agents and representatives who reasonably need to know the disclosed information in connection with any arbitration pursuant to this Section 11.1 and who are obligated to keep such information confidential to the same extent as such party;

and provided further that such party may disclose information that is otherwise required to be kept confidential as may be necessary in connection with a court application for a preliminary remedy, a judicial challenge to an arbitrator's award or the enforcement or confirmation of an arbitrator's award, in each instance filing in the public record as little confidential information as reasonably necessary under the circumstances. If a party to an arbitration receives a subpoena or other request for information from a third party that seeks disclosure of any information that is required to be kept confidential pursuant to the prior sentence, or otherwise believes that such party may be required to disclose any such information, such party shall (i) promptly notify the other party to the arbitration and (ii) reasonably cooperate with such other party in taking any legal or otherwise appropriate actions, including the seeking of a protective order, to prevent the disclosure, or otherwise protect the confidentiality, of such information.

(e) For the avoidance of doubt, (i) any arbitration pursuant to this Section 11.1 shall not include any dispute, claim or controversy that involves an employee's statutory employment rights or other public policy rights or that otherwise does not arise out of or relate to this Agreement, and (ii) any arbitration pursuant to this Section 11.1 of disputes, claims or controversies arising out of or relating to this Agreement is intended to be separate and distinct from any arbitration or other adjudication of disputes, claims or controversies between Partners, a Partner and the Partnership, or a Partner and an Oaktree Group Member, that do not arise out of or relate to this Agreement.

1.2 Married Persons. If a married couple owns an interest in the Partnership as quasi-community or community property under the laws of any state, regardless of which of the spouses is named as a Partner in the Register, and in the event of a division of such community property between the spouses pursuant to a decree of divorce or dissolution, property settlement agreement or otherwise, such division shall be deemed to be a Permitted Transfer. Upon any such division, any spouse or other Person who is not the named Partner in the Register shall be entitled only to payments provided in any such decree of divorce or dissolution, property settlement or otherwise, and nothing in this Section 11.2 or any other part of this Agreement shall be construed at any time as permitting any spouse or Person who is not the named Partner in the Register to have any of a Partner's rights to act under this Agreement or to participate as a partner of the Partnership. A spouse or any other Person who is entitled to any such payments from the Partnership may not Transfer the right to receive any of such payments without the consent of the General Partner. The Partnership may purchase all or part of any such right to receive payments if authorized to do so by the General Partner.

1.3 Entire Agreement. Except as otherwise expressly set forth herein, this Agreement (including the Supplemental Schedule and the Series Designations) constitutes the entire agreement among the Partners with respect to the subject matter hereof, and supersedes any prior agreement or understanding among them with respect to such matter. Notwithstanding any provision of this Agreement to the contrary, it is hereby acknowledged and agreed that the General Partner may, on its own behalf or on behalf of the Partnership, and without the approval of any Limited Partner or any other Person, (a) enter into any side letter or similar agreement with any Limited Partner that has the effect of establishing rights under, or altering or supplementing the terms of, this Agreement with respect to such Limited Partner (each a "Side Letter") and (b) perform and cause the Partnership to perform its respective obligations (if any) under each Side Letter. Any terms contained in a Side Letter with a Limited Partner shall govern with respect to such Limited Partner notwithstanding the provisions of this Agreement, except as otherwise may be waived by the parties to such Side Letter. For the avoidance of doubt, a Side Letter is not binding upon any Oaktree Group Member (other than the General Partner and the Partnership) that is not a party to such Side Letter.

1.4 Binding Effect. Subject to the provisions of this Agreement relating to transferability, this Agreement shall be binding upon and inure to the benefit of the Partners, and their respective successors and assigns.

1.5 Amendments. This Agreement may be amended, modified or waived with the written consent of the General Partner; provided that no amendment, modification or waiver of the provisions of this Agreement shall be effective with respect to the Interests of any Limited Partner that were issued prior to such amendment, modification or waiver if such amendment, modification or waiver would materially and adversely deprive such Limited Partner of the economic benefit (determined on a pre-tax basis and by the General Partner in good faith) intended to be conferred upon such Limited Partner by the issuance of such Interests to such Limited Partner, unless such Limited Partner has consented to such amendment, modification or waiver; provided further that, notwithstanding anything in the foregoing to the contrary, no consent of any Limited Partner shall be required with respect to any amendment, modification or waiver of this Agreement (a) if the General Partner has replaced such Interests with a substitute arrangement that the General Partner believes in good faith to be no less favorable to such Limited Partner in any material economic respect (determined on a pre-tax basis and by the General Partner in good faith) than such Interests or (b) such amendment, modification or waiver is being made (i) to prevent or remedy any event or circumstance (including the imposition of any material regulatory requirement on the Partnership or other Oaktree Group Member) that would reasonably be expected to have a material adverse effect on the Partnership or any other Oaktree Group Member or (ii) to satisfy any requirement under, or prevent or remedy any breach or potential breach by the Partnership, any other Oaktree Group Member or any General Partner Related Person of, any applicable law or otherwise in connection with any order, directive or opinion of any Governmental Authority. The General Partner shall provide each Limited Partner with a copy of each amendment, modification or waiver of this Agreement.

1.6 Notices. Any notice to any Limited Partner who is then providing services to the Oaktree Group that is required or permitted hereunder to be given to such Limited Partner shall be in writing and shall be delivered to such Limited Partner at the principal office of the Partnership or at such other place where such Limited Partner may be found. Any notice to such a Limited Partner which is delivered to the principal office of the Partnership when such Limited Partner is absent from the office shall, if reasonable efforts have been made to deliver it to him or her elsewhere, be deemed delivered to him or her on the next succeeding business day, if such Limited Partner does not actually receive such notice sooner. Any notice to any Limited Partner who is not then providing services to the Oaktree Group that is required or permitted hereunder to be given to such Limited Partner shall be in writing and shall be delivered to such Limited Partner at the address or electronic mail address of such Limited Partner shown on the Register. Any notice to the Partnership or the General Partner required or permitted hereunder to be given to the Partnership or the General Partner shall be in writing and shall be delivered to the Partnership or the General Partner at the principal office of the Partnership. A written notice may be delivered by electronic mail or other electronic transmission.

1.7 Parties in Interest. Except as expressly provided in the Act, nothing in this Agreement shall confer any rights or remedies under or by reason of this Agreement on any Persons other than the Partners and their respective successors, nor shall anything in this Agreement relieve or discharge the obligation or liability of any third Person to any party to this Agreement, nor shall any provision give any third Person any right of subrogation or action over or against any party to this Agreement.

1.8 Contra Proferentum. In the event any claim is made by any Partner relating to any conflict, omission or ambiguity in this Agreement, no presumption or burden of proof or persuasion shall be implied by virtue of the fact that this Agreement was prepared by or at the request of a particular Partner or his counsel.

1.9 Governing Law. This Agreement shall be construed and enforced, along with any rights, remedies or obligations provided for hereunder, in accordance with the laws of the State of Delaware applicable to contracts made and to be performed entirely within the State of Delaware by residents of the State of Delaware; provided that the enforceability of Section 11.1 shall be governed by the Federal Arbitration Act, 9 U.S.C. Section 1 et seq., and not the laws of the State of Delaware.

1.10 Severability. Whenever possible, each provision or portion of any provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision or portion of any provision of this Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other provision or portion of any provision in such jurisdiction, and this Agreement shall be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision or portion of any provision had never been contained herein, if the economic and legal substance of the arrangements contemplated hereby are not affected in any manner materially adverse to any party hereto. Upon such a determination, the Partners shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in an acceptable manner in order that the transaction contemplated hereby shall be consummated as originally contemplated to the fullest extent possible. Notwithstanding any provision in this Agreement to the contrary, if any of the provisions of Article IX shall be held to exceed the limitations on scope, duration or geographic area prescribed under applicable law, then such provision shall be deemed to have been amended automatically to reduce such scope, duration or geographic area, as the case may be, to the extent necessary (if possible), and only to such extent, to enable such provision to be valid and permissible under such applicable law

1.11 Waivers. No waiver by any Partner of any default with respect to any provision, condition or requirement hereof shall be deemed to be a waiver of any other provision, condition or requirement hereof, nor shall any delay or omission of any Partner to exercise any right hereunder in any manner impair the exercise of any such right accruing to it, him or her thereafter. Any default hereunder by a Partner shall not excuse any obligation of any other Partner.

1.12 Counterparts. This Agreement may be executed in one or more counterparts, all of which shall constitute one and the same instrument.

1.13 Determination of Certain Matters.

(a) To the fullest extent permitted by applicable law, and notwithstanding any provision of this Agreement to the contrary or in any agreement contemplated herein or applicable provisions of law or equity or otherwise, whenever in this Agreement any General Partner Related Person is permitted or required to make a decision (including whether to take an action or not or waive a provision or not) (i) unless some other standard is specified, the General Partner may make such decision in its sole discretion, meaning such General Partner Related Person shall be entitled to consider only such interests and factors as such General Partner Related Person desires, including such General Partner Related Persons's own interests, and shall, to the fullest extent permitted by applicable law, have no duty or obligation to give any consideration to any interest or factor affecting the Partnership or any other Person (other than a duty to act in good faith), or (ii) under another express standard, such General Partner Related Person shall act under such express standard and shall not be subject to any other or different standard.

(b) All determinations, interpretations, calculations, adjustments and other actions of the General Partner that are within its authority hereunder shall be made in

good faith by the General Partner and shall be binding and conclusive on the Partnership and all Partners absent manifest error. In connection with any such determination, interpretation, calculation, adjustment or other action, the General Partner shall be entitled to resolve any ambiguity with respect to the manner in which such determination, interpretation, calculation, adjustment or other action is to be made or taken, and shall be entitled to interpret the provisions of this Agreement, in such a manner as it determines to be fair and equitable, and such resolution or interpretation shall be binding and conclusive on the Partnership and all Partners absent manifest error.

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In witness whereof, the parties hereto have executed this Agreement as of the Effective Date.

GENERAL PARTNER:

Oaktree Capital I, L.P.

By: /s/ Todd Molz
Name: Todd Molz
Title: General Counsel, Chief Administrative Officer and Secretary

By: /s/ Jeffrey Joseph
Name: Jeffrey Joseph
Title: Managing Director

LIMITED PARTNERS:

The Limited Partners listed on the Register (as revised from time to time)

By: **Oaktree Capital I, L.P.,** as attorney-in-fact for the Limited Partners

By: /s/ Todd Molz
Name: Todd Molz
Title: General Counsel, Chief Administrative Officer and Secretary

By: /s/ Jeffrey Joseph
Name: Jeffrey Joseph
Title: Managing Director

OAKTREE CAPITAL GROUP, LLC
OAKTREE CAPITAL MANAGEMENT, L.P.

CONFIDENTIAL

March 10, 2022

Jay S. Wintrob
c/o Oaktree Capital Management, L.P.
333 South Grand Avenue, 28th Floor
Los Angeles, CA 90071

Re: **Fourth Amended and Restated Employment Agreement**

Dear Mr. Wintrob:

On October 6, 2014, you entered into an agreement with Oaktree Capital Group, LLC, a Delaware limited liability company ("OCG") and Oaktree Capital Management, L.P., a Delaware limited partnership (the "Company") setting out the terms and conditions of your employment by the Company as the Chief Executive Officer of the Company and OCG (the "Original Employment Agreement"). The Original Employment Agreement was amended and restated February 24, 2015 (the "2015 A&R Employment Agreement"), the 2015 A&R Employment Agreement was amended and restated April 26, 2017 (the "2017 A&R Employment Agreement"), the 2017 A&R Employment Agreement was amended and restated February 25, 2020 (the "Third A&R Employment Agreement"), and OCG, the Company and you have agreed to further amend and restate the Third A&R Employment Agreement, as reflected herein (this "Agreement"). This Agreement is based on your providing, and continuing to provide, the services described below on a full-time basis.

1. Term. Your employment commenced on November 1, 2014 (the "Commencement Date"), and shall continue under this Agreement through March 31, 2024, unless terminated earlier pursuant to Section 5 of this Agreement (such period of employment hereunder, the "Term"). You are an "at will" employee of Oaktree (defined below), which means that your employment with Oaktree may be terminated at any time by you with or without "Good Reason" (as defined below) or by Oaktree with or without "Cause" (as defined below) and for any lawful reason or no reason; provided that if you intend to terminate your employment other than for Good Reason, you shall provide Oaktree with at least six (6) months prior

written notice of the effective date of such termination in order to provide Oaktree with ample opportunity to arrange for the orderly transition of your duties and responsibilities. At any time after such notice, Oaktree may elect, in its sole discretion, (i) for you to remain employed with Oaktree in your capacity of Chief Executive Officer (and with full duties, responsibilities and authority consistent with such position) until such effective date of termination designated by you or (ii) to accept your resignation from employment effective as of a date designated by Oaktree prior to the end of said six (6) month period; provided that, if Oaktree elects to take the action described in clause (ii), such action shall not be regarded as a termination without Cause or constitute a basis for your termination for Good Reason, under this Agreement or for any purpose.

2. Employment.

(a) Title; Reporting. During the Term, you will be employed by the Company and hold the title of Chief Executive Officer of OCG, the Company and Atlas OCM Holdings, LLC, the indirect parent of the Company ("Atlas OCM"), and, at the request of the Board of Directors of OCG (the "OCG Board") or the Board of Directors of Atlas, (the "Atlas OCM Board"), of any other member of the Oaktree Group (as defined below) that is covered by the indemnification provided, and the directors' and officers' liability insurance maintained, by OCG and the Company. In your capacity as Chief Executive Officer of OCG, you shall report directly to the OCG Board, and in your capacity as Chief Executive Officer of Atlas OCM, you shall report directly to the Atlas OCM Board. During the Term, you shall be nominated to serve on the OCG Board and the Atlas OCM Board.

(b) Duties. During the Term, you shall have such duties, responsibilities and authority as are commensurate with the title and position set forth in Section 2(a) hereof and such other duties, responsibilities and authority not inconsistent with your position, as may be assigned to you from time to time by the OCG Board or Atlas OCM Board. During the Term, you shall devote all of your business time and attention to Oaktree, the promotion of its interests and the performance of your duties and responsibilities hereunder and as a member of the OCG Board and Atlas OCM Board and use your best efforts to faithfully and diligently serve Oaktree.

Notwithstanding the foregoing, during the Term you shall be permitted to engage in outside activities, in your personal capacity, to the extent permitted by Oaktree's Code of Ethics, Section 6 of this Agreement and other policies then in effect applicable to senior executives, subject to the foregoing not interfering with the performance of your duties hereunder other than in an immaterial respect.

3. Location. Your principal place of employment shall be at Oaktree's offices in Los Angeles, California or at such other locations as are mutually agreed between you and Oaktree; provided that, for the avoidance of doubt, you shall travel as reasonably required in connection with the performance of your duties.

4. Compensation and Related Matters.

(a) Profit Participation. During the Term, subject to Section 5 below, you shall be entitled to receive:

(i) Incentive Payments. Certain payments ("Incentive Payments") from Oaktree, including from the PoolCos (as defined below) in respect of the "Net Incentive Income" (as defined below) received by such entities from the investment funds and accounts managed by Oaktree (the "Funds");

(ii) Investment Payments. Certain payments from Oaktree, including from the PoolCos in respect of "Net Investment Income" (as defined below) earned by such entities in respect of a fiscal year by Oaktree ("Investment Payments"); and

(iii) Profit Payments. Certain payments in respect of "Net Operating Profit" (as defined below) of the "Oaktree Operating Group" (as defined below) with respect to each fiscal year of Oaktree ("Profit Payments" and, collectively with the Incentive Payments and Investment Payments, the "Profit Sharing Payments").

(iv) Profit Sharing Payment Calculation Rules.

(A) For fiscal year 2014, your Profit Sharing Payments shall equal 1.5% of the sum of the Net Incentive Income, Net Investment Income and Net Operating Profit

(each, a "Profit Metric," and the sum of the Profit Metrics, the "Aggregate Profit Metric"), and, for each of the fiscal years 2015 – 2023 and the first fiscal quarter of 2024, your Profit Sharing Payments shall equal (x) 1.5% in respect of the portion of the Aggregate Profit Metric that is less than or equal to the Aggregate Profit Metric in 2014 plus (y) 1.75% in respect of the portion, if any, of such fiscal year's Aggregate Profit Metric that is greater than the Aggregate Profit Metric for 2014.

(B) In calculating the Aggregate Profit Metric for any fiscal year, any negative amounts with respect to one or more of such Profit Metrics in a fiscal year shall be netted against positive amounts, if any, of such Profit Metrics in such fiscal year (but there shall be no carry forward to any future year of any net negative amount).

(C) For each of fiscal years 2015 through 2021 and the first fiscal quarter of 2022, your aggregate Profit Sharing Payment shall not be less than $5 million per year, and, if your employment with Oaktree hereunder terminates in any such year, then your Profit Sharing Payment shall equal the product of the Profit Sharing Payments for such year and a fraction, the numerator of which is the number of days in the fiscal year during which you were employed hereunder, and the denominator of which is 365.

(v) Definitions.

(A) "Evergreen Fund" means a Fund treated by the Company as an evergreen fund. Such funds typically invest in marketable securities, private debt or equity on a long or short basis and with limited restrictions on investor withdrawal and redemption rights.

(B) "Net Incentive Income" means with respect to a given fiscal year, (i) (A) with respect to any Fund other than a Pre-Employment Fund, all incentive income earned by Oaktree, including by the PoolCos, that is derived from such Fund and (B) with respect to any Fund that is a Pre-Employment Fund, if the given fiscal year or quarter is

2020 or later, 50% of all incentive income earned by Oaktree, including by the PoolCos, that is derived from such Pre-Employment Fund, in the case of both clauses (A) and (B), determined in a manner consistent with the manner in which the incentive income component of adjusted net income was determined in OCG's Form 10-K for the year-ended December 31, 2018 (the "OCG 2018 10-K"), net of (ii) all participation in such income granted to any party by Oaktree (other than participation through "Common Series Interests" in the PoolCos and the payments in respect of Net Incentive Income granted hereunder), including any such participation through "Points Series Interests" and "Net Carry Series Interests" in the PoolCos, and (iii) as adjusted to take into account payments in respect of Net Incentive Income granted hereunder and other participations in such incentive income as determined by Oaktree consistent with past practice. In respect of each fiscal year, the incentive income to be included in clause (i) shall include incentive income relating to such year received by the Oaktree Operating Group in the subsequent year from those Evergreen Funds that pay incentive income annually. The term "Net Incentive Income" shall not include any tax distributions from any Fund, provided, that the amounts that would have otherwise been paid to you as a share of such foregone tax distribution shall be paid to you at the time such Fund reaches the stage of its cash distribution waterfall where the respective PoolCo or Oaktree is receiving payments of incentive income from such Fund.

(C) "Net Investment Income" means with respect to a given fiscal year, all income (net of any associated compensation expense other than compensation expense relating to individuals entitled to payments in respect of Net Operating Profit and Net Investment Income and excluding incentive income) earned by Oaktree, including by the PoolCos and the Oaktree Operating Group, from their respective direct and indirect investments in Funds (including through the general partner of any such Fund) and third-party managed funds and companies, as determined in a manner consistent with the manner in which the investment income component of adjusted net income was determined in the OCG 2018 10-K.

(D) "Net Operating Profit" means with respect to a given fiscal year, the adjusted net income of any and all of the members of the Oaktree Operating Group, determined in a manner consistent with the manner in which adjusted net income was determined in the OCG 2018 10-K, as further adjusted by (i) subtracting compensation expense with respect to the vesting of units granted after May 25, 2007 but before the OCG Class A Units were listed on the New York Stock Exchange, (ii) subtracting Oaktree Operating Group income taxes, (iii) subtracting amounts attributable to cash distributions paid on OCG's issued and outstanding preferred units listed on the New York Stock Exchange; (iv) adding back 50% of the compensation expense recognized with respect to the vesting of units granted after May 25, 2007 under OCG's equity incentive plans, (v) adding back 50% of the compensation expense recognized with respect to the vesting of awards under the Oaktree Group's long term incentive plans, (vi) excluding incentive income (net of incentive income compensation expense) and phantom equity expense, (vii) excluding Net Investment Income, and (viii) excluding compensation expense relating to individuals entitled to payments in respect of Net Operating Profit and Net Investment Income.

(E) "Oaktree Operating Group" means, collectively, the entities that either (i) act as or control the general partners and investment advisers of Oaktree's funds or (ii) hold interests in other entities or investments generating income for Oaktree.

(F) "PoolCos" mean Oaktree Fund GP I, L.P., Oaktree Fund GP II, L.P., Oaktree Fund GP III, L.P and any other entity designated by Oaktree as a "PoolCo" from time to time hereafter.

(G) "Pre-Employment Fund" means a fund that is set forth on Exhibit A to this Agreement.

Net Incentive Income, Net Investment Income, Net Operating Profits and the amount of any management fee offsets for any applicable Fund will be determined in accordance with the partnership agreement, separate account agreement, advisory agreement, side letter or other relevant document(s) governing or binding upon the applicable Fund, and the Profit Sharing Payments shall be determined in accordance with Oaktree's general conventions consistently applied to other senior executives of Oaktree.

(vi) Payment Dates. Except as provided in Section 5 of this Agreement, your Profit Sharing Payments in respect of each full fiscal year during the Term shall be paid to you in four (4) installments (each, a "Payment Installment" and each date of payment, a "Quarterly Profit Payment Date") and with respect to Profit Sharing Payments in respect of each fiscal year beginning with the 2017 fiscal year, each Quarterly Profit Payment Date for cash payments shall be the date that is not later than (i) the forty-fifth (45^{th}) day following the end of the first three quarters of each fiscal year and (ii) the sixtieth (60^{th}) day following the end of the fourth quarter of each fiscal year. With respect to Profit Sharing Payments in respect of fiscal years beginning with the 2017 fiscal year, the amount of each Payment Installment due on each Quarterly Payment Date shall be based on actual calculations of Net Incentive Income, Net Investment Income and Net Operating Profit as required by this Agreement and using relevant measures from the consolidated Oaktree Operating Group quarterly report for the immediately preceding full fiscal quarter, or, in the case of the Quarterly Payment Date in respect of the fourth quarter of the fiscal year, using relevant measures from the consolidated audited Oaktree Operating Group annual report. Within thirty (30) days following delivery of such consolidated audited Oaktree Operating Group annual report in respect of a given fiscal year, a determination shall be made as to whether the aggregate Payment Installments paid to you in respect of such fiscal year were greater or less than the Profit Sharing Payments to which you are due applying the calculation required by this Agreement ("Earned Amount"). If your aggregate Payment Installments were less than the Earned Amount, you shall receive a true-up payment on such date to make up for any shortfall. In calculating your entitlement to Profit Sharing Payments hereunder, the excess of your aggregate Payment Installments over the Earned Amount shall be netted against future Payment Installments, if any. Amounts due hereunder shall be determined by Oaktree in good faith. Notwithstanding anything herein to the contrary, you agree to repay to Oaktree any amount paid to you in excess of what you should have received under the terms of this Section 4(a)(vi) for any

reason within thirty (30) days following notice from Oaktree that there has been any excess payment, including, without limitation, by reason of (i) a mistake in calculation or (ii) other administrative error, which notice must explain the reason for the excess in reasonable detail; provided, that, except as may be required by law, the requirement to repay amounts in excess of the Earned Amount for any fiscal year shall cease to apply one hundred and twenty (120) days following the delivery of the consolidated audited Oaktree Operating Group annual report for such fiscal year. Except as otherwise required in Section 5 below, each installment of any Profit Sharing Payment will only be made if you are actively employed by or providing services to Oaktree at the time at which such payment is otherwise to be made, and your entitlement to Profit Sharing Payments shall cease immediately upon the termination of your employment with Oaktree, whether by voluntary resignation, involuntary termination (with or without Cause), death, Disability or otherwise for any reason; provided that, if your employment hereunder is not terminated prior to March 31, 2024, then you shall be entitled to Profit Sharing Payments in respect of the first quarter of 2024 (including any payments and grants of awards under the Atlas OCM Holdings LLC Long-Term Incentive Plan (the "LTIP" and such awards, the "LTIP Awards") in settlement thereof that are made in the second quarter of 2024), even if your employment with Oaktree does not continue following March 31, 2024. Notwithstanding any provision of this Agreement to the contrary, to the extent that Section 409A of the U.S. Internal Revenue Code of 1986, as amended (the "Code") and the Treasury Regulations promulgated thereunder (collectively referred to herein as "Section 409A") applies to a payment to be made hereunder, each Profit Sharing Payment shall be paid on the 15th day of the third month following the end of the taxable year in which your right to such Profit Sharing Payment is no longer subject to a substantial risk of forfeiture, if such payment is not otherwise made prior to such date.

(vii) Form of Payment. The Profit Sharing Payment shall be satisfied in the form of cash and, if certain thresholds are met, a combination of cash and LTIP Awards, as follows: for each fiscal year, each Payment Installment, or portion thereof, shall be paid in cash until the aggregate amount paid in respect of all Payment Installments, or portions thereof, for such fiscal year is $3 million (the "Cash Threshold"). The Profit Sharing Payments relating to the first and third quarters shall be paid in cash, and, subject to such payments in any given fiscal year already reaching the Cash Threshold, the Profit Sharing Payments relating to the second and fourth quarters shall be paid in a combination of cash and LTIP

Awards, as follows: You will be paid in the form of LTIP Awards such that 20% (or such higher percentage applicable to bonus payments to other most senior executive officers of Oaktree for such fiscal year) of your aggregate Profit Sharing Payments with respect to a given year is paid in the form of LTIP Awards. The LTIP Awards shall be granted on the same date as other LTIP Awards are generally made around such time. Such LTIP Awards will have the terms and conditions set forth below in this Section 4(a)(vii) and shall be subject to the other standard terms and conditions that apply to grants of LTIP Awards to other senior executive officers of Oaktree. The LTIP Awards delivered in settlement of any portion of any Payment Installment herein shall vest in equal annual installments over the four (4) year period with the same annual vesting date as other LTIP Awards granted at the same time, subject to your continued employment on each such vesting date, and you shall be entitled to receive payments in respect of all such LTIP Awards, whether vested or unvested, on the same terms and conditions that apply to grants of LTIP Awards to other senior executive officers of Oaktree. You shall be responsible for satisfying any applicable U.S. federal, state and local tax withholding obligations and non-U.S. tax withholding obligations in connection with the vesting and settlement of the LTIP Awards.

(viii) For the avoidance of doubt, neither the grant to you of the right to receive Profit Sharing Payments hereunder nor the delivery to you of any LTIP Awards, gives you any management, control or other rights with respect to any Funds. You and the interests granted hereunder shall be subject to the provisions of each PoolCo limited partnership agreement and any other document or arrangement which govern the terms of the PoolCos. Subject to the first sentence of Section 4(d) below, for U.S. federal income tax purposes, the parties intend that the right under this Section 4 to receive payments of Net Incentive Income related to Pre-Employment Funds and with respect to any PoolCo shall be treated as received by you as a deemed distribution of partnership interests in the relevant PoolCo made with respect to your EVUs (as defined below).

(b) Benefits. You shall be entitled to all rights and benefits for which you are otherwise eligible under any health, life and disability insurance plans, vacation policies, sick leave policies and 401(k) elections that Oaktree generally provides to senior executive officers. You agree that Oaktree may

deduct the premiums for your long-term disability insurance from the compensation otherwise payable to you.

(c) Travel. When travelling via airplane for Oaktree business purposes, (i) you shall be entitled to fly by means of a private aircraft which will be provided by Oaktree by any reasonable commercial method and subject to reasonable limitations which may be imposed from time to time by the Atlas OCM Board and OCG Board and (ii) your spouse shall be permitted to accompany you on such aircraft, subject to your being solely responsible for all tax liabilities associated therewith. To the extent available, you shall also be entitled to fly by means of private aircraft for personal travel, subject to your payment for such use on the same terms applicable to the Chairman of Oaktree on the date of the Original Employment Agreement.

(d) No Representation regarding Tax Treatment; Section 409A. Oaktree makes no representation as to the tax treatment of distributions or payments with respect to the amounts described in this Section 4 under applicable U.S. federal or state tax laws. Notwithstanding anything herein to the contrary, if as a result of your separation from service, you would receive any payment that, absent the application of this paragraph, would be subject to interest and additional tax imposed pursuant to Section 409A as a result of the application of Section 409A(a)(2)(B)(i) of the Code, then no such payment shall be payable prior to the date that is the earliest of (i) six (6) months after the date of your separation from service, (ii) your death, or (iii) such other date as will cause such payment not to be subject to such interest and additional tax. It is the intention of the parties that payments or benefits payable hereunder not be subject to the additional tax imposed pursuant to Section 409A, and this Agreement shall be interpreted accordingly. To the extent such potential payments or benefits could become subject to Section 409A, you and Oaktree shall cooperate to amend your compensation, with the goal of giving you the economic benefits described herein in a manner that does not result in such tax being imposed. If a termination of your employment does not result in a “separation from service” within the meaning of Section 409A, then, if and to the extent required under Section 409A, for purposes of determining the timing of any payment provided for by this Agreement, termination shall not be considered to occur until you have incurred such a separation from service. The preceding sentence shall not affect the determination of your entitlement to

any payment or benefit, but only the timing thereof. For purposes of Section 409A, each of the payments that may be made hereunder are designated as separate payments. No amounts may be offset against non-qualified deferred compensation or any payment or compensation under any other agreement to the extent such offset would violate Section 409A and any provision providing for any such offset shall be of no force or effect.

5. Termination.

(a) You may voluntarily terminate your employment hereunder and the Term at any time and for any reason as set forth in Section 1 of this Agreement. Any termination of employment by you shall be communicated to each of the Atlas OCM Board and OCG Board by written notice, which shall include your date of termination of employment, but the Atlas OCM Board and the OCG Board reserve the right to accelerate such termination date. The Company may, if approved by the Atlas OCM Board and OCG Board, terminate your employment hereunder and the Term at any time and for any reason. Your employment hereunder shall automatically terminate upon your death.

(i) Upon the termination of your employment hereunder during the Term as a result of your death or "Disability" (as defined below), subject, in the case of your termination due to Disability, to your satisfaction of any "Release Condition" (as defined below), (A) all unvested LTIP Awards shall become fully vested, and (B) you shall be entitled to the Profit Sharing Payments for the full fiscal year of termination.

(ii) Upon the termination of your employment hereunder by the Atlas OCM Board and OCG Board without Cause or by you for Good Reason , subject to your satisfaction of any Release Condition, (A) all unvested LTIP Awards shall become fully vested, (B) you shall receive your Profit Sharing Payments in respect of the fiscal year in which your termination occurs, but only for the period ending at the end of the fiscal quarter in which your termination occurs (the "Termination Quarter"), and (C) if such termination occurs prior to March 31, 2024, you shall receive a payment in cash at the end of each of the successive four (4) fiscal quarters following the Termination Quarter, where the amount paid in each quarter is 25% of the aggregate Profit Sharing Payments earned in respect of the four (4) full fiscal

quarters that preceded the Termination Quarter. In addition, subject to your satisfaction of any Release Condition, if your employment ceases on March 31, 2024 due to the expiration of the Term, any then unvested LTIP Awards and unvested limited partnership units of OCGH (which, for the avoidance of doubt, shall not include any EVU Award, as that term was defined in the Third A&R Employment Agreement) that you or your permitted transferees hold on such date shall become fully vested.

(iii) Upon the termination of your employment for Cause during the Term, all unvested LTIP Awards shall be immediately forfeited for no consideration, and you shall not be entitled to any Profit Sharing Payment or any other payments or benefits in respect of any period occurring after your termination. Upon termination of your employment due to your resignation without Good Reason during the Term, all LTIP Awards shall be immediately forfeited for no consideration, and you shall be entitled to receive Profit Sharing Payments in respect of performance through your termination date.

(iv) Upon the termination of your employment during the Term for any reason, you shall be entitled to receive from the Company (a) reimbursement of any business expenses incurred by you but unreimbursed on the date of termination; provided that such expenses and required substantiation and documentation thereof are submitted within thirty (30) days of termination and that such expenses are reimbursable under Oaktree's policy, (b) all other vested and accrued payments or benefits to which you are entitled under, and paid or provided in accordance with, the terms of any applicable employee benefit plan, arrangement or program other than under any severance plan or program, and (c) continued coverage under any indemnification provided, and any directors' and officers' liability insurance maintained, by OCG and the Company, in each case in accordance with the terms thereof.

(b) Definitions.

(i) "Affiliate" means with respect to any Person, any other Person that directly or indirectly through one or more intermediaries controls, is controlled by, or is under common control with, the Person in question; provided, that no investment fund or account, and no portfolio company, of any member of the Oaktree Group or any member of the Brookfield Group shall be deemed to be an Affiliate of any member of the Oaktree Group.

(ii) "Brookfield Group" means Brookfield Asset Management Inc., a corporation amalgamated under the laws of the Province of Ontario and its Affiliates (other than, for the avoidance of doubt, (i) OCGH and (ii) until the expiration of the "Initial Period" as defined in the Fifth Amended and Restated Operating Agreement of OCG, dated as of September 30, 2019, OCG, Atlas OCM or any of their respective subsidiaries, or any member of the Oaktree Operating Group).

(iii) "Cause" means the occurrence of any of the following events during your provision of services to the Oaktree Group: (A) willful and continued failure to fulfill your responsibilities hereunder in accordance with the terms and provisions of this Agreement; (B) gross negligence or willful misconduct detrimental to any member of the Oaktree Group; (C) material breach by you of this Agreement or any other agreement between you and any member of the Oaktree Group; (D) material violation of any material applicable regulatory rule or regulation; (E) conviction of, or entry of a guilty plea or of no contest to, a felony (other than a motor-vehicle-related felony for which no custodial penalty is imposed); (F) entry of an order issued by any court or regulatory agency removing you as an officer (or equivalent person) of a member of the Oaktree Group or prohibiting you from participating in the conduct of the affairs of any member of the Oaktree Group; (G) fraud, theft, misappropriation or dishonesty by you relating to any member of the Oaktree Group, including any theft of funds or misappropriation of Confidential Information (defined below); or (H) material breach of any of the Oaktree Group's written policies. Notwithstanding the foregoing, (i) termination by the Company for Cause for any prong of the preceding sentence other than clauses (D), (E), (F) or (G) shall not be effective until and unless you have been given written notice of particular acts or circumstances which are the basis for the termination for Cause, you are thereafter given ten (10) days to cure the omission or conduct that is the basis of such claim, but in all circumstances only if such omission or conduct is reasonably capable of being cured and (ii) any action by you that is permitted by Section 6 of this Agreement shall not be deemed a breach of Oaktree's Code of Ethics or grounds for Cause. If, within sixty (60) days after your termination from employment hereunder after a resignation by you without Good Reason, Oaktree discovers that any occurrence set forth in clause (A) through (H) above has occurred, such occurrence shall constitute "Cause" for all purposes of this Agreement, so long as Oaktree provides you with notice of such discovery no later than the last day of such sixty- (60-) day period, and, for any occurrence other than one set forth in clause (D), (E), (F) or (G), you will be given ten

(10) days to cure the omission or conduct that is the basis of such claim, but in all circumstances only if such omission or conduct is reasonably capable of being cured.

(iv) "Disability" means entitlement to long-term disability benefits under the Company's long-term disability plan as in effect from time to time and the failure to have performed your material duties and responsibilities due to physical or mental illness or incapacity that lasts for one-hundred and eighty (180) days in any three-hundred and sixty-five (365) day period.

(v) "Good Reason" means without your prior written consent, one or more of the following events: (x) a material diminution or adverse change in you duties, authority, responsibilities, positions or reporting lines of authority hereunder; (y) the OCG Board's or Atlas OCM Board's requiring you to be based at a location in excess of thirty-five (35) miles from your principal job location or office specified in Section 3, except for required travel on Oaktree business to an extent substantially consistent with your position or (z) any material breach by the Company or OCG of this Agreement; provided, that prior to resigning for Good Reason, you shall give written notice to the OCG Board and Atlas OCM Board of the facts and circumstances claimed to provide a basis for such resignation not more than thirty (30) days following your knowledge of such facts and circumstances, and the Company and OCG shall have thirty (30) days after receipt of such notice to cure such facts and circumstances (and if so cured, you shall not be permitted to resign for Good Reason in respect thereof). Any termination of employment by you for Good Reason shall be communicated to the OCG Board and Atlas OCM Board by written notice, which shall include your date of termination of employment, which shall be within sixty (60) days after the end of the cure period, but each of the OCG Board and Atlas OCM Board reserves the right to accelerate such termination date.

(vi) "Oaktree" or "Oaktree Group" means the Company, Atlas OCM, OCG and their respective Affiliates (other than, for the avoidance of doubt, the Brookfield Group) including each member of the Oaktree Operating Group and, for so long as they are an Affiliate of OCG, OCGH and the general partner of OCGH. If required by the context when used herein, the term "Oaktree" or the "Oaktree Group" shall be deemed to refer to the applicable member of the Oaktree Group required by such context.

(vii) "OCGH" means Oaktree Capital Group Holdings, L.P., a Delaware limited partnership.

(viii) "Person" means, any individual, corporation, firm, partnership (general or limited), joint venture, limited liability company, association, business, estate, trust, business association, organization, unincorporated organization, any other entity or a government or any department, agency, authority, instrumentality or political subdivision thereof, or any other entity.

(ix) "Release Condition" means you have executed and delivered to OCG and the Company, no later than twenty five (25) days after the applicable termination date, and have not sought to revoke (whether or not you have any right under applicable law to revoke), a release substantially in the form attached hereto as Exhibit B, fully and finally releasing the Oaktree Group and its related persons from all claims and liabilities whatsoever, subject to the exceptions in Exhibit B.

6. Confidential Information; Covenants. You acknowledge and agree that your provision of services to any member of the Oaktree Group, including your employment by the Company and services to OCG, creates a relationship of confidence and trust between you and the Oaktree Group with respect to "Confidential Information" and "Intellectual Property" (each as defined below) pertaining to the business of the Oaktree Group. Moreover, you recognize that such information (including information created, discovered or developed by, or made known to you from and after the date this Agreement is entered into) has commercial value in the business in which the Oaktree Group is engaged. Accordingly, you hereby covenant, agree and acknowledge as follows:

(a) Confidential Information and Intellectual Property.

(i) You shall not without the prior express written consent of the Chairman of Oaktree, or one of the Chairmen of Oaktree, if more than one Chairman exists (A) use for your benefit, use to the detriment of any member of the Oaktree Group, or disclose, at any time during your employment by any member of the Oaktree Group, or if you cease to be so employed, at any time thereafter (unless and to the extent you reasonably determine that such disclosure is required by law or otherwise appropriate in the

course of the performance of your duties hereunder), any Confidential Information, or (B) take, remove or retain, upon your ceasing to be so employed for any reason, any document, paper, electronic file or other storage medium containing or relating to any Confidential Information, any Intellectual Property or any physical property of any member of the Oaktree Group, except that you may retain your address book/contact list to the extent it only contains contact information.

(ii) You agree (A) to deliver to Oaktree on the date you cease to be an employee for any reason, or promptly at any other time that any member of the Oaktree Group may request, all memoranda, notes, plans, records, reports, computer files and tapes, printouts and software and other documents and data (and copies thereof) within your possession or control that contain any Confidential Information or any Intellectual Property, and (B) to the extent not yet publicly disclosed, to keep the terms of this Agreement confidential, except as otherwise required by applicable law and except that the terms hereof may be disclosed to your family members, attorneys, accountants or other professional advisers who agree to keep the terms of this Agreement confidential, to taxing and other governmental or regulatory authority and to disclose in compliance with legal process.

(iii) You agree that any and all Intellectual Property is and shall be the exclusive property of the Oaktree Group for the Oaktree Group's sole use. In addition, you acknowledge and agree that the investment performance of the funds and accounts managed by any member of the Oaktree Group is attributable to the efforts of the team of professionals of the Oaktree Group and not to the efforts of any single individual, and that, therefore, the performance records of the funds and accounts managed by any member of the Oaktree Group are and shall be the exclusive property of the Oaktree Group. You agree that you shall not use or disclose any Intellectual Property, including any of the performance records of the funds and accounts managed by any member of the Oaktree Group without the prior written consent of the Chairman of Oaktree, or one of the Chairmen of Oaktree if more than one Chairman exists, except in the ordinary course of your employment with Oaktree or as required by legal process or governmental or regulatory inquiry.

(iv) In accordance with Section 2870 of the California Labor Code, your obligation to assign your right, title and interest throughout the world in and to all Intellectual Property does not apply to any works of authorship, inventions, intellectual property, materials, documents or other work product (including, without limitation, research, reports, software, databases, systems, applications, presentations, textual works, content or audiovisual materials) that you developed entirely on your own time without using Oaktree's equipment, supplies, facilities, or Confidential Information (and any such works shall not be deemed "Intellectual Property" hereunder) except for the Intellectual Property that relates to either (A) the business of Oaktree at the time of conception or reduction to practice of the Intellectual Property, or actual or demonstrably anticipated research or development of Oaktree or (B) results from any work performed by you for Oaktree.

(v) Without limiting the generality of the foregoing, any trade secrets of the Oaktree Group will be entitled to all of the protections and benefits under applicable law. You acknowledge and agree that (A) you may have had, and may have in the future, access to information that constitutes trade secrets but that has not been, and will not be, marked to indicate its status as such and (B) the preparation of this letter constitutes reasonable efforts under the circumstances by the Oaktree Group to notify you of the existence of such trade secrets and to maintain the confidentiality of such trade secrets within the provisions of the Uniform Trade Secrets Act or other applicable law.

(vi) Nothing in this Agreement or any other agreement between you and a member of the Oaktree Group shall prohibit or impede you from communicating, cooperating or filing a complaint with any U.S. federal, state or local governmental or law enforcement branch, agency or entity (collectively, a "Governmental Entity") with respect to possible violations of any U.S. federal, state or local law or regulation, or otherwise making disclosures to any Governmental Entity, in each case, that are protected under the whistleblower provisions of any such law or regulation; provided, that in each case such communications and disclosures are consistent with applicable law. Moreover, you can testify truthfully in response to a subpoena or other legal process regarding any matter concerning your relationship with any member of the Oaktree Group provided, that you notify the Company and OCG within a reasonable time after receiving such a subpoena or other legal process so that Oaktree may take

appropriate steps to protect its interests. Additionally, you understand and acknowledge that an individual shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that is made (i) in confidence to a federal, state, or local government official or to an attorney solely for the purpose of reporting or investigating a suspected violation of law, or (ii) in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. You understand and acknowledge further that an individual who files a lawsuit for retaliation by an employer for reporting a suspected violation of law may disclose the trade secret to the attorney of the individual and use the trade secret information in the court proceeding, if the individual files any document containing the trade secret under seal and does not disclose the trade secret, except pursuant to court order. Nothing in this Agreement requires you to obtain the prior authorization of (or to give notice to) the Oaktree Group regarding any such communication or disclosure. Notwithstanding the foregoing, under no circumstance are you authorized to disclose any information covered by the Oaktree Group's attorney-client privilege or attorney work product without prior written consent of the Oaktree Group's General Counsel.

(b) Interference. To the maximum extent permitted by applicable law, while you are providing services to any member of the Oaktree Group, and for two (2) years after you cease to provide services to any member of the Oaktree Group, you shall not directly or indirectly: (A) solicit any customer or client of any member of the Oaktree Group for a Competitive Business (defined below); provided, that this Section 6(b) shall not be deemed to prohibit you from participating in the normal marketing efforts of a Competitive Business so long as you avoid soliciting any client or customer that you know as a result of your employment by any member of the Oaktree Group to be a client or customer of any member of the Oaktree Group, other than clients or customers of the Oaktree Group that, as of the termination of your employment, are bona fide pre-existing clients or customers of the Competitive Business; provided, further that you shall not be prohibited from soliciting clients or customers of AIG Life and Retirement, as long as any such client or customer is not a sovereign wealth fund, a state pension fund or one of the largest 100 corporate pension plans, (B) induce or attempt to induce any employee of the Oaktree Group to leave the Oaktree Group or in any way interfere with the relationship between the Oaktree Group and any employee thereof, except in the good faith performance of your duties hereunder, or (C) hire, engage, employ, retain or otherwise enter into any business affiliation with any person who was an employee of the Oaktree Group

at any time during the twelve-month period prior to the date you cease to provide services to any member of the Oaktree Group; provided that you shall not be prohibited from becoming employed by an organization that employs other or former employees of the Oaktree Group if you were not involved in the circumstances that led to such employees becoming employed by such organization.

(c) Non-Disparagement. You hereby agree that, during the Term and for five (5) years following the termination of your employment from Oaktree, you shall not make any statements, encourage others to make statements or release information that disparages, discredits, or defames any member of the Oaktree Group or engage in any activity that would have the effect of disparaging, discrediting or defaming any member of the Oaktree Group. Notwithstanding the foregoing, nothing in this Agreement shall prohibit you from making truthful statements when required by law, as a response to any statement made about you in breach of this Section 6(c) or as otherwise provided in Section 6(a)(vi). OCG and the Company hereby agree to instruct their respective Chairmen, Vice Chairman, directors and executive officers not to, during the Term and for five (5) years following the termination of your employment from Oaktree, make any statements, encourage others to make statements or release information that disparages, discredits or defames you or engage in any activity that would have the effect of disparaging, discrediting or defaming you. Notwithstanding the foregoing, nothing in this Agreement shall prohibit Oaktree from making truthful statements when required by law.

(d) Enforcement. Because your services are unique and because you have access to Confidential Information and Intellectual Property, you agree that a remedy at law for any breach or threatened breach of the provisions of this Section 6 would be inadequate and, therefore, you agree that any member of the Oaktree Group shall be entitled to injunctive relief, in addition to any other available rights and remedies in case of any such breach or threatened breach; provided, that nothing contained herein shall be construed as prohibiting any member of the Oaktree Group from pursuing any other rights and remedies available for any such breach or threatened breach. If, at the time of enforcement of any of the paragraphs of this Section 6, a court or arbitrator shall hold that the duration, scope or area restrictions stated herein are unreasonable under the circumstances then existing, the parties agree that the maximum duration, scope or area reasonable under such circumstances shall be substituted for the stated duration, scope or area, and that

the court or arbitrator, as the case may be, shall be allowed to construe or revise the restrictions contained herein to cover the maximum period, scope and area permitted by law. You expressly acknowledge and agree that (i) you have carefully read this Agreement and have given careful consideration to the restraints imposed upon you by this Section 6; (ii) you are in full accord as to their necessity; (iii) the rights and remedies under this Section 6 shall be in addition to any other rights and remedies of any member of the Oaktree Group; and (iv) the provisions of this Section 6 are an essential inducement to Oaktree to enter into this Agreement. For the avoidance of doubt, your obligations under this Section 6 are in addition to, and do not qualify or relieve you of any obligation you may have under any other agreement you may have with any other member of the Oaktree Group.

(e) Certain Definitions. For purposes of this Agreement, the following capitalized terms shall have the meanings set forth below.

(i) "Competitive Business" means any business which is competitive with the business of any member of the Oaktree Group (including raising, organizing, managing or advising any fund or separate account having an investment strategy in any way competitive with any of the funds or separate accounts managed by any member of the Oaktree Group).

(ii) "Confidential Information" means any information concerning the employees, organization, business or finances of any member of the Oaktree Group or any third party (including any client, investor, partner, portfolio company, customer, vendor, or other person) with which a member of the Oaktree Group is engaged or conducts business, including business strategies, operating plans, acquisition strategies (including the identities of, and any other information concerning, possible acquisition candidates), financial information, valuations, analyses, investment performance, market analysis, acquisition terms and conditions, personnel, compensation and ownership information, know-how, customer lists and relationships, the identity of any client, investor, partner, portfolio company, customer vendor or other third party, and supplier lists and relationships, as well as all other secret, confidential or proprietary information belonging to any member of the Oaktree Group; provided, that Confidential

Information shall not include any information generally known to the public other than as a result of disclosure by you not permitted hereunder.

(iii) "Intellectual Property" means (A) any and all investment or trading records, agreements or data; (B) any and all financial and other analytic models, records, data, methodologies or software; (C) any and all investment advisory contracts, fee schedules and investment performance data; (D) any and all investment agreements, limited partnership agreements, subscription agreements, private placement memorandums and other offering documents and materials; (E) any and all client, investor or vendor lists, records or contact data; (F) any and all other documents, records, materials, data, trade secrets and other incidents of any business carried on by any member of the Oaktree Group or learned, created, developed or carried on by any employee of any member of the Oaktree Group (in whatever form, including print, computer file, diskette or otherwise); and (G) all trade names, services marks and logos under which any member of the Oaktree Group does business, and any combinations or variations thereof and all related logos.

(f) Conflict. In the event of any conflict between the provisions of this Section 6 and corresponding covenants in the OCGH Limited Partnership Agreement, Oaktree's Code of Ethics, Oaktree's equity incentive plans or agreements, equity grant agreements or any other agreements that you enter into with Oaktree relating to intellectual property rights, nondisclosure of confidential information, non-disparagement or non-solicitation (and corresponding enforcement, remedial and interpretive provisions), the provisions of this Section 6 shall control. You will be subject to all other provisions of the OCGH Limited Partnership Agreement, Code of Ethics, equity incentive plans and agreements; provided, that, for purposes of Section 10.4(b) of the OCGH Limited Partnership Agreement or any similar provision in any Oaktree equity incentive plan, agreement or policy or equity grant agreement, a "Competitive Business" shall not include any business enterprise that is primarily a commercial bank, an investment bank, an insurance company or a retail distribution business.

7. Representations of Executive; Advice of Counsel.

(a) You represent and warrant to Oaktree that (i) you are not, and since the date of commencement of your employment you have not been, an employee of any other person or entity, (ii) your employment with Oaktree or any member of the Oaktree Group, and your performance of services for Oaktree or any member of the Oaktree Group, will not conflict with or be constrained by (A) any prior employment, employment agreement, consulting agreement, undertaking or relationship or (B) any other contractual obligations, fiduciary or other duties, or legal restrictions applicable to you, (iii) you are not the subject of any orders, judgments or decrees of any court, regulatory agency or other governmental body limiting or otherwise affecting your professional activities or addressing any issue related to whether your professional conduct has been in compliance with applicable law or securities industry professional standards, (iv) to your knowledge, no claim, action or investigation involving any such matters is pending, or to your knowledge, threatened, and (v) you answered "NO" to each of the questions in the Advisory Affiliate Questionnaire submitted to Oaktree and such answers are and continue to be true and accurate. You hereby covenant that you shall immediately inform the Company and OCG if any of the foregoing representations is or becomes untrue or inaccurate and will update the Advisory Affiliate Questionnaire upon the request of Oaktree.

(b) Prior to execution of this Agreement, you were advised by the Company of your right to seek independent advice from an attorney of your own selection regarding this Agreement. You acknowledge that you have entered into this Agreement knowingly and voluntarily and with full knowledge and understanding of the provisions of this Agreement after consulting with counsel. You further represent that in entering into this Agreement, you are not relying on any statements or representations made by any of the Company's directors, officers, employees or agents which are not expressly set forth herein, and that you are relying only upon your own judgment and any advice provided by your attorney.

8. Compliance with Law. In connection with your conduct and activities on behalf of Oaktree, you shall not knowingly fail to comply with any applicable law, including any applicable U.S. state, U.S. federal or non-U.S. securities law.

9. Miscellaneous

(a) Entire Agreement. This Agreement constitutes the entire and final expression of the agreement of the parties hereto with respect to the subject matter hereof and supersedes all prior agreements, oral and written, between the parties hereto with respect to the subject matter hereof, including the Original Employment Agreement, the 2015 A&R Employment Agreement, the 2017 A&R Employment Agreement, the Third A&R Employment Agreement and any other employment agreement or term sheet, in final form or draft form, between you and any member of the Oaktree Group. This Agreement may be modified or amended only by an instrument in writing signed by both parties hereto that specifically references this Agreement.

(b) Withholding. You hereby authorize Oaktree to deduct and withhold from any compensation or amounts otherwise payable to you any and all amounts required to be deducted or withheld under any applicable law or otherwise, including all taxes required to be withheld by applicable law or regulation.

(c) Assignment; Designation of Beneficiaries. Except as set forth in this Section 9(c), the rights and benefits hereunder shall not be assignable or transferable, and any purported transfer, sale, assignment, pledge or other encumbrance or disposition or attachment of any payments or benefits hereunder other than by operation of law, shall not be permitted or recognized. The Company may assign this Agreement to its Affiliates; provided, that no such assignment shall affect in any way the benefits to you or Oaktree contemplated by this Agreement or release the Company from liability hereunder. You agree to take any such actions and to execute any such documents as the Company may reasonably request in order to further implement and evidence any such assignment. You may, with the consent of the Company, designate in writing, on forms prescribed by and filed with the Company, one or more beneficiaries to receive any payments payable after your death and may at any time amend or revoke any such designation; provided, that if you designate a person other than your spouse as a beneficiary, your spouse must sign a statement specifically approving such designation. Any payments to which you would be entitled by virtue of this Agreement while alive will be paid, following your death, to the designated

beneficiary. If no beneficiary designation is in effect at the time of death, or in the absence of a spouse's approval as herein above provided, payments to which you are entitled hereunder shall be made to your personal representative.

(d) Waiver. Failure to insist upon strict compliance with any of the terms, covenants or conditions hereof shall not be deemed a waiver of such term, covenant or condition, nor shall any waiver or relinquishment of any right or power hereunder at any one or more times be deemed a waiver or relinquishment of such right or power at any other time or times.

(e) Notices. Any notice required or permitted to be given under this Agreement shall be sufficient if in writing and either delivered in person (including by a nationally recognized overnight courier service) or sent by first class certified or registered mail, postage prepaid, if to any member of the Oaktree Group, at the Company's principal place of business, Attn: General Counsel, and if to you, at your home address most recently filed with the Company, or to such other address or addresses as either party shall have designated in writing to the other party hereto.

(f) Severability. You agree that in the event any arbitrator or court of competent jurisdiction shall finally hold that any provision of Section 6 above is void or constitutes an unreasonable restriction against you, such provision shall not be rendered void but shall be enforced to such extent as such arbitrator or court, as the case may be, may determine constitutes a reasonable restriction under the circumstances. If any part of this Agreement other than Section 6 above is held by an arbitrator or court of competent jurisdiction to be invalid, illegal or incapable of being enforced in whole or in part by reason of any rule of law or public policy, such part shall be deemed to be severed from the remainder of this Agreement for the purpose only of the particular legal proceedings in question, and all other covenants and provisions of this Agreement shall in every other respect continue in full force and effect and no covenant or provision shall be deemed dependent upon any other covenant or provision.

(g) Governing Law. This Agreement shall be construed and enforced, along with any rights, remedies, or obligations provided for hereunder, in accordance with the laws of the State of California applicable to contracts made and to be performed entirely within the State of California; provided, that the

enforceability of Section 9(h) below shall be governed by the Federal Arbitration Act, 9 U.S.C. § 1 et seq., and not the laws of the State of California.

(h) Arbitration. You and Oaktree acknowledge and agree that, to the extent permitted by law, any and all disputes, claims or controversies arising out of or relating to the hiring process, your employment relationship with any member of the Oaktree Group or the termination of that employment relationship (including any claims for harassment, retaliation, or discrimination pursuant to Title VII of the Civil Rights Act of 1964, the Fair Labor Standards Act, the Americans with Disabilities Act, the Age Discrimination in Employment Act, or any similar provision of state or federal statutory or common law) shall be submitted to final and binding arbitration before Judicial Arbitration and Mediation Services, Inc. ("JAMS"). The arbitration shall take place in Los Angeles, California, and shall be conducted in accordance with the provisions of JAMS Employment Arbitration Rules and Procedures, or any similar successor, in effect at the time of filing of the demand for arbitration. The arbitration shall be held before and decided by a single neutral arbitrator, experienced in employment matters. You and Oaktree agree to participate in the arbitration in good faith. The arbitrator shall have the power to award any appropriate remedy allowed by applicable law, but shall not have power to modify the provisions of this Section 9(h), to make an award or impose a remedy that is not available to a court of general jurisdiction sitting in the State of California, and the jurisdiction of the arbitrator is limited accordingly. Unless otherwise determined by the arbitrator, the fees and costs of the arbitrator and the arbitration (but not the parties' respective individual costs of conducting the arbitration) shall be borne equally by Oaktree and you; provided, that Oaktree shall pay a greater portion (including, if required, all) of the fees and costs of the arbitrator and the arbitration where required by applicable law. The arbitrator shall apply California substantive law, including any applicable statutes of limitation. Adequate discovery shall be permitted by the arbitrator consistent with applicable law and the objectives of arbitration. The award of the arbitrator, which shall be in writing summarizing the basis for the decision, shall be final and binding upon the parties (subject only to limited review as required by law) and may be entered as a judgment in any court having competent jurisdiction, and the parties hereby consent to the jurisdiction of the courts of the State of California. The details, existence and outcome of any such arbitration and any information obtained in connection with any such arbitration (including any discovery taken in connection with such arbitration)

shall be kept strictly confidential and shall not be disclosed or discussed with any person not a party to, or witness in, the arbitration; provided, that a party may make such disclosures as are required by applicable law or legal process; provided, further that a party may make such disclosures to its attorneys, accountants or other agents and representatives who reasonably need to know the disclosed information in connection with any arbitration pursuant to this Section 9(h) and who are obligated to keep such information confidential to the same extent as such party. If either you or Oaktree, as the case may be, receives a subpoena or other request for information from a third party that seeks disclosure of any information that is required to be kept confidential pursuant to the immediately preceding sentence, or otherwise believes that it may be required to disclose any such information, you or Oaktree, as the case may be, shall (i) promptly notify the other party to the arbitration and (ii) reasonably cooperate with such other party in taking any legal or otherwise appropriate actions, including the seeking of a protective order, to prevent the disclosure or otherwise protect the confidentiality, of such information. To the extent necessary, disclosure of the EVU Award may be made in connection with enforcement of such award. For the avoidance of doubt, you and Oaktree agree and acknowledge that future agreements or contracts between you and Oaktree may include arbitration provisions governing disputes, claims or controversies that shall be separate and distinct from any arbitration pursuant to this Section 9(h).

(i) Interpretation. All ambiguities shall be resolved without reference to which party may have drafted this Agreement. All section headings or other captions in this Agreement are for convenience only, and they shall not be deemed part of this Agreement and in no way define, limit, extend or describe the scope or intent of any provisions hereof. Unless the context clearly indicates otherwise: (i) a term has the meaning assigned to it; (ii) “or” is not exclusive; (iii) provisions apply to successive events and transactions; (iv) each definition herein includes the singular and the plural; (v) each reference herein to any gender includes the masculine, feminine, and neuter where appropriate; (vi) the word “including” when used herein means “including, but not limited to,” and the word “include” when used herein means “include, without limitation”; and (vii) references herein to specified section numbers refer to the specified section of this Agreement. The words “hereof,” “herein,” “hereto,” “hereby,” “hereunder,” and derivative or similar words refer to this Agreement as a whole and not to any particular provision of this Agreement. The words “applicable law” and any other similar references to the law include all applicable statutes, laws

(including common law), treaties, orders, rules, regulations, determinations, orders, judgments, and decrees of any governmental authority. The abbreviation “U.S.” refers to the United States of America. All monetary amounts expressed herein by the use of the words “U.S. dollar” or “U.S. dollars” or the symbol “$” are expressed in the lawful currency of the United States of America. The words “foreign” and “domestic” shall be interpreted by reference to the United States of America.

(j) Binding Effect. This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective heirs, successors, legal representatives and assigns.

(k) Counterparts. This Agreement may be executed in any number of counterparts. Each of which shall be deemed an original, but all of which together shall constitute one and the same agreement.

If you agree to and accept the foregoing please so indicate by signing this Agreement in the space provided below and returning a signed copy to the undersigned. Upon acceptance by you, this Agreement will become our agreement as to the terms and conditions of your employment.

OAKTREE CAPITAL MANAGEMENT, L.P.

By: /Howard Marks/
Name: Howard S. Marks
Title: Co-Chairman

By: /Bruce Karsh/
Name: Bruce A. Karsh
Title: Co-Chairman and Chief Investment Officer

OAKTREE CAPITAL GROUP, LLC

By: /Howard Marks/
Name: Howard S. Marks
Title: Co-Chairman

By: /Bruce Karsh/
Name: Bruce A. Karsh
Title: Co-Chairman and Chief Investment Officer

I agree and accept the terms set out above as of the date of this Agreement.

/Jay Wintrob/
JAY S. WINTROB

Exhibit 21.1

List of Subsidiaries

Name	Jurisdiction of Incorporation or Organization
Arbour CLO Capital Funding Designated Activity Company	Ireland
Arbour CLO Designated Activity Company	Ireland
Arbour CLO II Designated Activity Company	Ireland
Arbour CLO III Designated Activity Company	Ireland
Arbour CLO IV Designated Activity Company	Ireland
Arbour CLO V Designated Activity Company	Ireland
Arbour CLO VI Designated Activity Company	Ireland
Arbour CLO VII Designated Activity Company	Ireland
Arbour CLO VIII Designated Activity Company	Ireland
Arbour CLO X Designated Activity Company	Ireland
Highstar Capital Fund III (Alternative), L.P.	Delaware
Highstar Capital Fund III, L.P.	Delaware
Highstar Capital III Designated Partners Fund, L.P.	Delaware
Highstar Capital III Prism Fund (Alternative), L.P.	Delaware
Highstar Capital III Prism Fund I-A (Alternative), L.P.	Delaware
Highstar Capital III Prism Fund I-A, L.P.	Cayman Islands
Highstar Capital III Prism Fund, L.P.	Cayman Islands
Highstar GP III Prism Fund, L.P.	Cayman Islands
Highstar GP III, L.P.	Delaware
Highstar Management III, LLC	Cayman Islands
LFE European Asset Management S.à r.l.	Luxembourg
Netherlands Innovation Investments LP	UK
Oaktree (Beijing) Investment Management Co., Ltd.	China
Oaktree Absolute Return Income Fund GP Ltd.	Cayman Islands
Oaktree Absolute Return Income Fund GP, L.P.	Cayman Islands
Oaktree Absolute Return Income Fund Holdings (Delaware), L.P.	Delaware
Oaktree Absolute Return Income Fund, L.P.	Cayman Islands
Oaktree Acquisition Corp. II	Cayman Islands
Oaktree Acquisition Corp. III	Cayman Islands
Oaktree Acquisition Holdings GP Ltd.	Cayman Islands
Oaktree Acquisition Holdings II GP, Ltd.	Cayman Islands
Oaktree Acquisition Holdings II, L.P.	Cayman Islands
Oaktree Acquisition Holdings III GP, Ltd.	Cayman Islands
Oaktree Acquisition Holdings III, L.P.	Cayman Islands
Oaktree Acquisition Holdings, L.P.	Cayman Islands
Oaktree Alpha Credit Fund Feeder, L.P.	Cayman Islands
Oaktree Alpha Credit Fund GP Ltd.	Cayman Islands
Oaktree Alpha Credit Fund GP, L.P.	Cayman Islands
Oaktree Alpha Credit Fund, L.P.	Cayman Islands
Oaktree Asia Performing Debt Opportunities Holdings (Cayman), L.P.	Cayman Islands

Oaktree Avalon Co-Investment Fund II, L.P.	Cayman Islands
Oaktree BAA Emerging Market Opportunities Fund (Feeder), L.P.	Cayman Islands
Oaktree BAA Emerging Market Opportunities Fund, L.P.	Cayman Islands
Oaktree Boulder Investment Fund (Feeder), L.P.	Cayman Islands
Oaktree Boulder Investment Fund GP, L.P.	Delaware
Oaktree Boulder Investment Fund, L.P.	Delaware
Oaktree BT AIV GP, L.P.	Delaware
Oaktree Capital (Australia) Pty Limited	Australia
Oaktree Capital (Beijing) Ltd.	China
Oaktree Capital (Hong Kong) Limited	Hong Kong
Oaktree Capital (Seoul) Limited	South Korea
Oaktree Capital (Singapore) Fund Services GP, Ltd.	Cayman Islands
Oaktree Capital (Singapore) Fund Services Pte. Ltd.	Singapore
Oaktree Capital (Singapore) Fund Services, L.P.	Cayman Islands
Oaktree Capital I, L.P.	Delaware
Oaktree Capital Management (Cayman), L.P.	Cayman Islands
Oaktree Capital Management (Dubai) Limited	United Arab Emirates
Oaktree Capital Management (Europe) LLP	United Kingdom
Oaktree Capital Management (International) Limited	United Kingdom
Oaktree Capital Management (UK) LLP	United Kingdom
Oaktree Capital Management Fund (Europe)	Luxembourg
Oaktree Capital Management Limited	United Kingdom
Oaktree Capital Management Pte. Ltd.	Singapore
Oaktree Capital UK Limited	United Kingdom
Oaktree Cascade Investment Fund I GP, L.P.	Delaware
Oaktree Cascade Investment Fund I, L.P.	Delaware
Oaktree Cascade Investment Fund II GP, L.P.	Delaware
Oaktree Cascade Investment Fund II, L.P.	Delaware
Oaktree Cascade Investment Fund III GP, L.P.	Delaware
Oaktree Cascade Investment Fund III, L.P.	Delaware
Oaktree CLO 2014-1 Blocker Ltd.	Cayman Islands
Oaktree CLO 2014-1 LLC	Delaware
Oaktree CLO 2014-1 Ltd.	Cayman Islands
Oaktree CLO 2014-2 Blocker Ltd.	Cayman Islands
Oaktree CLO 2014-2 Ltd.	Cayman Islands
Oaktree CLO 2015-1 Blocker Ltd.	Cayman Islands
Oaktree CLO 2015-1 Ltd.	Cayman Islands
Oaktree CLO 2018-1 LLC	Delaware
Oaktree CLO 2018-1 Ltd.	Cayman Islands
Oaktree CLO 2019-1 Ltd.	Cayman Islands
Oaktree CLO 2019-2 Ltd.	Cayman Islands
Oaktree CLO 2019-3, Ltd.	Cayman Islands
Oaktree CLO 2019-4 Blocker Ltd.	Cayman Islands
Oaktree CLO 2019-4, Ltd.	Cayman Islands
Oaktree CLO 2021-1, Ltd.	Cayman Islands
Oaktree CLO 2021-2, Ltd.	Cayman Islands

Oaktree CLO 2022-1, Ltd.	Cayman Islands
Oaktree CLO RR Holder, LLC	Delaware
Oaktree Desert Sky Investment Fund GP, L.P.	Delaware
Oaktree Desert Sky Investment Fund II GP, L.P.	Delaware
Oaktree Desert Sky Investment Fund II, L.P.	Delaware
Oaktree Desert Sky Investment Fund, L.P.	Delaware
Oaktree Emerging Market Debt Fund GP, L.P.	Cayman Islands
Oaktree Emerging Market Debt Fund GP, Ltd.	Cayman Islands
Oaktree Emerging Market Debt Fund, L.P.	Cayman Islands
Oaktree Emerging Market Opportunities Fund (Feeder) GP, L.P.	Cayman Islands
Oaktree Emerging Market Opportunities Fund (Feeder), L.P.	Cayman Islands
Oaktree Emerging Market Opportunities Fund GP, L.P.	Cayman Islands
Oaktree Emerging Market Opportunities Fund GP, Ltd.	Cayman Islands
Oaktree Emerging Market Opportunities Fund, L.P.	Cayman Islands
Oaktree Emerging Markets Absolute Return (Cayman) Fund, Ltd.	Cayman Islands
Oaktree Emerging Markets Absolute Return Fund GP, L.P.	Delaware
Oaktree Emerging Markets Absolute Return Fund, L.P.	Delaware
Oaktree Emerging Markets Debt Total Return Fund Corporate Feeder (Cayman), L.P.	Cayman Islands
Oaktree Emerging Markets Debt Total Return Fund GP Ltd.	Cayman Islands
Oaktree Emerging Markets Debt Total Return Fund GP, L.P.	Cayman Islands
Oaktree Emerging Markets Debt Total Return Fund Partnership Feeder (Cayman), L.P.	Cayman Islands
Oaktree Emerging Markets Debt Total Return Fund, L.P.	Cayman Islands
Oaktree Emerging Markets Equity Fund (Cayman), L.P.	Cayman Islands
Oaktree Emerging Markets Equity Fund (Delaware), L.P.	Delaware
Oaktree Emerging Markets Equity Fund (Feeder) GP, L.P.	Cayman Islands
Oaktree Emerging Markets Equity Fund GP Ltd.	Cayman Islands
Oaktree Emerging Markets Equity Fund GP, L.P.	Cayman Islands
Oaktree Emerging Markets Equity Fund, L.P.	Cayman Islands
Oaktree Emerging Markets Opportunities Fund II (Feeder), L.P.	Cayman Islands
Oaktree Emerging Markets Opportunities Fund II GP Ltd.	Cayman Islands
Oaktree Emerging Markets Opportunities Fund II GP, L.P.	Cayman Islands
Oaktree Emerging Markets Opportunities Fund II, L.P.	Cayman Islands
Oaktree Employee Investment Fund (Cayman), L.P.	Cayman Islands
Oaktree Europe GP, Limited	Cayman Islands
Oaktree European Capital Solutions Fund (Parallel), L.P.	Delaware
Oaktree European Capital Solutions Fund Feeder (U.S.), L.P.	Cayman Islands
Oaktree European Capital Solutions Fund Feeder 2, L.P.	Cayman Islands
Oaktree European Capital Solutions Fund GP, L.P.	Cayman Islands
Oaktree European Capital Solutions Fund GP, Ltd.	Cayman Islands
Oaktree European Capital Solutions Fund II Feeder (Lux USDH), SCSp	Luxembourg
Oaktree European Capital Solutions Fund II Feeder (USD), L.P.	Cayman Islands
Oaktree European Capital Solutions Fund II Feeder (USDH), L.P.	Cayman Islands
Oaktree European Capital Solutions Fund II GP Ltd.	Cayman Islands
Oaktree European Capital Solutions Fund II GP, L.P.	Cayman Islands
Oaktree European Capital Solutions Fund II, L.P.	Cayman Islands
Oaktree European Capital Solutions Fund II, SCSp	Luxembourg

Oaktree European Capital Solutions Fund II, SCSp-RAIF	Luxembourg
Oaktree European Capital Solutions Fund III Feeder (JPYH), L.P.	Cayman Islands
Oaktree European Capital Solutions Fund III Feeder (Lux USDH), SCSp	Luxembourg
Oaktree European Capital Solutions Fund III Feeder (USDH), L.P.	Cayman Islands
Oaktree European Capital Solutions Fund III Feeder Holdings (Cayman), L.P.	Cayman Islands
Oaktree European Capital Solutions Fund III GP Ltd.	Cayman Islands
Oaktree European Capital Solutions Fund III GP, L.P.	Cayman Islands
Oaktree European Capital Solutions Fund III Holdings (Cayman), L.P.	Cayman Islands
Oaktree European Capital Solutions Fund III Holdings (Delaware), L.P.	Delaware
Oaktree European Capital Solutions Fund III JPY Feeder Holdings (Cayman), L.P.	Cayman Islands
Oaktree European Capital Solutions Fund III, L.P.	Cayman Islands
Oaktree European Capital Solutions Fund III, SCSp	Luxembourg
Oaktree European Capital Solutions Fund, L.P.	Cayman Islands
Oaktree European CLO Capital Fund Limited	Guernsey
Oaktree European Dislocation Fund (U.S.), L.P.	Cayman Islands
Oaktree European Dislocation Fund GP Ltd.	Cayman Islands
Oaktree European Dislocation Fund GP, L.P.	Cayman Islands
Oaktree European Dislocation Fund, L.P.	Cayman Islands
Oaktree European Holdings, LLC	Delaware
Oaktree European Principal Fund III (Cayman), L.P.	Cayman Islands
Oaktree European Principal Fund III (Feeder) GP, L.P.	Cayman Islands
Oaktree European Principal Fund III (Parallel) Feeder, L.P.	Cayman Islands
Oaktree European Principal Fund III (Parallel), L.P.	Cayman Islands
Oaktree European Principal Fund III (U.S.), L.P.	Cayman Islands
Oaktree European Principal Fund III AIV (Delaware), L.P.	Delaware
Oaktree European Principal Fund III AIV GP, LLC	Delaware
Oaktree European Principal Fund III AIV Holdings, L.P.	Delaware
Oaktree European Principal Fund III GP Ltd.	Cayman Islands
Oaktree European Principal Fund III GP, L.P.	Cayman Islands
Oaktree European Principal Fund III Ltd.	Cayman Islands
Oaktree European Principal Fund III, L.P.	Cayman Islands
Oaktree European Principal Fund IV AIV (Delaware), L.P.	Delaware
Oaktree European Principal Fund IV AIV GP, LLC	Delaware
Oaktree European Principal Fund IV AIV Holdings, L.P.	Delaware
Oaktree European Principal Fund IV Feeder (Cayman), L.P.	Cayman Islands
Oaktree European Principal Fund IV Feeder (U.S.), L.P.	Cayman Islands
Oaktree European Principal Fund IV Feeder, S.C.S.	Luxembourg
Oaktree European Principal Fund IV GP Ltd.	Cayman Islands
Oaktree European Principal Fund IV GP S.à r.l.	Luxembourg
Oaktree European Principal Fund IV GP, L.P.	Cayman Islands
Oaktree European Principal Fund IV, L.P.	Cayman Islands
Oaktree European Principal Fund IV, Ltd.	Cayman Islands
Oaktree European Principal Fund IV, S.C.S.	Luxembourg
Oaktree European Principal Fund V (Parallel) Feeder (USDH), L.P.	Cayman Islands
Oaktree European Principal Fund V (Parallel), L.P.	Cayman Islands
Oaktree European Principal Fund V Feeder (Cayman), L.P.	Cayman Islands

Oaktree European Principal Fund V Feeder (U.S.), L.P.	Cayman Islands
Oaktree European Principal Fund V Feeder (USDH), L.P.	Cayman Islands
Oaktree European Principal Fund V GP Ltd.	Cayman Islands
Oaktree European Principal Fund V GP, L.P.	Cayman Islands
Oaktree European Principal Fund V, L.P.	Cayman Islands
Oaktree European Principal Fund V, SCSp	Luxembourg
Oaktree European Science Park GP, L.P.	Delaware
Oaktree European Science Park GP, LLC	Delaware
Oaktree European Science Park LLP	UK
Oaktree European Science Park S.à r.l.	Luxembourg
Oaktree European Senior Loan S.à r.l	Luxembourg
Oaktree European Special Situations Fund GP, L.P.	Cayman Islands
Oaktree European Special Situations Fund GP, Ltd.	Cayman Islands
Oaktree European Special Situations Fund, L.P.	Cayman Islands
Oaktree FF Emerging Markets Opportunities Fund (Feeder), L.P.	Cayman Islands
Oaktree FF Emerging Markets Opportunities Fund GP Ltd.	Cayman Islands
Oaktree FF Emerging Markets Opportunities Fund GP, L.P.	Cayman Islands
Oaktree FF Emerging Markets Opportunities Fund, L.P.	Cayman Islands
Oaktree FF Investment Fund AIF (Delaware), L.P.	Delaware
Oaktree FF Investment Fund GP Ltd.	Cayman Islands
Oaktree FF Investment Fund GP, L.P.	Cayman Islands
Oaktree FF Investment Fund, L.P.	Cayman Islands
Oaktree France S.A.S.	France
Oaktree Fund GP 1A, Ltd.	Cayman Islands
Oaktree Fund GP Feeder GP, LLC	Delaware
Oaktree Fund GP I Feeder, L.P.	Delaware
Oaktree Fund GP I, L.P.	Delaware
Oaktree Fund GP II Feeder, L.P.	Delaware
Oaktree Fund GP III Feeder, L.P.	Delaware
Oaktree Fund GP, LLC	Delaware
Oaktree GC Super Fund GP, L.P.	Delaware
Oaktree GC Super Fund, L.P.	Delaware
Oaktree Gilead Investment Fund AIF (Delaware), L.P.	Delaware
Oaktree Gilead Investment Fund GP, L.P.	Delaware
Oaktree Gilead Investment Fund, L.P.	Delaware
Oaktree Glacier Holdings GP, Ltd.	Cayman Islands
Oaktree Glacier Holdings, L.P.	Cayman Islands
Oaktree Glacier Investment Fund (Feeder), L.P.	Cayman Islands
Oaktree Glacier Investment Fund II (Feeder) GP S.à r.l.	Luxembourg
Oaktree Glacier Investment Fund II (Feeder), S.C.Sp.	Luxembourg
Oaktree Glacier Investment Fund II, L.P.	Cayman Islands
Oaktree Glacier Investment Fund, L.P.	Cayman Islands
Oaktree Glendora Investment Fund GP, L.P.	Cayman Islands
Oaktree Glendora Investment Fund, L.P.	Cayman Islands
Oaktree Global Credit Feeder (Cayman), L.P.	Cayman Islands
Oaktree Global Credit Fund GP Ltd.	Cayman Islands

Oaktree Global Credit Fund GP, L.P.	Cayman Islands
Oaktree Global Credit Fund, L.P.	Cayman Islands
Oaktree Global Credit Plus Fund, L.P.	Delaware
Oaktree Global Credit S.à r.l.	Luxembourg
Oaktree GmbH	Germany
Oaktree Holdings, LLC	Delaware
OAKTREE HOLDINGS, LTD.	Cayman Islands
Oaktree HS III GP Ltd.	Cayman Islands
Oaktree HS III GP, L.P.	Cayman Islands
Oaktree Huntington Investment Fund AIF (Delaware), L.P.	Delaware
Oaktree Huntington Investment Fund GP Ltd.	Cayman Islands
Oaktree Huntington Investment Fund GP, L.P.	Cayman Islands
Oaktree Huntington Investment Fund II AIF (Delaware), L.P.	Delaware
Oaktree Huntington Investment Fund II GP, L.P.	Delaware
Oaktree Huntington Investment Fund II, L.P.	Delaware
Oaktree Huntington Investment Fund, L.P.	Cayman Islands
Oaktree Huntington-GCF Investment Fund GP, L.P.	Delaware
Oaktree Huntington-GCF Investment Fund GP, LLC	Delaware
Oaktree Huntington-GCF Investment Fund, L.P.	Delaware
Oaktree Huntington-GCF Investment Holdings (Cayman), L.P.	Cayman Islands
Oaktree International Holdings, LLC	Delaware
Oaktree Japan, Inc.	Japan
Oaktree Latigo Investment Fund GP, L.P.	Delaware
Oaktree Latigo Investment Fund, L.P.	Delaware
Oaktree Luxembourg CoopSA	Luxembourg
Oaktree Mercury Investment Fund GP Ltd.	Cayman Islands
Oaktree Mercury Investment Fund GP, L.P.	Cayman Islands
Oaktree Mercury Investment Fund, L.P.	Cayman Islands
Oaktree Moraine Co-Investment Fund (Feeder), S.C.Sp.	Luxembourg
Oaktree Moraine Co-Investment Fund, L.P.	Cayman Islands
Oaktree Oasis Investment Fund AIV, L.P.	Cayman Islands
Oaktree Oasis Investment Fund GP Ltd.	Cayman Islands
Oaktree Oasis Investment Fund GP, L.P.	Cayman Islands
Oaktree Oasis Investment Fund Holdings, L.P.	Cayman Islands
Oaktree Oasis Investment Fund, L.P.	Cayman Islands
Oaktree Opportunities (Singapore) GP Pte. Ltd.	Singapore
Oaktree Opportunities Fund IX (Cayman), L.P.	Cayman Islands
Oaktree Opportunities Fund IX (Feeder) GP, L.P.	Cayman Islands
Oaktree Opportunities Fund IX (Parallel 2) AIF (Cayman), L.P.	Cayman Islands
Oaktree Opportunities Fund IX (Parallel 2) AIF (Delaware), L.P.	Delaware
Oaktree Opportunities Fund IX (Parallel 2), L.P.	Cayman Islands
Oaktree Opportunities Fund IX (Parallel) AIF (Cayman), L.P.	Cayman Islands
Oaktree Opportunities Fund IX (Parallel) AIF (Delaware), L.P.	Delaware
Oaktree Opportunities Fund IX (Parallel), L.P.	Cayman Islands
Oaktree Opportunities Fund IX AIF (Cayman), L.P.	Cayman Islands
Oaktree Opportunities Fund IX AIF (Delaware), L.P.	Delaware

Oaktree Opportunities Fund IX Delaware, L.P.	Delaware
Oaktree Opportunities Fund IX GP Ltd.	Cayman Islands
Oaktree Opportunities Fund IX GP, L.P.	Cayman Islands
Oaktree Opportunities Fund IX, L.P.	Cayman Islands
Oaktree Opportunities Fund VIII (Cayman) Ltd.	Cayman Islands
Oaktree Opportunities Fund VIII (Parallel 2) AIF (Delaware), L.P.	Delaware
Oaktree Opportunities Fund VIII (Parallel 2), L.P.	Cayman Islands
Oaktree Opportunities Fund VIII (Parallel) AIF (Cayman), L.P.	Cayman Islands
Oaktree Opportunities Fund VIII (Parallel) AIF (Delaware), L.P.	Delaware
Oaktree Opportunities Fund VIII (Parallel), L.P.	Cayman Islands
Oaktree Opportunities Fund VIII AIF (Cayman), L.P.	Cayman Islands
Oaktree Opportunities Fund VIII AIF (Delaware), L.P.	Delaware
Oaktree Opportunities Fund VIII Delaware, L.P.	Delaware
Oaktree Opportunities Fund VIII GP Ltd.	Cayman Islands
Oaktree Opportunities Fund VIII GP, L.P.	Cayman Islands
Oaktree Opportunities Fund VIII, L.P.	Cayman Islands
Oaktree Opportunities Fund VIIIb (Cayman) Ltd.	Cayman Islands
Oaktree Opportunities Fund VIIIb (Parallel) AIF (Cayman), L.P.	Cayman Islands
Oaktree Opportunities Fund VIIIB (Parallel) AIF (Delaware), L.P.	Delaware
Oaktree Opportunities Fund VIIIb (Parallel), L.P.	Cayman Islands
Oaktree Opportunities Fund VIIIb AIF (Cayman), L.P.	Cayman Islands
Oaktree Opportunities Fund VIIIB AIF (Delaware), L.P.	Delaware
Oaktree Opportunities Fund VIIIb Delaware, L.P.	Delaware
Oaktree Opportunities Fund VIIIb GP Ltd.	Cayman Islands
Oaktree Opportunities Fund VIIIb GP, L.P.	Cayman Islands
Oaktree Opportunities Fund VIIIb, L.P.	Cayman Islands
Oaktree Opportunities Fund X (Feeder) GP, L.P.	Cayman Islands
Oaktree Opportunities Fund X (Parallel 2) AIF (Cayman), L.P.	Cayman Islands
Oaktree Opportunities Fund X (Parallel 2) AIF (Delaware), L.P.	Delaware
Oaktree Opportunities Fund X (Parallel 2), L.P.	Delaware
Oaktree Opportunities Fund X (Parallel) AIF (Cayman), L.P.	Cayman Islands
Oaktree Opportunities Fund X (Parallel) AIF (Delaware), L.P.	Delaware
Oaktree Opportunities Fund X (Parallel), L.P.	Cayman Islands
Oaktree Opportunities Fund X AIF (Cayman), L.P.	Cayman Islands
Oaktree Opportunities Fund X AIF (Delaware), L.P.	Delaware
Oaktree Opportunities Fund X Feeder (Cayman), L.P.	Cayman Islands
Oaktree Opportunities Fund X GP Ltd.	Cayman Islands
Oaktree Opportunities Fund X GP, L.P.	Cayman Islands
Oaktree Opportunities Fund X, L.P.	Cayman Islands
Oaktree Opportunities Fund Xb (Feeder) GP, L.P.	Cayman Islands
Oaktree Opportunities Fund Xb (Parallel 2) AIF (Cayman), L.P.	Cayman Islands
Oaktree Opportunities Fund Xb (Parallel 2) AIF (Delaware), L.P.	Delaware
Oaktree Opportunities Fund Xb (Parallel 2), L.P.	Delaware
Oaktree Opportunities Fund Xb (Parallel) AIF (Cayman), L.P.	Cayman Islands
Oaktree Opportunities Fund Xb (Parallel) AIF (Delaware), L.P.	Delaware
Oaktree Opportunities Fund Xb (Parallel), L.P.	Cayman Islands

Oaktree Opportunities Fund Xb AIF (Cayman), L.P.	Cayman Islands
Oaktree Opportunities Fund Xb AIF (Delaware), L.P.	Delaware
Oaktree Opportunities Fund Xb Delaware AIF Holdings, L.P.	Delaware
Oaktree Opportunities Fund Xb Feeder (Cayman), L.P.	Cayman Islands
Oaktree Opportunities Fund Xb GP Ltd.	Cayman Islands
Oaktree Opportunities Fund Xb GP, L.P.	Cayman Islands
Oaktree Opportunities Fund Xb, L.P.	Cayman Islands
Oaktree Opportunities Fund XI (Parallel 3) AIV (Cayman), L.P.	Cayman Islands
Oaktree Opportunities Fund XI (Parallel 3) AIV (Delaware), L.P.	Delaware
Oaktree Opportunities Fund XI (Parallel 3), L.P.	Cayman Islands
Oaktree Opportunities Fund XI (Parallel) AIV (Cayman), L.P.	Cayman Islands
Oaktree Opportunities Fund XI (Parallel) AIV (Delaware), L.P.	Delaware
Oaktree Opportunities Fund XI (Parallel), L.P.	Cayman Islands
Oaktree Opportunities Fund XI AIV (Cayman), L.P.	Cayman Islands
Oaktree Opportunities Fund XI AIV (Delaware) GP, L.P.	Delaware
Oaktree Opportunities Fund XI AIV (Delaware), L.P.	Delaware
Oaktree Opportunities Fund XI AIV GP, S.à r.l.	Luxembourg
Oaktree Opportunities Fund XI Delaware AIV Holdings, L.P.	Delaware
Oaktree Opportunities Fund XI Feeder (Cayman), L.P.	Cayman Islands
Oaktree Opportunities Fund XI Feeder 2 (Cayman), L.P.	Cayman Islands
Oaktree Opportunities Fund XI Feeder 4 (Cayman), L.P.	Cayman Islands
Oaktree Opportunities Fund XI GP Ltd.	Cayman Islands
Oaktree Opportunities Fund XI GP, L.P.	Cayman Islands
Oaktree Opportunities Fund XI GP, S.à.r.l.	Luxembourg
Oaktree Opportunities Fund XI Holdings (Cayman), L.P.	Cayman Islands
Oaktree Opportunities Fund XI Holdings (Delaware), L.P.	Delaware
Oaktree Opportunities Fund XI Holdings 2 (Delaware), L.P.	Delaware
Oaktree Opportunities Fund XI Master Holdings (Delaware), L.P.	Delaware
Oaktree Opportunities Fund XI Master Holdings Parallel (Delaware), L.P.	Delaware
Oaktree Opportunities Fund XI Master Holdings Parallel 2 (Delaware), L.P.	Delaware
Oaktree Opportunities Fund XI Master Holdings Parallel 3 (Delaware), L.P.	Delaware
Oaktree Opportunities Fund XI Parallel Holdings, L.P.	Cayman Islands
Oaktree Opportunities Fund XI, L.P.	Cayman Islands
Oaktree Opportunities XI (Delaware) Holdings, LLC	Delaware
Oaktree Opportunities XI (Parallel 2) AIV 2, SCSp	Luxembourg
Oaktree Opportunities XI Feeder (Euro) AIV 2, SCSp	Luxembourg
Oaktree Opportunities XI Feeder (Luxembourg) AIV 2, SCSp	Luxembourg
Oaktree Opportunities XI Feeder 2 AIV (Luxembourg), SCSp	Luxembourg
Oaktree Opportunities XI Feeder 3 AIV (Parallel Luxembourg), SCSp	Luxembourg
Oaktree Opportunities XI Feeder 4 AIV (Parallel Luxembourg), SCSp	Luxembourg
Oaktree Opportunities XI Feeder AIV (Luxembourg), SCSp	Luxembourg
Oaktree Opportunities XI Parallel Holdings, SCSp	Luxembourg
Oaktree Opps XI Holdco, Ltd.	Cayman Islands
Oaktree Overseas Investment Fund Management (Shanghai) Co., Ltd.	China
Oaktree Phoenix Investment Fund AIF (Delaware), L.P.	Delaware
Oaktree Phoenix Investment Fund Feeder, L.P.	Cayman Islands

Oaktree Phoenix Investment Fund GP, L.P.	Cayman Islands
Oaktree Phoenix Investment Fund, L.P.	Cayman Islands
Oaktree Ports America Fund (HS III), L.P.	Delaware
Oaktree Ports America Fund Feeder (Cayman) HS III, L.P.	Cayman Islands
Oaktree Ports America Fund Feeder, L.P.	Cayman Islands
Oaktree Ports America Fund GP, L.P.	Cayman Islands
Oaktree Ports America Fund GP, Ltd.	Cayman Islands
Oaktree Ports America Fund, L.P.	Delaware
Oaktree Power Opportunities Fund III (Cayman) GP Ltd.	Cayman Islands
Oaktree Power Opportunities Fund III (Cayman), L.P.	Cayman Islands
Oaktree Power Opportunities Fund III (Parallel), L.P.	Delaware
Oaktree Power Opportunities Fund III AIF (Delaware), L.P.	Delaware
Oaktree Power Opportunities Fund III Delaware, L.P.	Delaware
Oaktree Power Opportunities Fund III GP, L.P.	Delaware
Oaktree Power Opportunities Fund III, L.P.	Delaware
Oaktree Power Opportunities Fund IV (Cayman) GP Ltd.	Cayman Islands
Oaktree Power Opportunities Fund IV (Parallel), L.P.	Delaware
Oaktree Power Opportunities Fund IV Feeder (Cayman), L.P.	Cayman Islands
Oaktree Power Opportunities Fund IV GP, L.P.	Delaware
Oaktree Power Opportunities Fund IV, L.P.	Delaware
Oaktree Power Opportunities Fund V (Parallel), L.P.	Delaware
Oaktree Power Opportunities Fund V Feeder, L.P.	Cayman Islands
Oaktree Power Opportunities Fund V GP, L.P.	Cayman Islands
Oaktree Power Opportunities Fund V GP, Ltd.	Cayman Islands
Oaktree Power Opportunities Fund V, L.P.	Cayman Islands
Oaktree Power Opportunities Fund VI (Parallel 2), SCSp	Luxembourg
Oaktree Power Opportunities Fund VI (Parallel 3), L.P.	Delaware
Oaktree Power Opportunities Fund VI (Parallel), L.P.	Cayman Islands
Oaktree Power Opportunities Fund VI Feeder (Cayman), L.P.	Cayman Islands
Oaktree Power Opportunities Fund VI Feeder (Luxembourg), SCSp	Luxembourg
Oaktree Power Opportunities Fund VI GP Ltd.	Cayman Islands
Oaktree Power Opportunities Fund VI GP, L.P.	Cayman Islands
Oaktree Power Opportunities Fund VI GP, S.à r.l.	Luxembourg
Oaktree Power Opportunities Fund VI Holdings (Cayman), L.P.	Cayman Islands
Oaktree Power Opportunities Fund VI Holdings (Delaware), L.P.	Delaware
Oaktree Power Opportunities Fund VI, L.P.	Cayman Islands
Oaktree Power Opportunities VI (Parallel 2) AIV (Luxembourg), SCSp	Luxembourg
Oaktree Principal Advisors (Europe) Limited	United Kingdom
Oaktree Principal Fund V (Cayman) Ltd.	Cayman Islands
Oaktree Principal Fund V (Delaware), L.P.	Delaware
Oaktree Principal Fund V (Parallel) AIF (Cayman), L.P.	Cayman Islands
Oaktree Principal Fund V (Parallel) AIF (Delaware), L.P.	Delaware
Oaktree Principal Fund V (Parallel), L.P.	Cayman Islands
Oaktree Principal Fund V AIF (Cayman), L.P.	Cayman Islands
Oaktree Principal Fund V AIF (Delaware), L.P.	Delaware
Oaktree Principal Fund V GP Ltd.	Cayman Islands

Oaktree Principal Fund V GP, L.P.	Cayman Islands
Oaktree Principal Fund V, L.P.	Cayman Islands
Oaktree Principal V Continuation Fund (Parallel 2) AIF (Delaware), L.P.	Delaware
Oaktree Principal V Continuation Fund (Parallel 2), L.P.	Cayman Islands
Oaktree Principal V Continuation Fund (Parallel) AIF (Delaware), L.P.	Delaware
Oaktree Principal V Continuation Fund (Parallel), L.P.	Cayman Islands
Oaktree Principal V Continuation Fund AIF (Delaware), L.P.	Delaware
Oaktree Principal V Continuation Fund GP Ltd.	Cayman Islands
Oaktree Principal V Continuation Fund GP, L.P.	Cayman Islands
Oaktree Principal V Continuation Fund, L.P.	Cayman Islands
Oaktree Real Estate Debt Fund (Parallel), L.P.	Delaware
Oaktree Real Estate Debt Fund GP, L.P.	Delaware
Oaktree Real Estate Debt Fund II (Parallel), L.P.	Delaware
Oaktree Real Estate Debt Fund II Feeder (Cayman), L.P.	Cayman Islands
Oaktree Real Estate Debt Fund II Feeder HK Limited	Hong Kong
Oaktree Real Estate Debt Fund II GP Ltd.	Cayman Islands
Oaktree Real Estate Debt Fund II GP, L.P.	Cayman Islands
Oaktree Real Estate Debt Fund II, L.P.	Cayman Islands
Oaktree Real Estate Debt Fund III (EEA Holdings), L.P.	Delaware
Oaktree Real Estate Debt Fund III (Lux), SCSp	Luxembourg
Oaktree Real Estate Debt Fund III Feeder (Cayman) I, L.P.	Cayman Islands
Oaktree Real Estate Debt Fund III Feeder (Cayman) II, L.P.	Cayman Islands
Oaktree Real Estate Debt Fund III Feeder (Cayman) III, L.P.	Cayman Islands
Oaktree Real Estate Debt Fund III Feeder (Cayman) IV, L.P.	Cayman Islands
Oaktree Real Estate Debt Fund III Feeder (Cayman) V, L.P.	Cayman Islands
Oaktree Real Estate Debt Fund III Feeder (Lux) I, SCSp	Luxembourg
Oaktree Real Estate Debt Fund III Feeder (Lux) II, SCSp	Luxembourg
Oaktree Real Estate Debt Fund III Feeder (Lux) III, SCSp	Luxembourg
Oaktree Real Estate Debt Fund III GP Ltd.	Cayman Islands
Oaktree Real Estate Debt Fund III GP, L.P.	Cayman Islands
Oaktree Real Estate Debt Fund III GP, S.à r.l.	Luxembourg
Oaktree Real Estate Debt Fund III Sub, L.P.	Delaware
Oaktree Real Estate Debt Fund III, L.P.	Cayman Islands
Oaktree Real Estate Debt Fund, L.P.	Delaware
Oaktree Real Estate Debt Holdings III, L.P.	Cayman Islands
Oaktree Real Estate Finance III (Non-EURRC), LLC	Delaware
Oaktree Real Estate Finance III, LLC	Delaware
Oaktree Real Estate Income Trust, Inc.	Delaware
Oaktree Real Estate Opportunities Fund VIII GP, S.à r.l.	Luxembourg
Oaktree Segregated Debt Vehicle, LLC	Delaware
Oaktree Special Situations (Singapore) GP Pte. Ltd.	Singapore
Oaktree Special Situations (Singapore), LP	Singapore
Oaktree Special Situations Fund (Feeder) GP, L.P.	Cayman Islands
Oaktree Special Situations Fund (Feeder), L.P.	Cayman Islands
Oaktree Special Situations Fund AIF (Cayman), L.P.	Cayman Islands
Oaktree Special Situations Fund AIF (Delaware), L.P.	Delaware

Oaktree Special Situations Fund AIF Sub-Fund, L.P.	Delaware
Oaktree Special Situations Fund GP Ltd.	Cayman Islands
Oaktree Special Situations Fund GP, L.P.	Cayman Islands
Oaktree Special Situations Fund II (Feeder), L.P.	Cayman Islands
Oaktree Special Situations Fund II GP Ltd.	Cayman Islands
Oaktree Special Situations Fund II GP, L.P.	Cayman Islands
Oaktree Special Situations Fund II, L.P.	Cayman Islands
Oaktree Special Situations Fund III (Parallel 2), SCSp	Luxembourg
Oaktree Special Situations Fund III Feeder (Cayman), L.P.	Cayman Islands
Oaktree Special Situations Fund III Feeder (Luxembourg), SCSp	Luxembourg
Oaktree Special Situations Fund III GP Ltd.	Cayman Islands
Oaktree Special Situations Fund III GP, L.P.	Cayman Islands
Oaktree Special Situations Fund III GP, S.à r.l.	Luxembourg
Oaktree Special Situations Fund III, L.P.	Cayman Islands
Oaktree Special Situations Fund, L.P.	Cayman Islands
Oaktree Star Investment Fund II AIF (Delaware), L.P.	Delaware
Oaktree Star Investment Fund II, L.P.	Cayman Islands
Oaktree Strategic Income III, LLC	Delaware
Oaktree Structured Credit Income Fund Feeder, L.P.	Cayman Islands
Oaktree Structured Credit Income Fund GP Ltd.	Cayman Islands
Oaktree Structured Credit Income Fund GP, L.P.	Cayman Islands
Oaktree Structured Credit Income Fund, L.P.	Cayman Islands
Oaktree Transportation Infrastructure Fund (Parallel 3), L.P.	Cayman Islands
Oaktree TX Emerging Market Opportunities Fund, L.P.	Cayman Islands
Oaktree UK Wealth Coinvest, L.P.	Cayman Islands
Oaktree Value Equity Fund (Cayman), L.P.	Cayman Islands
Oaktree Value Equity Fund (Delaware), L.P.	Delaware
Oaktree Value Equity Fund (Feeder) GP, L.P.	Cayman Islands
Oaktree Value Equity Fund GP Ltd.	Cayman Islands
Oaktree Value Equity Fund GP, L.P.	Cayman Islands
Oaktree Value Equity Fund, L.P.	Cayman Islands
Oaktree Value Opportunities (Cayman) Fund, Ltd.	Cayman Islands
Oaktree Value Opportunities Feeder Fund, L.P.	Delaware
Oaktree Value Opportunities Fund AIF (Delaware), L.P.	Delaware
Oaktree Value Opportunities Fund GP Ltd.	Cayman Islands
Oaktree Value Opportunities Fund GP, L.P.	Cayman Islands
Oaktree Value Opportunities Fund, L.P.	Cayman Islands
OCGH ExchangeCo, L.P.	Delaware
OCM Asia Principal Opportunities Fund GP Ltd.	Cayman Islands
OCM Asia Principal Opportunities Fund GP, L.P.	Cayman Islands
OCM Asia Principal Opportunities Fund, L.P.	Cayman Islands
OCM European Principal Opportunities Fund II (Delaware), L.P.	Delaware
OCM European Principal Opportunities Fund II (U.S.), L.P.	Cayman Islands
OCM European Principal Opportunities Fund II AIF (Cayman), L.P.	Cayman Islands
OCM European Principal Opportunities Fund II GP Ltd.	Cayman Islands
OCM European Principal Opportunities Fund II GP, L.P.	Cayman Islands

OCM European Principal Opportunities Fund II, L.P.	Cayman Islands
OCM Holdings I, LLC	Delaware
OCM Luxembourg OPPS Xb S.à r.l.	Luxembourg
OCM Opportunities Fund V (Cayman) Ltd.	Cayman Islands
OCM Opportunities Fund V Feeder, L.P.	Delaware
OCM Opportunities Fund V GP, L.P.	Delaware
OCM Opportunities Fund V, L.P.	Delaware
OCM OPPORTUNITIES FUND VI (CAYMAN) LTD.	Cayman Islands
OCM Opportunities Fund VI AIF (Cayman), L.P.	Cayman Islands
OCM Opportunities Fund VI AIF (Delaware), L.P.	Delaware
OCM Opportunities Fund VI GP, L.P.	Delaware
OCM Opportunities Fund VI, L.P.	Delaware
OCM Opportunities Fund VII (Cayman) Ltd.	Cayman Islands
OCM Opportunities Fund VII AIF (Delaware), L.P.	Delaware
OCM Opportunities Fund VII Delaware GP Inc.	Delaware
OCM Opportunities Fund VII Delaware, L.P.	Delaware
OCM Opportunities Fund VII GP Ltd.	Cayman Islands
OCM Opportunities Fund VII GP, L.P.	Cayman Islands
OCM Opportunities Fund VII, L.P.	Cayman Islands
OCM Opportunities Fund VIIb (Cayman) Ltd.	Cayman Islands
OCM Opportunities Fund VIIb (Parallel) AIF (Cayman), L.P.	Cayman Islands
OCM Opportunities Fund VIIb (Parallel) AIF (Delaware), L.P.	Delaware
OCM Opportunities Fund VIIb (Parallel), L.P.	Cayman Islands
OCM Opportunities Fund VIIb AIF (Cayman), L.P.	Cayman Islands
OCM Opportunities Fund VIIb AIF (Delaware), L.P.	Delaware
OCM Opportunities Fund VIIb Delaware, L.P.	Delaware
OCM Opportunities Fund VIIb GP Ltd.	Cayman Islands
OCM Opportunities Fund VIIb GP, L.P.	Cayman Islands
OCM Opportunities Fund VIIb, L.P.	Cayman Islands
OCM Opps XI AIV Holdings (Delaware), L.P.	Delaware
OCM Opps XI AIV REIT Holdings (Delaware), L.P.	Delaware
OCM Power Opportunities Fund II GP (Cayman) Ltd.	Cayman Islands
OCM Power Opportunities Fund II GP, L.P.	Delaware
OCM Power V AIV Holdings (Delaware), L.P.	Delaware
OCM Power VI AIV Holdings (Delaware), L.P.	Delaware
OCM Principal Opportunities Fund IV (Cayman) Ltd.	Cayman Islands
OCM Principal Opportunities Fund IV AIF (Delaware) GP, L.P.	Delaware
OCM Principal Opportunities Fund IV AIF (Delaware), L.P.	Delaware
OCM Principal Opportunities Fund IV Delaware GP Inc.	Delaware
OCM Principal Opportunities Fund IV Delaware, L.P.	Delaware
OCM Principal Opportunities Fund IV GP Ltd.	Cayman Islands
OCM Principal Opportunities Fund IV GP, L.P.	Cayman Islands
OCM Principal Opportunities Fund IV, L.P.	Cayman Islands
Pangaea Capital Management L.P.	Cayman Islands
Pangaea Holdings Ltd.	Cayman Islands
Shanghai Oaktree I Overseas Investment Fund, L.P.	China

	China
Shanghai Oaktree II Overseas Private Investment Fund	
Two Liberty Center REIT, LLC	Delaware

Exhibit 23.1

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in the Registration Statement (Form S-3 No.333-211371) of Oaktree Capital Group, LLC and in the related Prospectus of our report dated March 11, 2022 with respect to the consolidated financial statements of Oaktree Capital Group, LLC, included in this Annual Report (Form 10-K) for the year ended December 31, 2021.

/s/ Ernst & Young LLP

Los Angeles, California
March 11, 2022

Exhibit 31.1

CERTIFICATION

I, Jay S. Wintrob, certify that:

1. I have reviewed this Annual Report on Form 10-K for the year ended December 31, 2021 of Oaktree Capital Group, LLC;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: March 11, 2022

/s/ Jay S. Wintrob
Jay S. Wintrob
Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

CERTIFICATION

I, Daniel D. Levin, certify that:

1. I have reviewed this Annual Report on Form 10-K for the year ended December 31, 2021 of Oaktree Capital Group, LLC;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: March 11, 2022

/s/ Daniel D. Levin
Daniel D. Levin
Chief Financial Officer
(Principal Financial Officer)

Exhibit 32.1

Certification Pursuant to 18 U.S.C. Section 1350,
As Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the Annual Report on Form 10-K of Oaktree Capital Group, LLC (the "Company") for the year ended December 31, 2021 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Jay S. Wintrob, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company at the dates and for the periods presented.

Date: March 11, 2022

/s/ Jay S. Wintrob
Jay S. Wintrob
Chief Executive Officer
(Principal Executive Officer)

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

This Certification is not deemed filed with the Securities and Exchange Commission and is not to be incorporated by reference into any filing of the Company under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended (whether made before or after the date of the Report), irrespective of any general incorporation language contained in such filing.

Exhibit 32.2

Certification Pursuant to 18 U.S.C. Section 1350,
As Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the Annual Report on Form 10-K of Oaktree Capital Group, LLC (the "Company") for the year ended December 31, 2021 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Daniel D. Levin, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company at the dates and for the periods presented.

Date: March 11, 2022

/s/ Daniel D. Levin
Daniel D. Levin
Chief Financial Officer
(Principal Financial Officer)

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

This Certification is not deemed filed with the Securities and Exchange Commission and is not to be incorporated by reference into any filing of the Company under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended (whether made before or after the date of the Report), irrespective of any general incorporation language contained in such filing.