Brookfield

2023 Sustainability Report

Brookfield Asset Management

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Introduction

Brookfield Asset Management at a Glance

Sustainability Highlights

Letter to Stakeholders

Summit Digitel, India

Brookfield Asset Management at a Glance[1]

Brookfield Asset Management is a leading global alternative asset manager. We manage over $925 billion of capital on behalf of more than 2,300 global institutional clients.[2] We draw on our 100+ year heritage as an owner and operator to invest for value and seek to generate strong returns for our clients across economic cycles. We invest in high-quality, essential assets and businesses that form the backbone of the global economy. With a focus on investing in renewable power & transition, infrastructure, private equity, real estate and credit, we believe that we are well-positioned to capture the significant opportunities ahead, many of which will be driven by the large secular trends of decarbonization, deglobalization and digitalization.

Renewable Power & Transition

$101B AUM

- Wind
- Hydro
- Utility-Scale Solar
- Distributed Generation & Storage
- Sustainable Solutions

Infrastructure

$192B AUM

- Utilities
- Data
- Transport
- Midstream

Private Equity

$129B AUM

- Industrials
- Business Services
- Infrastructure Services
- Healthcare Services
- Technology Services

Real Estate

$267B AUM

- Housing
- Logistics, Storage, Triple Net Lease
- Hospitality
- Office
- Science & Innovation
- Retail

Credit

$240B AUM

- Senior & Subordinated Private Debt
- Insurance Solutions channel
- Oaktree
- Publicly Listed Equity & Debt

[1] "BAM," "Brookfield," the "company," "we," "us" or "our" refers to Brookfield Asset Management Ltd. together with our asset management business, being Brookfield Asset Management ULC and its subsidiaries, including its share of the asset management activities of Oaktree Capital Management (Oaktree). "BN" refers to Brookfield Corporation and its subsidiaries (including the perpetual affiliates, BIP, BEP, BBU and BPG). Throughout this report we refer to our business groups, which include our Renewable Power & Transition, Infrastructure, Private Equity and Real Estate businesses. As well, throughout this report, we use the term portfolio company, which may refer to an investment in a property, asset, or business. Additional discussion of Brookfield Corporation's and the perpetual affiliates' businesses and results can be found in their public filings. Unless otherwise noted, this report largely does not address the sustainability practices of Oaktree, our Insurance Solutions channel or our Public Securities Group. Please refer to Oaktree and our Public Securities Group's respective websites for descriptions of their sustainability practices. For a discussion of our Insurance Solutions channel, please refer to Brookfield's Annual Report.

[2] Assets under management (AUM) figures are as of March 31, 2024. AUM reflects the total fair value of assets managed, are calculated as investments that Brookfield, as defined above (which for the purpose of this definition includes Brookfield Corporation): i) consolidates for accounting purposes (generally, investments in respect of which Brookfield has a significant economic interest and unilaterally directs day-to-day operating, investing and financing activities), or ii) does not consolidate for accounting purposes but over which Brookfield has significant influence by virtue of one or more attributes (e.g., being the largest investor in the investment, having the largest representation on the investment's governance body, being the primary manager and/or operator of the investment, and/or having other significant influence attributes), are calculated at 100% of the total fair value of the investment taking into account its full capital structure—equity and debt—on a gross asset value basis, even if Brookfield does not own 100% of the investment, with the exception of investments held through our perpetual funds, which are calculated at its proportionate economic share of the investment's net asset value. AUM includes 100% of Oaktree's AUM. All other investments are calculated at Brookfield's proportionate economic share of the total fair value of the investment taking into account its full capital structure—equity and debt—on a gross asset value basis. Our methodology for determining AUM differs from the methodology that is employed by other alternative asset managers as well as the methodology for calculating regulatory AUM that is prescribed for certain regulatory filings (e.g., Form ADV and Form PF).

We leverage our global reach, deep operating expertise, access to large-scale capital, investment approach and strong track record as our foundation and drivers of our growth.

2,400+

Investment & Asset Management Professionals

~240,000

Operating Employees

30+

Countries

~200

Client Service Professionals

18

Global Offices

We provide a highly diversified suite of alternative investment strategies and constantly seek to innovate new strategies to meet client needs.

~50

Unique active strategies that span a wide range of risk-adjusted returns

2,300+

Diverse and global clients ranging from large institutional investors to individual investors

Our guiding principle is to operate our business and conduct our relationships with the highest level of integrity.

Our emphasis on diversity and inclusion reinforces our culture of collaboration, and a focus on the development of our people, enabling us to attract and retain top talent and promote equal employment opportunity.

We strive to embed strong sustainability practices throughout our business, underpinning our goal of having a positive impact on the communities and environment within which we operate.

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Brookfield's Global Reach[1]

$925B+
Assets Under Management

[1]Assets under management as of Q1 2024. Operating employee figures as of Q4 2023.

Sustainability Highlights

Net zero by 2050

or sooner ambition across Operationally Managed investments[1], and target to reduce emissions by at least 50% across $263B of AUM by 2030

Developed Net Zero Playbook and Decarbonization Decision Tree for our portfolio companies

Greenhouse gas (GHG) emissions reporting across over 75% of our Invested AUM[2]

PRI Assessment achieved a minimum of four out of five stars in each of the eight scored modules[3]

~5,000 MW

Commissioned of new clean energy capacity in 2023, totaling ~8,000 MW since 2021

57%

female representation among BAM's independent directors

$292B

of AUM in investment categories catalyzing the global transition

41%

diverse representation of our employee population[4]

+$25B

raised in our transition business including our global and catalytic transition funds

Substantial majority of our Operationally Managed AUM plotted across our Achieving Net Zero Framework

10.5 GW

of new renewable energy capacity to be delivered to Microsoft in the U.S. and Europe between 2026 and 2030, announced in a first of its kind agreement

[1] Aligning our focus to where Brookfield has the ability to drive outcomes, Operationally Managed investments represent investments where we may be able to broadly influence and control decarbonization outcomes through a range of factors, such as governance rights and economic interest. Also included in this category are investments that have a transition mandate and investments where we have more direct access to collaborate with the portfolio company and other significant owners of the business.

[2] Invested AUM represents AUM as of December 31, 2023 adjusted to exclude uninvested capital, cash and cash equivalents, and investments where emissions would otherwise be double counted. Please refer to the AUM footnote on page 4 for additional details.

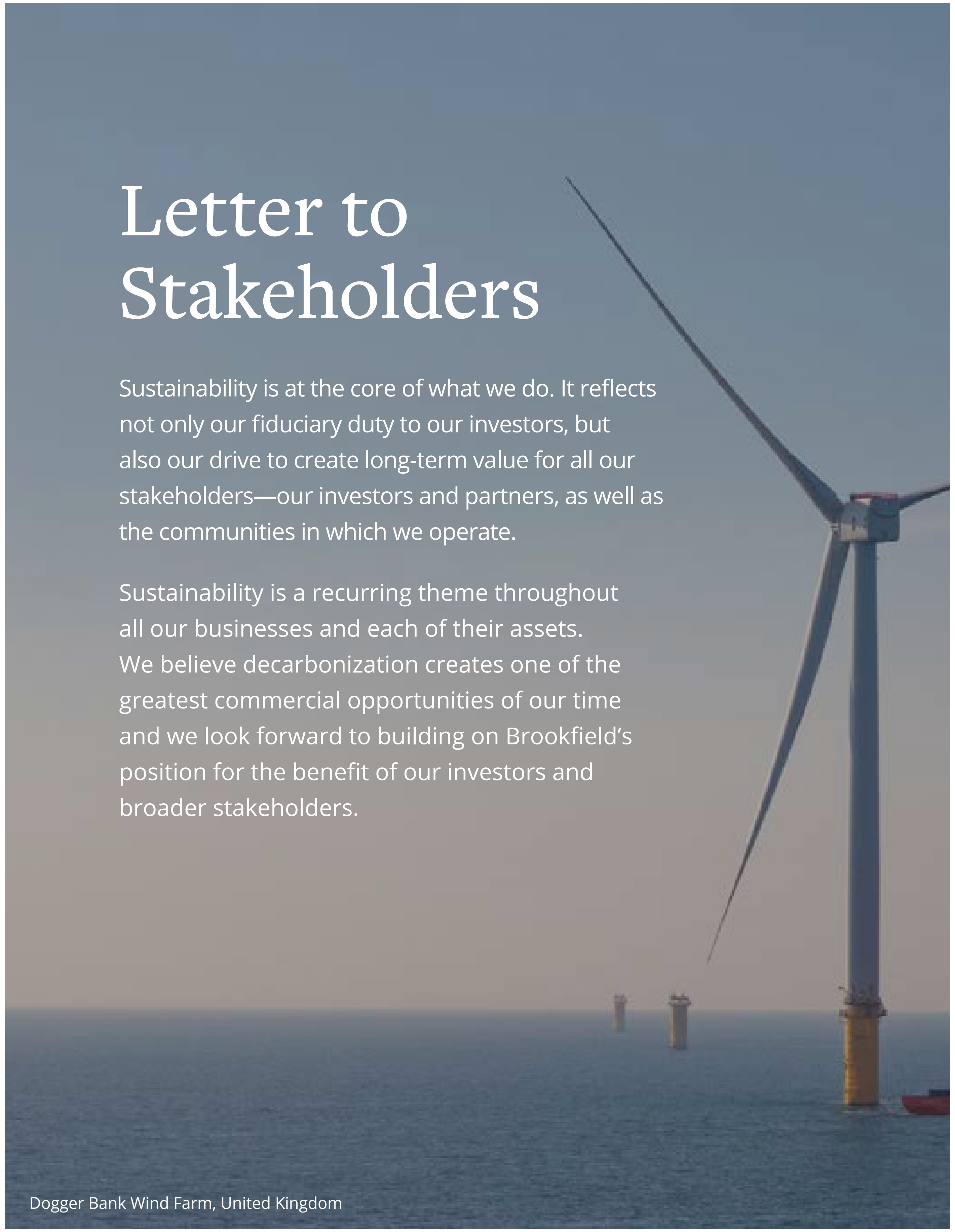
[3] No compensation was provided in connection with scores provided by PRI. Brookfield provides PRI with annual fees which are payable by all signatories. Please refer to the PRI website for information on the PRI's reporting assessment.

[4] Data reflects employee population in our four largest offices—Australia, Canada, the U.K. and U.S.—as of April 1, 2024. Additionally, we have reported on Global Ethnic Diversity in Our People section to reflect responses from our employees who have self-identified their ethnicity across our global offices.

Letter to Stakeholders

Sustainability is at the core of what we do. It reflects not only our fiduciary duty to our investors, but also our drive to create long-term value for all our stakeholders—our investors and partners, as well as the communities in which we operate.

Sustainability is a recurring theme throughout all our businesses and each of their assets. We believe decarbonization creates one of the greatest commercial opportunities of our time and we look forward to building on Brookfield's position for the benefit of our investors and broader stakeholders.



Dogger Bank Wind Farm, United Kingdom

Culture and Governance Matter

Our people are our most important asset. Among our employees, three attributes—collaboration, entrepreneurship and discipline—form the foundation of Brookfield and underpin our culture. This has been critical to our success and ensures that we deliver on our commitments to investors and other stakeholders. By hiring talented people who align with the attributes of a Brookfield leader and giving them opportunities to move across businesses, roles and regions, where they learn from a variety of leaders, Brookfield has been able to create a broad ecosystem of professionals who think and act like owners, who understand how to collaborate for our mutual benefit, and who can be successful across the firm. Our offices globally are intentionally designed as open concept to allow for discussions between all levels of employees, fostering collaboration and continuous development. We pride ourselves on a working environment that allows our people to learn every day.

Our approach to cultivating a strong culture is deliberate and integrated into our human capital development processes and initiatives and has been complementary to building a diverse and inclusive workplace. As our employee population grows, our focus on gender diversity, grounded in our commitment to provide equal employment opportunity, has led to an increase in female representation at the senior levels, including an 81% increase in the percentage of female employees at the Senior Vice President level and above over the past five years.

In addition, strong governance is essential to sustainable business operations, and we aim to conduct our business according to the highest ethical and legal standards. Our governance practices are the foundation upon which we operate our business. We continue to adapt and enhance our policies to meet evolving standards and regulations in our industry, including legislation, guidelines and practices in all jurisdictions in which we operate. We seek to continuously improve and refine our processes by actively participating in the development and implementation of new industry standards and best practices.

Supporting the World's Transition to a Net-Zero Economy

Brookfield is aligned with the worldwide goal to limit global warming, which is why we have set an ambition to achieve net zero across all assets under management by 2050.[1] Given the substantial quantum of capital needed to shift the global economy to net zero over the next 30 years, we recognized an opportunity to help mobilize transition finance at scale in both developed countries and emerging markets. Across many of our portfolio companies, we support decarbonization efforts and seek to maximize each business' decarbonization potential while supporting our objective to preserve and create value over the long term. We continue to drive operational improvements for our portfolio companies as we seek to make them more energy-efficient, resilient and valuable.

We collect key metrics across our assets under management, including greenhouse gas (GHG) emissions inventories covering scope 1 and scope 2 emissions at a minimum for over 75% of our Invested AUM, a substantial increase year-over-year and we seek to reach 100% over time.[2] As a signatory to the Net Zero Asset Managers (NZAM) initiative, we originally set $147 billion of our assets under management on a path to net zero emissions by 2050 from a 2020 base year.[3] We have since increased the scope of assets to $263 billion in 2023 (42% of AUM).[4] In setting our NZAM interim target, we focused on investments where we have control and therefore sufficient influence over the outcomes; could identify and implement actionable initiatives in the near term; and assessed it to be value accretive to do so over the life of the investment.

[1] Refer to Metrics and Targets, where further information on our GHG emissions inventory and NZAM interim progress can be found.

[2] 2022 figures represented emissions from controlled portfolio companies, which represented over 70% of Brookfield's total 2022 AUM excluding Oaktree Capital Management. Brookfield's 2023 emissions inventory includes both controlled and non-controlled portfolio companies.

[3] In 2022, Brookfield committed $201 billion as part our NZAM interim commitment to be on a path to net zero emissions by 2050 from a 2020 base year.

[4] Represents assets included in Brookfield's NZAM interim target and the inclusion of additional assets as of December 31, 2023. Expressed as a percentage of Operationally Managed Investments AUM. This category consists of investments where we may be able to broadly influence and control decarbonization outcomes through a range of factors, such as governance rights and economic interest. Also included in this category are investments that have a transition mandate and investments where we have more direct access to collaborate with the portfolio company and other significant owners of the business.

We are focused on the significant opportunity to drive decarbonization across our assets, while building or preserving value. To support our progress towards achieving our net-zero ambition, we have mobilized our internal operating expertise to develop tangible resources for our portfolio companies, including the development of our Net Zero Playbook, and finding ways to partner with portfolio company management to identify decarbonization opportunities, amongst other initiatives.

By redoubling our efforts towards building our transition investing business, we can maintain an industry-leading position in decarbonization. A focus on investing for additionality—the act of adding something new that otherwise didn't exist—whether it's deployment of new clean energy, or commercializing proven climate solutions, should accelerate Brookfield's overall progress towards net zero. Since launching the Brookfield Global Transition Fund (BGTF) in 2021, a strategy dedicated to accelerating the transition to a net-zero economy, we have established Brookfield as the world's leading private investor in the transition and the world's largest impact fund manager. Having substantially deployed BGTF I's capital, we recently launched the fundraise of BGTF II, announcing a $10 billion first close earlier this year and continue to see significant support from both existing and new investors. Additionally, in partnership with ALTÉRRA, we recently launched the Catalytic Transition Fund as another multi-billion-dollar fund that is geared toward raising and deploying capital exclusively for decarbonization initiatives in emerging and developing markets. In all, we view transition investing as a multi-trillion dollar global opportunity, and we intend to maintain our lead in this critical asset class.

We also continue to partner with the world's leading companies to help them meet their sustainability goals. In May 2024, we announced an agreement with Microsoft for Brookfield to deliver over 10.5 GW of new renewable energy capacity between 2026 and 2030 in the U.S. and Europe. This first of its kind agreement, which is almost eight times larger than the largest single corporate power purchase agreement (PPA) ever signed, is a testament to our ability to reliably deliver clean power solutions at scale to our corporate partners and accelerate the energy transition.

As our decarbonization plans move from targets to action, Brookfield has the opportunity to ensure we take into account protecting nature and restoring biodiversity. We seek to consider biodiversity impacts throughout the investment life cycle. Recognizing that managing nature-related risks requires location-specific data, we enhanced our data collection process to include assets' locations relative to biodiversity-sensitive areas and endangered species.

Finally, we believe it is important to share our approach to climate, including best practices and progress, with our clients, employees, portfolio companies and industry groups. We partner with our stakeholders to actively facilitate knowledge sharing, advance climate priorities and provide support in achieving their decarbonization ambitions.

A Continuing Evolution

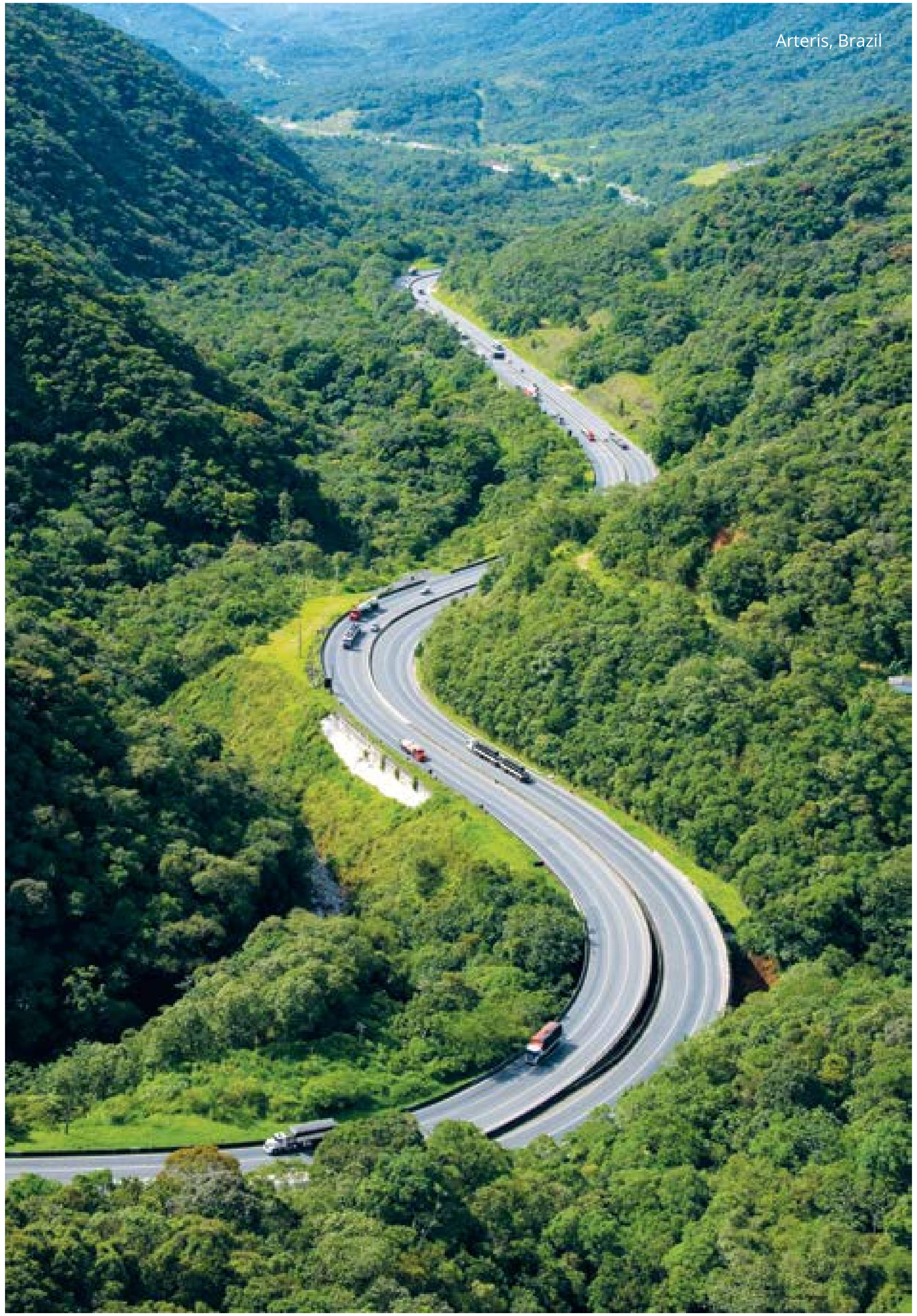
We believe our focus on investing in the backbone of the global economy—and making it more sustainable—will stand the test of time. Our journey has been over 100 years in the making, and we look forward to the next 100 years.

We wish to take this opportunity to thank you for your interest in Brookfield. As ever, please do not hesitate to contact any of us should you have suggestions, questions, comments, or ideas you wish to share.

Sincerely,

Bruce Flatt,
Chief Executive Officer

Connor Teskey,
President


Arteris, Brazil

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Sustainability at Brookfield

Our Guiding Sustainability Policy

Sustainability Affiliations and Partnerships

Sustainability Governance and Oversight

Bear Swamp, Massachusetts

Our Guiding Sustainability Policy

Our sustainability strategy is centered on preserving and creating value for our investors and stakeholders—now and in the future. We manage our investments by combining economic goals with responsible citizenship. This is consistent with our longstanding investment philosophy and experience that conducting business with a long-term perspective in a sustainable and ethical manner maximizes value. It also requires maintaining a disciplined focus on integrating and operating with robust sustainability principles and practices.

While sustainability principles have long been embedded in how we run our business, we formalized our approach in 2016 when we published Brookfield's sustainability principles. In 2022, we published our Global Sustainability Policy codifying our longstanding strategy of integrating sustainability considerations into our decision-making and day-to-day asset management activities. This policy is reviewed annually and updated periodically by senior executives at Brookfield, as well as each of Brookfield's business groups.

ADDITIONAL INFORMATION

Sustainability Policy

Our Sustainability Policy outlines our approach to sustainability and is based on the following guiding principles:

Mitigate the impact of our operations on the environment

- Strive to minimize the environmental impact of operations and improve our efficient use of resources over time.
- Support the goal of reaching net-zero GHG emissions by 2050 or sooner.

Strive to ensure the well-being and safety of employees

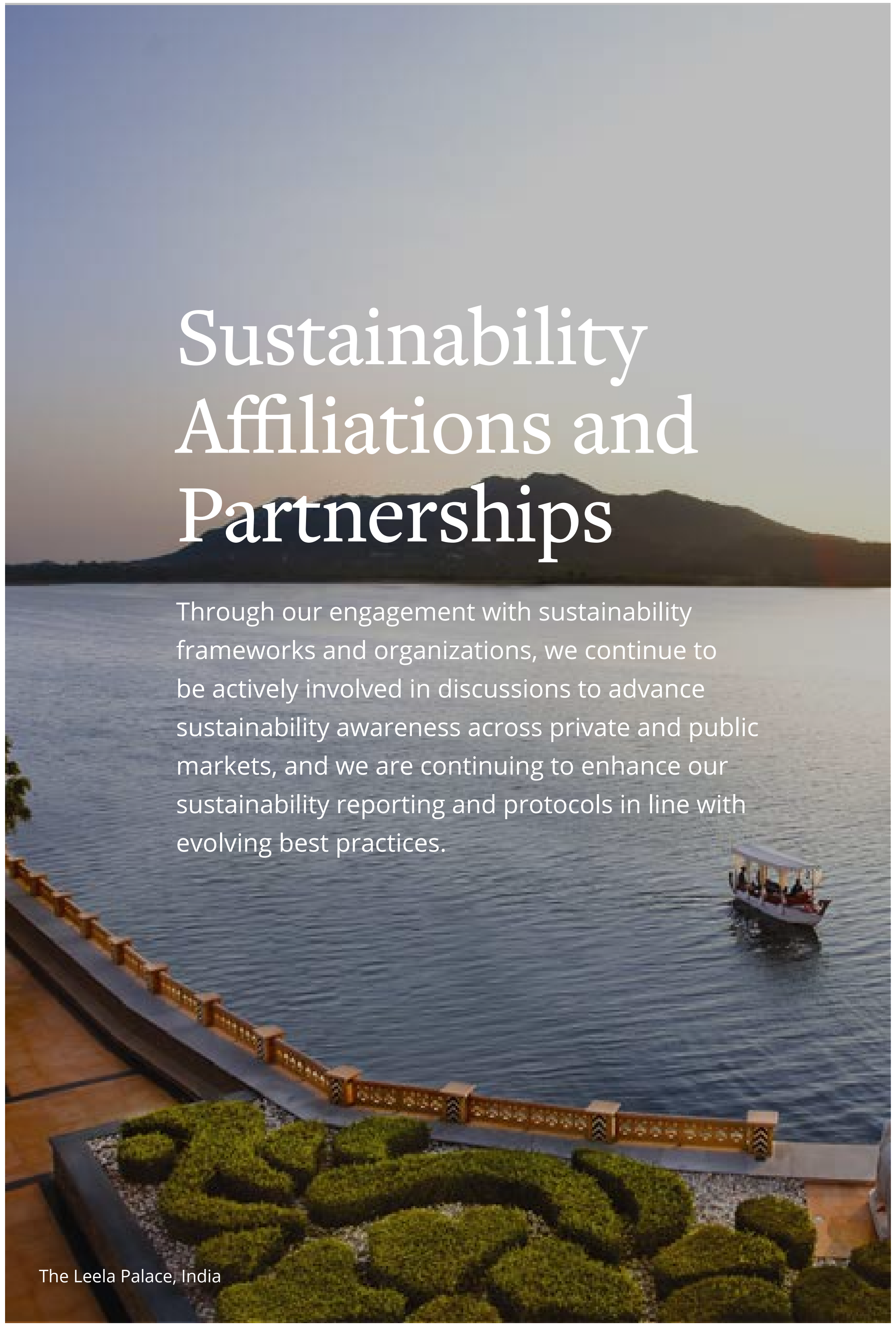
- Foster a positive work environment based on respect for human rights, valuing diversity, and having zero tolerance for workplace discrimination, violence or harassment.
- Operate with leading health and safety practices to support the goal of achieving zero serious safety incidents.

Uphold strong governance practices

- Operate to the highest ethical standards by conducting business activities in accordance with our Code of Business Conduct and Ethics.
- Maintain strong stakeholder relationships through transparency and active engagement.

Be good corporate citizens

- Seek to ensure the interests, safety and well-being of the communities in which we operate are integrated into our business decisions.
- Support philanthropy and volunteerism by our employees.



Sustainability Affiliations and Partnerships

Through our engagement with sustainability frameworks and organizations, we continue to be actively involved in discussions to advance sustainability awareness across private and public markets, and we are continuing to enhance our sustainability reporting and protocols in line with evolving best practices.

The Leela Palace, India

The following are some of the frameworks and organizations with which we are affiliated:

NZAM

We have been a signatory to the **Net Zero Asset Managers (NZAM)** initiative since 2021 and are committed to supporting the ambition of achieving net-zero GHG emissions by 2050 or sooner, emphasizing our alignment with the Paris Agreement. For further details on our commitment and progress, refer to Metrics and Targets.

TCFD

In 2021, we became supporters of the **Task Force on Climate-related Financial Disclosures (TCFD)**. The TCFD aims to guide companies in incorporating considerations relating to the effects of climate change into business and financial decisions to help facilitate the transition to a more sustainable, lower-carbon economy. We have issued our TCFD disclosures again this year in the Environmental Sustainability section of this report.

PRI

We have been signatories to the **Principles for Responsible Investment (PRI)** since 2020, which reinforces our long-standing commitment to responsible investment and sustainability best practices. The PRI is one of the world's leading proponents of responsible investing, with an emphasis on understanding the investment implications of sustainability factors and supporting an international network of investors incorporating these factors into their decisions. We completed our 2023 PRI Assessment, and our submission and results were published by the PRI in January 2024. We are pleased to share that we have scored well, achieving a minimum of four out of five stars in each of the eight scored modules.[1]

IFRS Sustainability Alliance

We are members of the **IFRS Sustainability Alliance (IFRS)**, a global membership program established to develop globally accepted accounting and sustainability disclosures, and whose industry-specific standards are designed to be evidence-based and market-informed. Where appropriate, we may utilize the SASB Engagement Guide as part of our investment due diligence protocols, to help identify sector-specific considerations in identifying material climate risks and opportunities.

Sustainable Markets Initiative

We have been involved with the **Sustainable Markets Initiative's (SMI) Asset Manager and Asset Owner (AMAO) Task Force**. This initiative focuses on scalable ways for institutional investors to allocate capital toward sustainable solutions.

[1] No compensation was provided in connection with scores provided by PRI. Brookfield provides PRI with annual fees, which are payable by all signatories. Please refer to the PRI website for information on the PRI's reporting assessment.

In addition to our own partnerships, some of our business groups are associated with industry organizations and frameworks that promote responsible business practices. Examples include:

- Many of Brookfield Real Estate's portfolio companies report voluntary environmental disclosures through **The Global Real Estate Sustainability Benchmark (GRESB)**, an investor-driven organization that assesses the sustainability performance of real estate portfolios and assets.
- To help progress a commitment to protect biodiversity, our Renewable Power & Transition and Real Estate portfolios assess nature-related risks drawing on the recommendations of the **Taskforce on Nature-related Financial Disclosures (TNFD)**. The TNFD is a risk management and disclosure framework for organizations to report and act on evolving nature-related risks, with the ultimate aim of supporting a shift in global financial flows toward nature-positive outcomes. Striving to align with the TNFD recommendations, in 2023, Brookfield Renewable Power & Transition developed its Biodiversity Management Framework and Brookfield Real Estate began a portfolio-wide assessment of its nature risks and opportunities, working toward developing a nature management framework.
- Brookfield Real Estate supports the **WELL Health-Safety Rating**, a global sustainability designation that recognizes buildings that support the long-term health and well-being of their occupants. The rating was developed by the WELL Building Institute, an organization focused on improving human health and well-being through the built environment.

In 2023, our reporting real estate entities achieved an average global GRESB score of 86% in the Standing Investments Benchmark, a five-point year-over-year increase and an average score of 92% in the Development Benchmark, a two-point year-over-year increase. Please refer to Our Climate Strategy for details on our climate-related engagements.

Multiplex, London

Sustainability Governance and Oversight

Upholding robust sustainability programs throughout our firm, business groups and underlying portfolio companies remains an important priority.

We understand that good governance is essential to sustainable business operations. The oversight of sustainability is integrated into Brookfield's overall governance framework and is aligned with our governance approach. We are committed to upholding strong practices to monitor and oversee our business, including our overall approach to sustainability.

Brookfield Asset Management Board of Directors

Our Board of Directors (the "Board") is focused on maintaining strong corporate governance and prioritizing the interests of our shareholders and other stakeholders. The Board has oversight of our business and affairs, reviews major strategic initiatives and receives progress reports on the firm's sustainability initiatives throughout the year.

Brookfield Asset Management Ltd. Board of Directors

- Governance, Nominating & Compensation Committee
- Audit Committee

Executive Oversight

PROGRAM LEADS & MANAGEMENT COMMITTEES

- Sustainability Management Team
- Net Zero Steering Committee
- Risk Management Team
- Human Resources Team
- Safety Leadership Committee
- Investment Committees
- Financial Reporting Team

WORKING GROUPS

- Sustainability Working Group
- Net Zero Operational Committee
- Sustainability Financial Reporting Working Group

BUSINESS GROUPS*

- Renewable Power & Transition
- Infrastructure
- Private Equity
- Real Estate
- Credit

Portfolio Companies

*Does not include Oaktree and Insurance Solutions channel as they operate independently and collaboratively with their own governance strategies.

Skills and Expertise of Our Board Members[1]

Board Composition

Our Board comprises 12 directors, seven of whom are independent. The Audit Committee and Governance, Nominating and Compensation Committee, both consisting exclusively of independent directors, have been delegated responsibility for overseeing various aspects of our operations and initiatives. Our Board conducts annual reviews of our Board and committee charters, which outline the responsibilities of the Board and its committees.

We believe that our business benefits from diverse backgrounds, experiences and perspectives. We work to ensure that our Board includes individuals with diverse business expertise and international experience, and who are representative of the communities in which we operate in terms of gender and ethnic diversity. Our Board Diversity Policy promotes progress toward our goals and underscores our commitment. 57% of our independent directors are women and 33% of the entire Board of Directors are women. 25% of our Board of Directors self-identify as ethnically diverse.

Responsibility and Oversight

The Board oversees Brookfield's sustainability strategy and leverages management's monitoring processes. The Board and its committees review and approve significant policies relating to sustainability and monitor progress towards sustainability goals. The Board is responsible for overseeing Brookfield's risk management strategies, including reviewing management's assessment of the current and emerging risks and related mitigation strategies for risks related to climate, bribery and corruption, cyber, and health and safety. The Board has delegated responsibility for oversight of certain sustainability areas to its board committees. The Board or its applicable committee receives quarterly updates on sustainability initiatives and outcomes.

- **Governance, Nominating and Compensation Committee (GNCC):** The GNCC provides oversight of Brookfield's sustainability strategy and priorities. It oversees risks and opportunities related to Brookfield's sustainability strategy, including climate-related matters, human capital strategy, diversity and inclusion considerations, management resource planning, succession planning, executive compensation and senior executives' performance. The Committee also ensures that relevant sustainability skills and considerations are integrated into Board practices, including the nomination of directors.

- **Audit Committee:** The Audit Committee oversees the management of risks related to Brookfield's systems and procedures for external financial reporting, including any related requirements for the inclusion of sustainability information.

Executive Oversight

Our approach to sustainability has sponsorship and oversight from each business group's CEO and Sustainability Lead, supported by senior executives of Brookfield, including its Chief Operating Officer (COO) (Governance, Operations and Risk Management), Head of Transition Investing (Decarbonization and Investment), and Chief Financial Officer (CFO) (GHG Reporting and Measurement). Since sustainability covers a vast range of priorities that are varied in scope, we believe that sustainability initiatives should be overseen by individuals closest to the particular business activity. Functional leads are responsible for developing, implementing and monitoring relevant sustainability factors within their functional area, such as Technology Services and Human Resources.

Program Leads & Management Committees

Management teams and committees bring together the required expertise to manage key sustainability areas, ensuring appropriate application and coordination of approaches across our business and functional groups.

- **Sustainability Management Team:** Reporting to Brookfield's COO, the Head of Sustainability Management leads a team that is responsible for ensuring a holistic and coordinated approach to our sustainability priorities and reporting. The team is charged with working with senior executives of each of the business groups in identifying and articulating the strategic direction for sustainability, as well as ensuring coordination of efforts across all aspects of the business. This involves working across all functions and business groups on sustainability-related topics to oversee these initiatives and their integration into our processes, products and investment activities.

- **Investment Committees:** The Investment Committees, which comprise senior executives across different business groups and geographies, consider applicable sustainability risks and opportunities when evaluating investments, including climate change, social and governance considerations, which are incorporated into the due diligence process for each potential investment. The relevant investment committee reviews material findings from due diligence and associated

[1] Represents Board members who have a high or advanced level of knowledge or experience in the subject matter.

[2] The skills and expertise of the Board includes Climate from 2 of 12 Board members.

mitigation and integration plans as part of its investment approval process.

- **Safety Leadership Committee:** Our Safety Leadership Committee comprises senior operating executives from our business groups and regions and drives our strategic health and safety framework. The Committee promotes a strong safety culture, monitors safety trends, and sponsors strategic initiatives related to health, safety, security and environmental matters, as well as ensuring that lessons learned and best practices are shared across the business groups and our portfolio companies.

- **Net Zero Steering Committee:** The Net Zero Steering Committee oversees Brookfield's decarbonization strategy and initiatives. See Our Climate Strategy for more information on Brookfield's decarbonization efforts.

Working Groups

Supporting leaders in our business groups and our Management Committees, we organize working groups dedicated to specialized areas that develop and coordinate initiatives to advance Brookfield's sustainability priorities.

- **Sustainability Working Group:** Our Sustainability Working Group comprises representatives from across business groups and functional areas to develop and coordinate sustainability initiatives, including ensuring that sector and market trends are considered. The diverse nature of this group, with varying areas of expertise and backgrounds, ensures there is a wide range of representation when considering Brookfield's sustainability opportunities and risks. This group meets, at minimum, monthly and reports on the progress of the working group's initiatives to the executive team on a regular basis.

- **Sustainability Financial Reporting Working Group:** This working group comprises senior finance professionals and sustainability and risk management representatives from Brookfield and our business groups, with a mandate to develop and implement a coordinated approach to climate-related financial disclosures. This group meets as required based on developments in reporting standards and reports to Brookfield's CFO.

- **Net Zero Operational Committee:** This group comprises functional, sector and technical experts across the organization with a mandate to execute the priorities set out by the Net Zero Steering Committee. See Climate Governance for more information.

Business Groups

Within our business groups, sustainability priorities are articulated and driven by each business group's Sustainability Lead, with oversight and direction from the business group's senior leadership, including its CEO. This group is supported by functional experts across various sustainability-related priorities. Collectively, this group works with our Management Committees and are members of the Working Groups described above and help to drive sustainability-related initiatives.

Portfolio Companies

Portfolio company management, specifically each company's CEO and their executive team, are responsible for the development and execution of a sustainability strategy for their business and are accountable for the portfolio company's performance. Portfolio companies are supported by investment and operations professionals and subject matter experts within our business groups. These team members oversee sustainability initiatives within portfolio companies they oversee based on business imperatives, industry developments and best practices. They also provide strategic oversight and ensure that portfolio company sustainability initiatives and practices are aligned with Brookfield's sustainability principles. This approach leverages Brookfield's extensive industry and operational expertise to achieve our sustainability goals.

Brookfield Place NY, New York

7 of 12
Board members are independent directors

4 of 7
Independent directors are women

4 of 12
Board members are women

ADDITIONAL INFORMATION

Board of Directors Charter

Board Diversity Policy

Charter of Expectations for Directors

Board Position Descriptions

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Stewardship and Engagement

Risk Management

Greenpoint Landing, New York

Integrating Sustainability into Our Investment Process

Due Diligence

- Evaluate material sustainability risks and value creation opportunities

Investment Decision

- Assess sustainability criteria and flag key risks and opportunities to the investment committee
- Develop a post-acquisition sustainability plan

Ongoing Management

- Identify, prioritize and monitor sustainability issues on an ongoing basis
- Document and measure KPIs on relevant issues or incidents

Exit

- Outline potential value creation derived from relevant sustainability considerations
- Prepare qualitative and quantitative data summarizing sustainability performance

We seek to embed material sustainability considerations and evaluate risks and value creation opportunities throughout our investment process. Following acquisition, we actively look to advance sustainability initiatives and improve sustainability performance in driving long-term value creation throughout the investment's life cycle. Our investment processes align with the PRI.

Due Diligence

As part of investment due diligence[1], Brookfield seeks to assess sustainability-related opportunities and risks and factor them into the overall investment decision. This includes leveraging leading industry guidance to identify sustainability factors most likely to materially impact the financial condition or operating performance of companies in a sector. As part of our Sustainability Due Diligence Protocol, Brookfield provides specific guidance to investment teams on assessing bribery and corruption, cybersecurity, health and safety, human rights, modern slavery and climate-related risks. Where warranted, Brookfield performs deeper due diligence, working with internal and third-party experts as appropriate.

Investment Committee Approval

All investments must be approved by the applicable Investment Committee. Investment teams outline for the Investment Committee the merits of the transaction and the material risks, mitigants and significant opportunities for improvement, including those related to sustainability and its implications for investment returns.

Ongoing Management

As part of each acquisition[1], investment teams create a tailored integration plan that includes, among other things, material sustainability-related matters for review or execution. We believe there is a strong correlation between managing these considerations appropriately and enhancing investment returns.

Consistent with our management approach, it is the responsibility of the management teams within each portfolio company to manage sustainability risks and opportunities through the investment's life cycle, supported by the applicable investment team within Brookfield. The combination of local accountability and expertise along with Brookfield's investment and operating experience and insight is important when managing a wide range of asset types across jurisdictions. We leverage these capabilities in collaborating on sustainability initiatives, where appropriate, to drive best practices and assist with any remediation. Where appropriate, we encourage our portfolio companies to organize training on a variety of sustainability functions for relevant staff.

Management teams regularly report to their respective boards of directors from both financial and operating perspectives, including key performance indicators that incorporate material sustainability factors, such as health and safety, environmental management, compliance with regulatory requirements, and, increasingly, GHG emissions.

For investments where Brookfield has a non-controlling interest, (for example, where we are a debt holder or in other circumstances where Brookfield does not have the ability to exercise influence through its contractual rights), Brookfield actively monitors the performance of its investments and, where appropriate, utilizes its stewardship and engagement practices to encourage sustainability outcomes that are aligned with Brookfield's sustainability approach.

Exit

When preparing an asset for divestiture, we seek to outline potential value creation deriving from several different factors, including relevant sustainability considerations. Where applicable, we also prepare both qualitative and quantitative data that summarize the sustainability performance of the investment and provide a holistic understanding of how we have managed the investment during the holding period.

Examples of KPIs that incorporate material sustainability factors:

Health and Safety Performance

Environmental Management

Compliance with Regulatory Requirements

GHG Emissions

[1] Refers to investments where Brookfield has control or significant influence.

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Stewardship and Engagement

Stewardship is an important element of our sustainability strategy, and we have defined it in alignment with the PRI. Ultimately, Brookfield speaks and acts independently on issues that are material to our shareholders and undertakes its sustainability commitments and goals, including related stewardship engagements, unilaterally. We seek to engage with our portfolio companies and collaborate with industry peers to help inform and improve our sustainability strategies and practices. Though the majority of our investments are in private markets, we use our Proxy Voting Guidelines, where applicable, and ensure our disclosures address how we incorporate sustainability factors into our investment process. The majority of our proxy voting activity occurs within Brookfield's Public Securities Group[1], which maintains its own Proxy Voting and Engagement Guidelines.

In managing our assets, we utilize our significant influence and investing and operating capabilities in collaborating with our portfolio companies to encourage sound sustainability practices that are essential for resilient and profitable businesses, while seeking to create long-term value for our investors and stakeholders. See Integrating Sustainability into Our Investment Process for further detail. As well, through our ongoing engagement with portfolio companies, we may partner with or support our portfolio companies to facilitate discussions with external stakeholders with the intent of positively contributing to the development of industry standards or practices that are aligned with our sustainability principles.

With respect to collaboration with outside stakeholders, including industry groups, we encourage our business groups to participate in knowledge sharing practices, at Brookfield's or its business groups' discretion. This is either facilitated through our Frameworks, Memberships and Commitments (as outlined in Sustainability Affiliations and Partnerships) or directly through Brookfield or by our business groups (as described in our Climate Group Memberships, for example).

ADDITIONAL INFORMATION

Proxy Voting Guidelines

Public Securities Group Proxy Voting and Engagement Guidelines

Deutsche Funkturm, Germany

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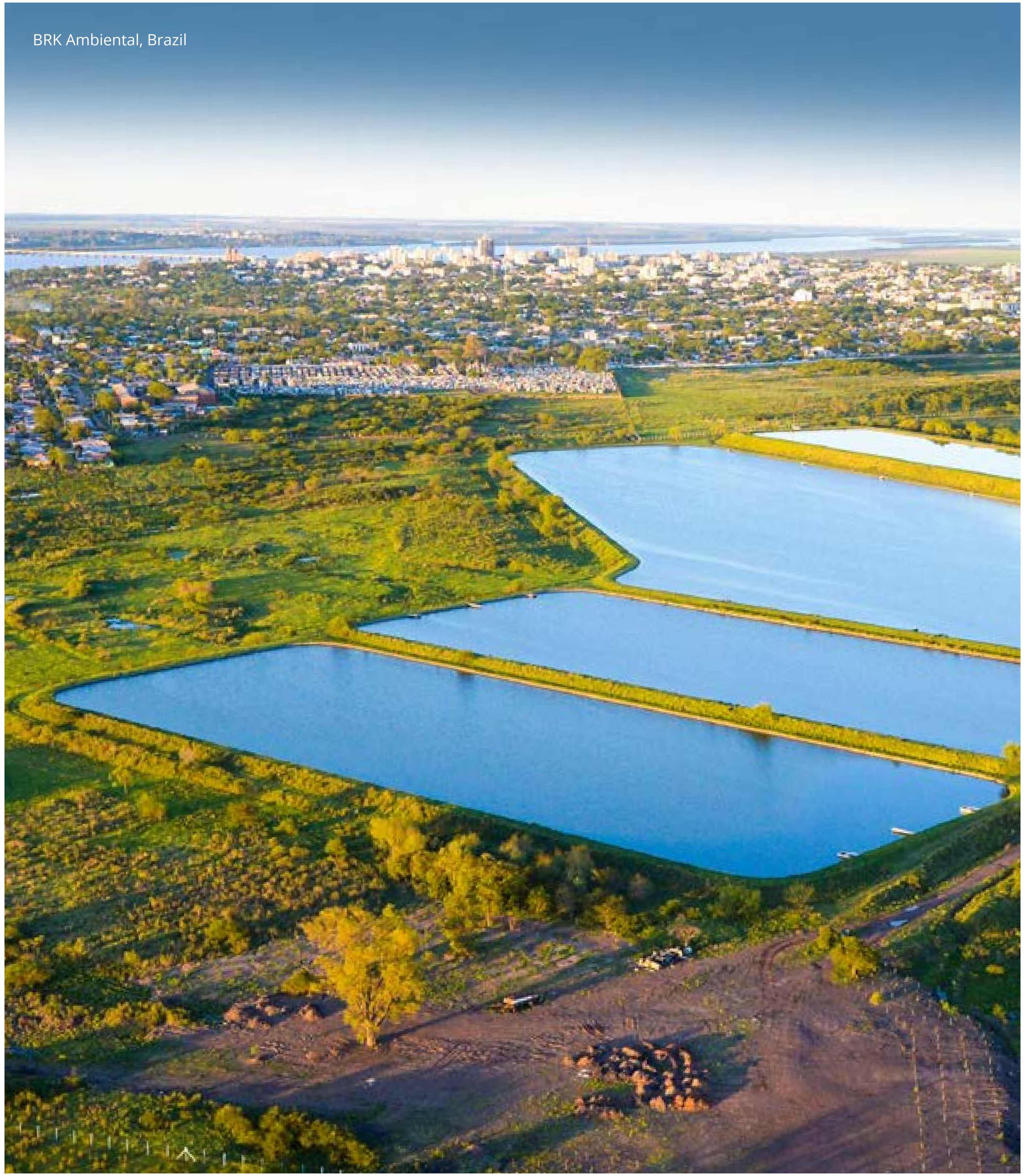
[1] Brookfield Public Securities Group comprises 2% of Brookfield's total AUM as of December 31, 2023.



Risk Management

Risk management is an integral part of our business and key to creating long-term value for our investors.

We recognize that risks to our business—including sustainability-related risks—are constantly evolving, and our risk management program aims to monitor and proactively mitigate and manage them over time.

As an asset manager, the objectives of our risk management program are to align risk appetite and business strategy, reduce operational surprises, allocate resources effectively, enhance decision-making and visibility, identify and manage risks efficiently, and improve communication surrounding risk.

Our risk management program addresses strategic and operational risks, with an emphasis on the proactive management of both current and emerging risks. We also monitor our risk program to address the evolving needs of our business and ensure that we have the necessary capacity to respond to changes.

A fundamental principle of our approach is that risk should be managed as close to its source as possible and by those who have the most knowledge and expertise in the specific business or risk area. Senior management and functional groups in our portfolio companies are therefore responsible for managing the risks facing their businesses and tailoring a mitigation plan to each specific risk area. Brookfield, in its capacity as an asset manager, provides strategic input and support through regular monitoring and reporting processes, and facilitating the sharing of best practices, including through its representation on boards of directors and other governance structures. We regularly review our risk management program and processes, including those relating to sustainability risks such as climate change, and implement improvements, as required. See Climate-Related Risk Management for further information on our risk management approach to climate change.

For details on our governance practices in monitoring and overseeing our risk management program, please refer to the Sustainability Governance and Oversight section.

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Seridó Wind Farm, Brazil

TCFD: Climate-Related Financial Disclosures

Brookfield’s foundation is investing in businesses and assets forming the backbone of the global economy—the places where people live and work, the ways in which they transport themselves and their goods, and the means by which they power their lives.

Sustainability is therefore critical to what we do. Sound sustainability practices, including climate-related risk management, are essential to building resilient assets and businesses—while also creating long-term value for our investors and stakeholders. We are focused on this approach and have a long track record of executing this strategy.

We believe that we are at an important juncture of our decarbonization journey and recognize that the road to a net-zero economy will take time, alignment of government policy and technological development.

We are laying the foundations and will continue to take action across all of our business groups. We remain steadfast in sharing the learnings and successes of our journey in the coming years.

Bear Swamp, Massachusetts

Sustainability Timeline

Over the past 50 years, Brookfield has made significant sustainability progress and built one of the largest renewable power businesses in the world. Brookfield intends to build on this leading position to contribute meaningfully to the transition to net zero.

1973

Brascan (predecessor to Brookfield) purchases Great Lakes Power's 12 hydro facilities in Canada

1990s

Brookfield significantly develops and expands its power generating business, highlighted by several hydroelectric acquisitions across Canada and the United States

2006

Brookfield marks its entry into wind by developing one of the largest wind farms in Canada

2012

Brookfield Real Estate's North American core office portfolio submits its first reporting to GRESB

Brookfield Infrastructure acquires Enwave Canada, a deep-lake cooling, district cooling and heating sustainable energy services provider and franchise operation

2014

Brookfield Renewable Power & Transition acquires the Bord Gais wind portfolio, expanding its footprint into Europe

Brookfield Infrastructure completes greenfield development of electricity transmission lines to facilitate efficient transport of wind energy from Competitive Renewable Energy Zones in Texas to growing energy demand markets

2016

Brookfield Renewable Power & Transition expands into Colombia through its Isagen hydro acquisition

Brookfield publishes its sustainability principles

2017

Brookfield becomes one of the world's largest pure-play renewable power operators through the acquisition of TerraForm Power and TerraForm Global's wind and solar portfolios

2018

Brookfield Infrastructure's Quantum commences development of electricity transmission lines in Brazil to facilitate transmission of green energy from northeastern Brazil to energy demand centers

Brookfield Private Equity invests in Westinghouse, a leading global provider of infrastructure services to the nuclear power generation industry, facilitating clean energy production

Brookfield publishes its first sustainability report and corporate GHG emissions inventory

2019

Brookfield Renewable Power & Transition acquires a stake in X-ELIO, one of the largest independent solar platforms globally

2020

Brookfield becomes a signatory to the Principles for Responsible Investment (PRI)

The SASB Engagement Guide is incorporated and considered as part of our investment due diligence process

Brookfield's London corporate office procures 100% renewable energy

2021

Brookfield establishes its net-zero ambition and becomes a signatory to NZAM

Brookfield conducts its first climate risk assessment using scenarios

Brookfield publishes its Green Bond and Preferred Securities Framework

2022

Brookfield publishes its NZAM interim target, committing to reduce emissions across $147B of Brookfield's AUM by 2030

Brookfield's sustainability principles are codified with the publication of Brookfield's Sustainability Policy

Brookfield closes on its $15 billion inaugural transition fund, BGTF I

Brookfield Renewable Power & Transition enters into a joint venture with California Resources Group to scale carbon capture and storage deployment in California

Brookfield's Mumbai corporate office procures 100% renewable energy

Brookfield Infrastructure grows its residential infrastructure platform through the acquisition of HomeServe, expanding its demand side decarbonization offering

2023

Brookfield publishes its first TCFD disclosures and increased NZAM in-scope assets to $201B

Following Brookfield Private Equity's successful turnaround of the business, Brookfield Renewable Power & Transition purchases a stake in Westinghouse, which is positioned to drive additionality of clean energy through plant modifications and reactor life extensions

Brookfield launches BGTF II, its second vintage of its transition fund series

Brookfield publishes its expanded GHG emissions inventory, including a significant portion of its financed emissions

Brookfield Real Estate announces entire U.S. core office portfolio to be powered by clean energy by the end of 2026

Brookfield Renewable Power & Transition was included in Forbes Net Zero Leaders Top 100 list and ranks fourth on Corporate Knights' list of 100 Most Sustainable Companies of 2023

Brookfield and ALTÉRRA jointly announce the creation of the Catalytic Transition Fund at COP28

Entropy, a Brookfield Renewable Power & Transition portfolio company, receives an investment of C$200M from the Canada Growth Fund, which provides an innovative carbon offtake agreement that underwrites the revenue for CCS projects

Brookfield Real Estate executes a programmatic agreement with Brookfield Renewable Power & Transition to install rooftop solar panels on select logistics facilities in the United States, leveraging over 13 million sf of vacant rooftop space and adding over 130 MW of solar generation capacity

2024

Brookfield receives the results of its 2023 PRI Assessment, achieving a minimum of four out of five stars in each of the eight scored modules[1]

Brookfield announces $10 billion in its first closing for BGTF II

Brookfield announces the signing of an agreement with Microsoft to deliver over 10.5 GW of new renewable energy capacity between 2026 and 2030 in the U.S. and Europe, a first of its kind agreement, which is almost eight times larger than the largest single corporate PPA ever signed

[1] No compensation was provided in connection with scores provided by PRI. Brookfield provides PRI with annual fees which are payable by all signatories. Please refer to the PRI website for information on the PRI's reporting assessment.

Climate Governance

Aligned with our broader view of sustainability, we believe that climate change presents both potential opportunities and risks for our business. Governance of climate-related initiatives follows Brookfield's overall sustainability governance framework, as described in Sustainability Governance and Oversight. Our Board and executive leadership provide oversight over our climate strategy, including in our investing activities.

Board of Directors and its Committees	Oversee Brookfield's sustainability strategy, including climate-related initiatives.
Senior Executive Oversight	Provides oversight and strategic direction for Brookfield's sustainability strategy, including climate-related initiatives.
Net Zero Steering Committee	Oversees Brookfield's decarbonization strategy and monitors performance against priorities.
Management Resources	The **Sustainability Management Team** is responsible for ensuring that there is a holistic and coordinated approach to sustainability and works with senior executives to ensure that climate considerations are integrated into products and investment activities. The **Risk Management Team** coordinates and advises each of our business groups in connection with the development and implementation of Brookfield's climate risk management approach and methodology. The **Investment Committees** consider material sustainability risks and opportunities when evaluating investments, including climate-related considerations, which are identified in due diligence. **Financial reporting** oversight is provided under the leadership of Brookfield's CFO, with support from the Sustainability Financial Reporting Working Group. Together, this group monitors external reporting requirements for climate-related information. The **Sustainability Working Group** coordinates and advises each of our business groups in connection with the development and implementation of sustainability initiatives, including climate-related initiatives, and leads measurement processes for climate-related metrics. Our **Net Zero Operational Committee** coordinates and advises each of our business groups on the execution of decarbonization strategies, as well as the measurement of our progress.
Business Group Capabilities	The Sustainability Lead within each business group is responsible for articulating strategic initiatives and driving execution of climate-related priorities, with senior leadership oversight and direction within each business group, including the CEO. They are supported by functional experts, including risk management, and work with Management Committees and within Working Groups to drive climate-related priorities.

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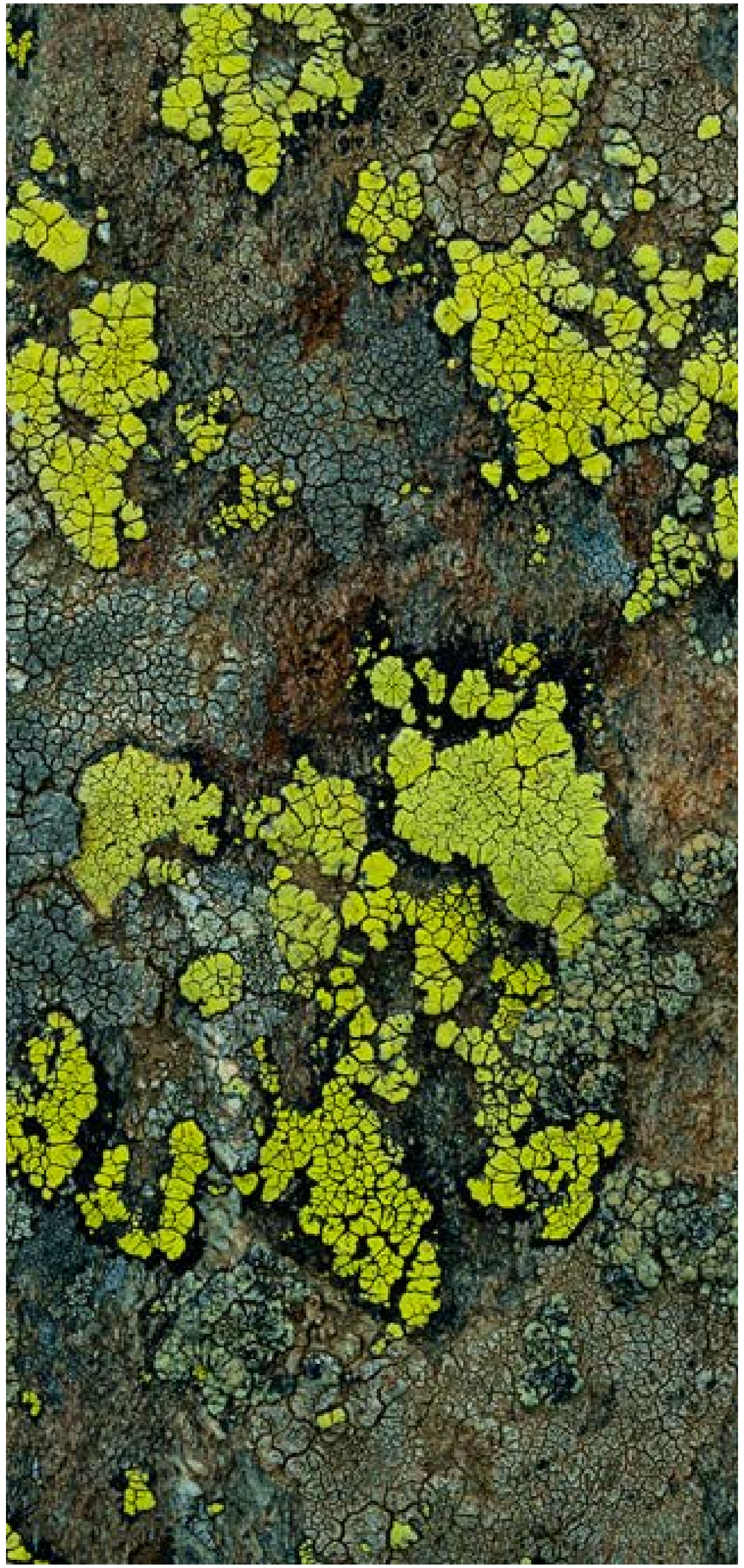


Climate Strategy[1]

As described in Sustainability Governance and Oversight, our sustainability priorities and initiatives, including our climate strategy, are overseen by Brookfield's senior executives and each of our business groups (CEO and Sustainability Leads). This executive leadership team sets the overall strategic direction of Brookfield's climate-related commitments and ensures coordination across our various climate initiatives. The group is supported by the Sustainability Management Team, which coordinates with senior executives to ensure that climate considerations are integrated into our products and investment activities. The Sustainability Working Group develops and coordinates sustainability initiatives, including climate-related initiatives, and leads measurement processes for climate-related metrics. Regular updates on climate initiatives are provided to the Board and its committees.

Decarbonization

Supporting our overall climate strategy, we leverage the Brookfield Net Zero Operational Committee, which includes senior representatives from across the business, including sector and functional experts. This Committee coordinates and advises each of our business groups on the execution of decarbonization strategies, as well as the measurement of our progress.

The Committee's mandate is to:

- Ensure alignment and consistency in approach across our businesses;
- Share best practices and information on portfolio company initiatives; and
- Measure and report results.

The Net Zero Operational Committee meets monthly to discuss and share best practices and experiences related to net zero and related value enhancement initiatives. This monthly forum also generates cross-business group development opportunities and partnerships with the common objective of financially prudent decarbonization and facilitates training leveraging both internal and external expertise.

The Net Zero Operational Committee is overseen by a Steering Committee, which comprises Brookfield's Head of Transition Investing, COO, Net Zero Operational Committee Lead and Head of Sustainability Management. The Steering Committee receives regular updates from the Net Zero Operational Committee. The Operational Committee's members also provide updates to their respective business groups' senior leadership, including CEOs. Business group heads, including operations executives, CEOs and Sustainability Leads, are responsible for decarbonization initiatives within their business groups, including setting decarbonization strategies and evaluating performance. The Steering Committee ensures coordination of net-zero efforts across groups and meets regularly, in addition to providing periodic updates to the Board.

Risk Management

The Risk Management team coordinates the development and implementation of Brookfield's climate risk management approach and methodology, which includes a framework for evaluating climate opportunities and risks in the investment due diligence process. The team works with our business groups to assess, on an ongoing basis, climate opportunities and risks across our business and seeks to ensure that risks are being managed to an appropriate level.

Risk assessment results are presented annually and updates on other climate risk management initiatives are reported quarterly to the Board or its applicable committee.

The business group risk management teams implement the risk management methodology and investment due diligence framework within their business groups and support their investment and operations teams with execution. The investment teams are responsible for assessing material climate risks and opportunities of prospective investments and developing mitigation strategies and integration plans, as applicable. These results are presented to the Investment Committees as part of the investment approval process. Ongoing identification, assessment, management and monitoring of climate risks and opportunities is integrated into business groups' overall risk management process.

Financial Reporting

The Sustainability Financial Reporting Working Group, with the oversight of Brookfield's CFO, monitors external financial reporting requirements with respect to climate-related information and, if and when necessary, will support the integration of these requirements into our public financial reporting processes, along with the appropriate control framework. The Working Group includes senior finance professionals and sustainability and risk management representatives from Brookfield and its business groups. The Audit Committee is responsible for overseeing the reporting process and control framework, as well as any related external audit requirements.

[1] Largely describes our Operationally Managed assets.

Climate-Related Risk Management

Our approach to managing climate-related risks and opportunities is consistent with Brookfield's operations-oriented investment strategy, and is integrated into our overall risk management approach.

We manage these risks and opportunities in our asset management activities and throughout the life cycle of our investments. Given the diversified and decentralized nature of our operations, we seek to ensure that risk is managed as close to its source as possible and by the management teams that have the most knowledge and expertise in the specific business or risk area. As such, climate-related risks and opportunities are generally managed at the portfolio company level, as these considerations vary based on the nature of each business. At the same time, we monitor climate-related risks and opportunities across our organization to ensure adequate risk management, identify asset and business level enhancement opportunities, and promote the sharing of best practices.

The following discussion is focused on our approach to managing climate-related risks and opportunities for the investments where we have control or significant influence.[1] These investments represent the substantial majority of assets under management across our Renewable Power & Transition, Infrastructure, Private Equity and Real Estate investment strategies.

Climate-Related Risk Management in the Investment Life Cycle

As described in Integrating Sustainability Into Our Investment Process, climate-related considerations are an important component of our investment process.

Due Diligence and Investment Committee Approval

The focus of our climate-related diligence efforts is to identify material risks and opportunities. Our Sustainability Due Diligence Protocol includes a comprehensive climate change risk and opportunity assessment, which is aligned with our climate change risk management methodology described on the following page. We have a number of internal subject matter experts who support our investment teams throughout the diligence process by providing technical expertise, reviewing findings and contributing additional insight to ensure completeness of the analysis undertaken. Where warranted, we engage external experts to perform more detailed reviews. To support the diligence process for physical risk, our investment teams also have access to third-party data sources providing location-specific projections of physical risks under a range of climate change scenarios.

Material climate-related risks, opportunities and mitigants identified during the diligence phase, as considered relevant to the business, are outlined for the applicable Investment Committee and considered in the investment decision. If the investment is approved, the investment team creates a tailored integration plan that includes, among other considerations, strategic and operational plans to address the material risks and opportunities identified. These plans are developed based on an assessment of the different mitigation or adaptation options available.

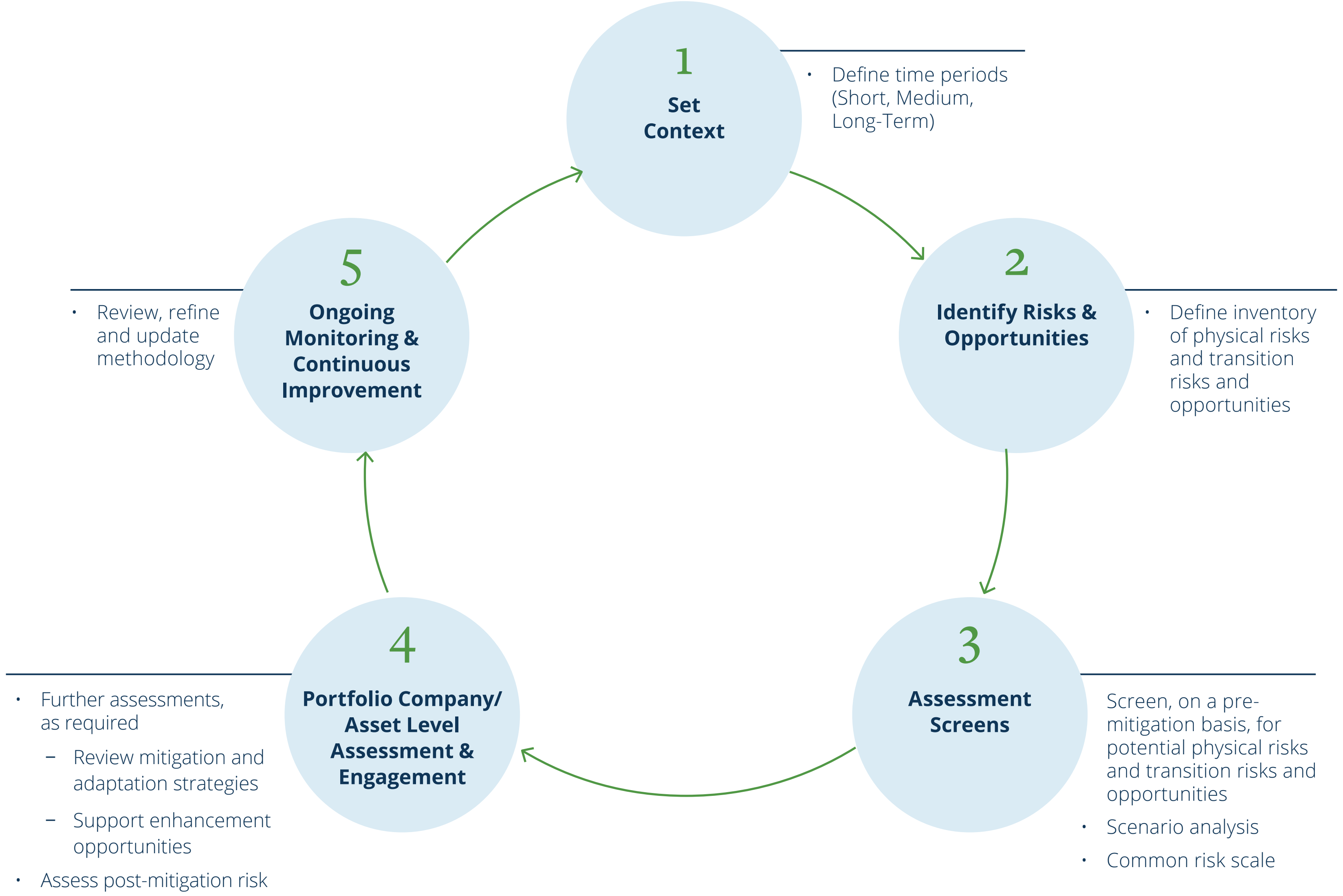
Ongoing Management

We take an active role in enhancing the performance of our portfolio companies. In all of our key regions, we have a group of dedicated operations professionals who have extensive experience leading businesses. Our operations and investment teams are fully integrated and work hand in hand, from diligence through to the execution of our business plan and the monetization of the investment. The operations teams work closely with senior management of our portfolio companies to develop and implement business improvements, including those related to physical and transition considerations, that are essential for business resilience and creating long-term value for our investors and stakeholders.

Our active asset management approach is supported by our well-established, proactive and disciplined risk management approach that is based on clear operating methods and a strong risk management culture. We ensure that we have the necessary capacity and resilience to respond to changing environments by evaluating both current and emerging risks. We adhere to a robust risk management framework and methodology that is designed to enable comprehensive and consistent management of risk across the organization. Brookfield uses a thorough and integrated risk assessment process to identify and evaluate strategic, financial and operational risk areas across the business, including climate-related risks. To ensure thorough assessment and management of risk, where warranted, we develop more tailored and detailed methodologies and tools to address the unique aspects of certain risk areas, such as climate. Portfolio-wide climate-related risks and opportunities are identified, assessed and managed using our climate change risk management methodology. Climate risk assessment results are an input into our enterprise risk assessment, which is used to inform a holistic view of our overall risk profile and mitigation strategies. These assessments also supplement our capabilities in identifying and prioritizing assets or businesses that may benefit from further analysis or engagement as part of our active asset management approach. Furthermore, we also continue to leverage these assessments to inform how we refine and progress our climate strategy.

[1] For investments where, due to our ownership stake or governance rights, we have more limited access to information, material climate-related risks and opportunities are predominantly considered as part of the due diligence process and ongoing investment reviews. Refer to Brookfield's Sustainability Policy for further details on our sustainability approach for non-control investments. We will continue to consider ways to further integrate climate-related considerations into our risk management processes for these investment types, including the incorporation of our own learnings and best practices.

Climate Change Risk Management Methodology



Climate Change Risk Management Methodology

1. **Set Context:**
   We consider climate-related risks and opportunities over three time periods (short, medium and long-term), as the nature of these risks and opportunities can differ depending on the time period considered. Time periods are set to reflect the long-life nature of our assets and the fact that climate impacts are expected to occur over decades, extending well beyond our typical risk assessment timeframes.

2. **Identify Risks and Opportunities:**
   Physical risks and transition risks and opportunities are categories in our risk inventory, which is used in our enterprise risk assessment process. We have defined a detailed climate taxonomy to facilitate consistent definition, assessment and reporting of these risks and opportunities. Our climate taxonomy incorporates and is consistent with the recommendations provided by the TCFD.

Climate Taxonomy

Physical Risks

- Acute
- Chronic

Risks from physical changes in the environment due to climate change

Transition Risks

- Policy and Legal
- Market
- Technology
- Reputation

Risks from the process of adjusting to a low-carbon economy

Transition Opportunities

- Resource Efficiency
- Products & Services
- Resilience
- Energy Sources
- Markets

Opportunities that arise from efforts to mitigate and adapt to climate change

3. **Assessment Screens:**
We use screening-level climate scenario analysis to:

   I. Assess, on a pre-mitigation basis, the overall level of climate-related risk and opportunity of our investments and understand their key drivers

   II. Identify and prioritize businesses or assets for further analysis or engagement

Potential physical risks and transition risks and opportunities are assessed based on two dimensions—exposure and vulnerability.

Exposure
Is the source of risk or opportunity due to climate change (e.g., changes in number of extreme heat days, carbon prices or renewable energy demand). Scenario analysis helps to assess how exposures may change under different future climate trajectories.

Exposure is primarily geographic

Vulnerability
Refers to "how" the asset is impacted by the changing exposure (e.g., due to extreme heat, additional cooling needs to be provided; due to carbon pricing, a business has increased costs; or due to increases in renewable energy demand, a solar panel manufacturer sells more product).

Vulnerability is primarily specific to asset types or sectors

Results from our latest assessments follow in Assessment Screens Using Scenario Analysis. Our intention is to update our analysis when there are significant changes to scenario data or our investment mix.

4. **Portfolio Company/Asset Level Assessment and Engagement:**
Results from our screening assessments are reviewed by our risk, sustainability and operations professionals, who sit with and work alongside our investment teams. In reviewing and assessing results, current and planned mitigation and adaptation strategies are considered along with historical experience at the portfolio company and asset level (e.g., GHG emissions reduction plans, structural characteristics of or hardening activities associated with an asset). If additional information is required, as determined by the teams, a more detailed review at the portfolio company or asset level may be conducted.

   Screening assessments, coupled with operational and strategic insights, are used to form an assessment of our post-mitigation risks and opportunities, as well as the resilience of our business under different future climate pathways. Where incremental mitigation and adaptation strategies or value-add enhancement opportunities are identified, our operations teams work closely with senior management of the portfolio companies to support and oversee the development and implementation of business improvements. While enhancement opportunities may differ across industries and geographies, they generally involve a combination of strategic repositioning, focusing on operational excellence and strengthening asset resilience.

5. **Ongoing Monitoring and Continuous Improvement:**
Our assessment of climate-related risks and opportunities is integrated into our overall risk management process, which is used to inform a holistic view of our risk profile and mitigation strategies. We review our climate change risk management methodology at least annually and implement updates where required. Results of our climate risk assessment are presented annually to the responsible committee of the Board of Directors. As climate-related risk management is an area that is rapidly evolving, requiring specialized knowledge and having the potential to impact all of our businesses and our reputation, we are committed to continually learning and expanding our understanding of climate-related risks and opportunities and their impact on our business. We will continue to focus on enhancing our climate risk management processes and consider ways to further engage with our portfolio companies and, as such, our approach to risk management and reporting may change over time.

Risk Management and Our Decarbonization Strategy

While climate-related risks and opportunities will generally vary based on the nature of a business, we view GHG emissions as a potential source of transition risk for all of our portfolio companies. As further described in Our Climate Strategy, a key component of our ongoing climate risk and opportunity management is active engagement with our portfolio companies on climate considerations and assisting them with the development of decarbonization strategies. We believe that value creation and sustainable business practices are complementary goals, and understanding the emissions of our operations through the collection and measurement of GHG data presents opportunities for enhancing mitigation strategies and sustainability practices. We seek to enhance long-term value through strategic and operational improvements, which include supporting the emission reduction strategies of our portfolio companies.

Our climate risk management approach and efforts to operationalize decarbonization are related and closely aligned. For example, GHG emissions data collected from our portfolio companies are used not only to develop specific decarbonization plans and related targets but are also incorporated into our scenario assessment screens. Furthermore, portfolio company decarbonization strategies are considered in our post-mitigation assessment of climate-related risks and opportunities and the overall resilience of our business.

Assessment Screens Using Scenario Analysis

Aligned with the recommendations of the TCFD, scenario analysis continues to be an important tool in our understanding and assessment of climate risk. Due to the inherent uncertainties concerning the future course of climate change, scenario analysis helps us to assess our potential climate-related risks and opportunities and the resilience of our business under different future climate trajectories. Scenarios are narratives of plausible future outcomes and are not designed nor intended to provide precise predictions or forecasts. **The degree of potential risk identified at a screening level does not consider mitigation or adaptation strategies that are in place or being implemented at the portfolio company or specific asset. As such, potential risks are, in many cases, likely to be lower than indicated by the screen.**

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Our latest assessment screens were based on our investments as of December 31, 2023 and completed with the assistance of global engineering and professional services firm, WSP. Three transition and two physical scenarios were considered across three time horizons: short-term (2030), medium-term (2040) and long-term (2050).[1]

Transition Risks and Opportunities

For our transition screens, we selected three divergent scenarios developed by the globally recognized Network for Greening the Financial System (NGFS)[2]—“Current Policies,” “Net Zero 2050” and “Delayed Transition.” These scenarios cover a range of plausible transition pathways and outcomes and vary in the extent of climate policy implementation, changes in energy markets and impact to the overall economy. Data from the NGFS was supplemented by additional resources, where relevant.

For each scenario, we screened for potential risks and opportunities across our investments by considering two dimensions: 1) exposure (to select economic, regulatory and reputational factors at a regional level), and 2) vulnerability (to these same factors at the sector level). Exposure was assessed using specific indicators of economic (e.g., GDP, electricity demand), regulatory (e.g., carbon price) and reputational factors as outlined by the scenarios. Vulnerability was assessed based on a qualitative determination of whether the business would be positively or negatively impacted by changes in the exposure to the relevant indicators, and the extent of such impact. Screening was performed for portfolio companies considering both their operating sectors and geographic locations, resulting in a company-level composite score. To the extent available, company-level GHG emissions data were used to conduct the analysis.

Transition Scenario Assumptions

A summary of the NGFS scenario assumptions and examples of the indicators used in the transition screening assessment is presented in the table.

Transition Scenario Assumptions

Source of Risk or Opportunity	Example Indicators[3]	Current Policies (3°C +)[4]	Delayed Transition (1.6°C)[4]	Net Zero 2050 (1.4°C)[4]
		The only policies in place throughout the scenario are those currently implemented. As a result, there are limited GHG reductions globally.	New climate policies are not introduced until 2030 and the level of action differs across countries and regions. As a result of the delay, more aggressive and disruptive climate policies are required to meet global climate goals in a shorter period of time.	The application of stringent climate policies and innovation result in a 50% chance of limiting global warming to below 1.5°C by the end of the century. There are significant changes to global energy systems and economies to facilitate a transition.
Carbon pricing	Effective carbon price in $/ tCO_2e	Carbon prices globally remain relatively low and do not exceed the prices currently in place in select regions.	Carbon prices remain low until 2030, after which the rapid implementation of climate policies leads to very high global carbon prices in all jurisdictions over the long-term.	An immediate strengthening of near-term mitigation actions and stringent long-term climate policies, including high carbon prices in the near term, and increasing in all jurisdictions over the long-term.
Energy demand and pricing	Demand for fossil fuels (e.g., oil, natural gas, coal) and renewables (e.g., solar, wind and hydropower); Investments in renewable energy; Electricity pricing	The share of fossil fuels in the global energy mix stays roughly constant from the 2020s to 2050.	From 2020-2030, fossil fuel sources continue to dominate the energy mix. In 2030-2050, contributions from fossil fuels rapidly fall and are replaced by low-carbon sources such as renewables.	The global energy mix undergoes a steady transformation as low-emission energy sources gradually displace fossil fuel sources.
Drivers of real estate demand and pricing	Building carbon intensity (tCO_2e/square foot) relative to a transition pathway	Real estate properties face moderate pressure to decarbonize, with carbon intensity playing a limited role in market values.	The demand for low-carbon buildings rapidly increases following the onset of the delayed transition, creating high value for low-emitting properties.	Properties face pressure to decarbonize and properties that meet net-zero benchmarks experience strong market demand.
Impacts to economic output	National gross domestic product (GDP); Transportation demand (in bpkm/year); Country-level transition readiness	Due to limited climate policies, there is only minor impact to economic growth.	Policies necessary to meet a low-carbon transition must be more aggressive due to the delay in climate action. As a result of the rapid change in economic and energy systems, many regions experience negative impacts to economic growth.	A more orderly transition allows countries to adapt economic systems towards a low-carbon economy, creating opportunities for economic growth in many jurisdictions. Some jurisdictions experience negative impacts.

[1] Future time horizons for physical risk represent an average over thirty-year periods as follows: 2030 time horizon (2015-2044); 2040 time horizon (2025-2054), and 2050 time horizon (2035-2065). The transition analysis assesses changes in transition indicators from the present to 2030, 2040, and 2050, respectively.

[2] The NGFS is a global network of central bankers and supervisors that developed scenarios, in partnership with academic organizations, to provide a common starting point for analyzing climate risks to energy markets and to economic and financial systems.

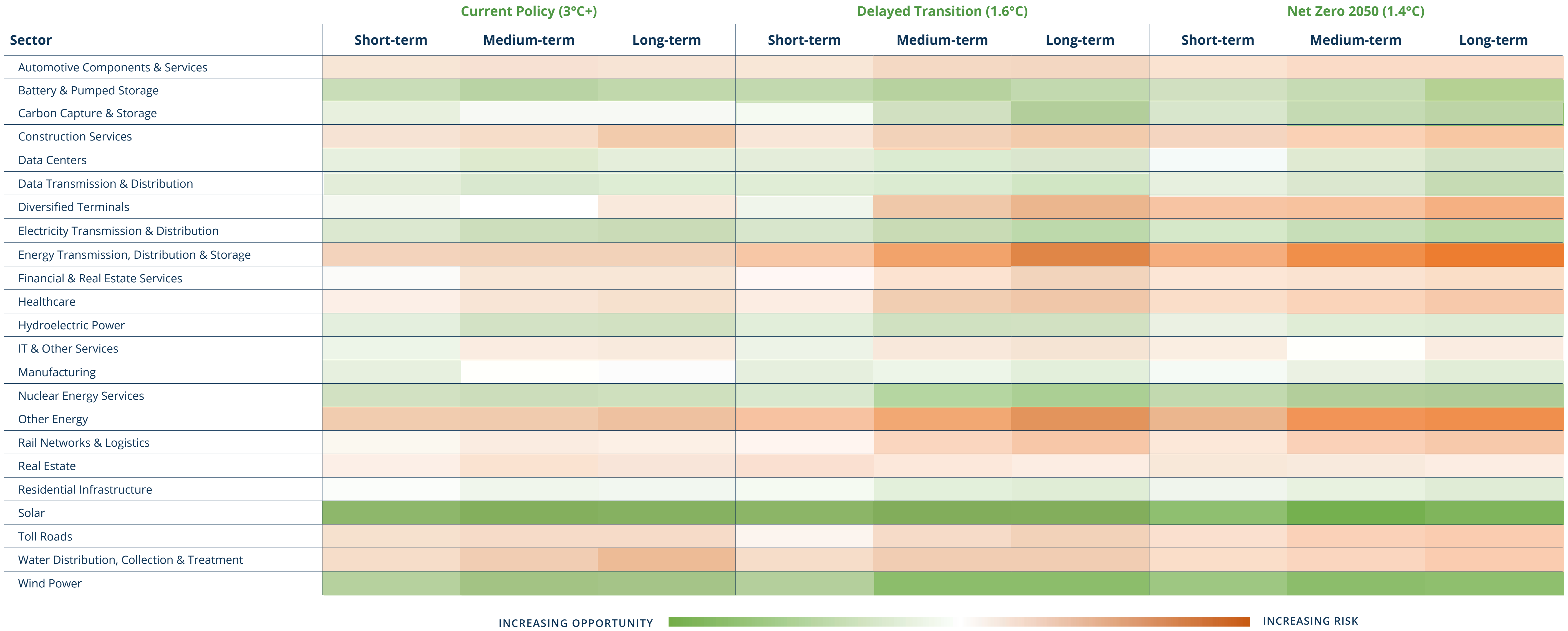
[3] A subset of sector-relevant indicators was selected for each portfolio company analyzed.

[4] NGFS Phase 3. Global temperature increase by 2100 compared to pre-industrial levels (1850–1900).

Pre-Mitigation Transition Opportunity and Risk Screening

A summary of the pre-mitigation transition screening results is presented in the chart below. Results reflect the potential global transition impacts at a sector level across sectors and geographies in which we invest.[1] Screening level results help us to understand potential risks that may be common across industry sectors and regions, as well as to identify risk areas that may warrant additional review. **The results do not consider mitigation strategies, such as decarbonization plans, in place at the portfolio company level and, as such, post-mitigation risk levels are generally lower.** The sector results presented below are not weighted by asset value and do not reflect Brookfield's amount of investment in each sector.

The pre-mitigation assessment screens continue to highlight significant transition opportunities, as we invest across many sectors that will be critical to a transition to a lower-carbon economy.



[1] Transition impacts were assessed at a sub-sector level for each portfolio company. Sector results reflect an average impact score across all portfolio companies analyzed within each sector.

Transition Risk and Opportunity Assessment and Management Strategy

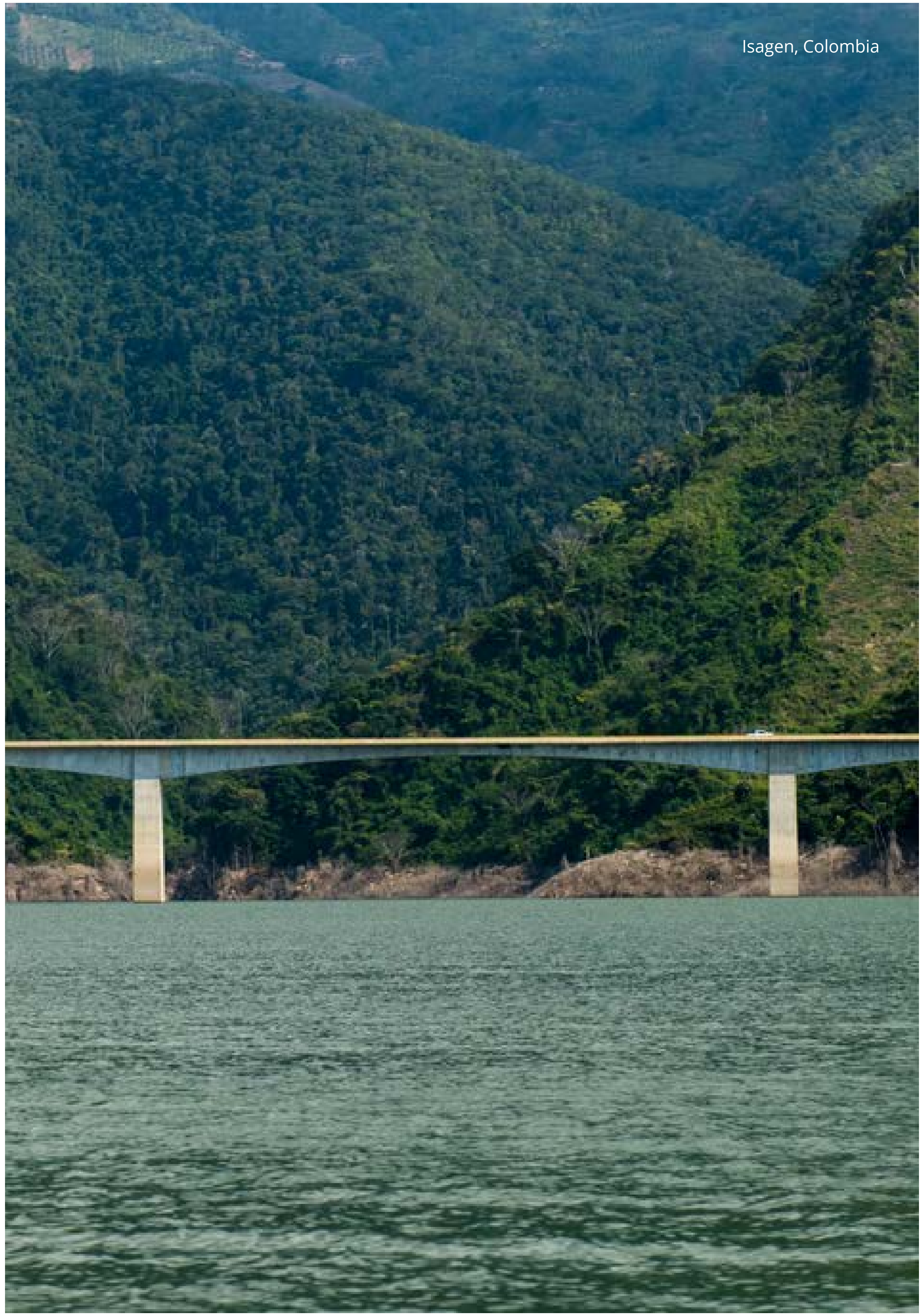
We invest for the long term with a focus on real assets and essential service businesses that form the backbone of the global economy. We believe that we are well-positioned to capitalize on opportunities that are being driven by the large secular trend of decarbonization. The pre-mitigation assessment screens reflect that we invest across many sectors with significant transition opportunities as these sectors will be critical to a transition to a lower-carbon economy. For these sectors, which include renewable power, nuclear energy services, battery and pumped storage, and carbon capture and storage, transition opportunities are projected to be present under each scenario and increase more significantly in the medium- and long-term under both the Net Zero 2050 and Delayed Transition scenarios.

To achieve the global goal of net-zero emissions by 2050, there must be a transformation of the global electricity capacity mix with the share of renewable energy shifting from 30% in 2022 to about 60% by 2030.[1] The rapid development of new renewable energy capacity, led by solar and wind, and complemented by nuclear power, is critical to the net-zero transition. Nuclear power is expected to play an important role in a lower-carbon transition, by providing baseload low-carbon power to support the growth in intermittent renewable power sources.[2]

As one of the world's largest investors, developers, owners and operators of clean power, Brookfield Renewable Power & Transition are meaningfully contributing to the global energy transition. Two years ago, Brookfield Renewable Power & Transition's business set a target to develop an additional 21,000 MW of new clean energy capacity by 2030 or the equivalent of doubling the size of its portfolio from that time. It is making great progress towards this target, with 8,000 MW added since the beginning of 2022, including 5,000 MW in 2023. Advancements in technologies related to energy storage will also be critical to supporting renewable power growth, as these assets will be needed to provide key ancillary services such as grid stabilization, backup capacity and balancing. We believe our investments in renewables, nuclear energy services, and battery and pumped storage will help form the core of a zero emissions and secure energy system. Furthermore, our investments in carbon capture and storage help to address residual emissions and have significant transition opportunity, as they provide a tangible solution for carbon-intensive assets to move toward decarbonization.

In addition to a transformation of the global energy mix to clean power sources, electrification is one of the most important drivers of emissions reductions to reach net zero by 2050.[1] The scenarios confirmed that transition opportunities exist for our investments in the electricity transmission and distribution sector, which will be vital to supporting increased demand for electricity from electrification. Electrification can only be successful if the appropriate infrastructure is in place, through the expansion and modernization of global transmission grids that connect clean power sources to end users. Our assets in this sector are well-positioned to serve as the conduits for this changing economy.

We are further supporting broader decarbonization efforts through our investments in residential infrastructure. These businesses provide rental models that alleviate the high upfront costs for consumers of technologies, including those that support decarbonization, such as rooftop solar panels and heat pumps. See Case Study "Supporting North American Residential Decarbonization."


Isagen, Colombia

[1] IEA, Net Zero Roadmap A Global Pathway to Keep 1.5ºC Goal in Reach (2023 Update).
[2] IEA, Nuclear Power and Secure Energy Transitions (June 2022).

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CASE STUDY

Supporting North American Residential Decarbonization

Our North American Residential Decarbonization Infrastructure business, Enercare, is facilitating the decarbonization of Canadian homes through its heat pump and tankless water heating offerings, as well as by supporting provincial conservation and demand management programs.

A hybrid heat pump system, consisting of a natural gas furnace and an electric heat pump, can reduce emissions by 30% compared to a natural gas furnace alone.[1] Tankless water heaters save both water and energy, as they heat water instantaneously without the use of a storage tank and can be 24-34% more energy-efficient than conventional storage tank water heaters.[2] With homes and buildings accounting for close to ~20% of Canadian emissions and over 60% of those emissions generated by fossil fuel combustion for space and water heating, hybrid heat pumps and tankless water heaters can significantly reduce emissions and facilitate the national net-zero transition.[3]

[1] Natural Resources Canada, The future of home heating: Hybrid home heating systems offer energy savings and reduce GHG emissions (April 2019).

[2] U.S. Department of Energy, https://www.energy.gov/energysaver/tankless-or-demand-type-water-heaters.

[3] Government of Canada, https://www.canada.ca/en/services/environment/weather/climatechange/climate-plan/climate-plan-overview/healthy-environment-healthy-economy/annex-homes-buildings.html.

Enercare, Canada

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Telecommunications providers and data centers will also play a meaningful role in transitioning to a low-carbon and energy-efficient future by, for example, supporting increased process efficiency in industrial applications. Our companies in the manufacturing and construction services sectors that are focused on reusable packaging, modular structures and construction materials and services that support a circular economy may also benefit from increased demand for lower-carbon alternatives to existing products and services.

Sectors in which we invest that screen as having higher potential pre-mitigation transition risk relate to energy transmission, distribution and storage, as well as other energy-related businesses. The potential for a transition away from higher-carbon fuels may impact these sectors as a result of lower demand for fossil fuels and/or increased carbon pricing. The potential risks are higher in the longer-term under both the Delayed Transition and Net Zero 2050 scenarios, with lower risks observed in the Current Policies scenario. We are aware of these risks and have mitigation strategies in place to address them, as further outlined below.

Included in Other Energy is our investment in InterEnergy, made through our first Global Transition Fund, which is dedicated to accelerating the transition to a net-zero economy and has an investment mandate that includes decarbonizing carbon-intensive sectors. We provided capital to InterEnergy to fund growth and contribute to its plan to achieve net zero by 2050, which is underpinned by shifting its fuel mix from thermal to renewable energy. See Case Study “Decarbonizing Electricity.”


Deutsche Funkturm, Germany

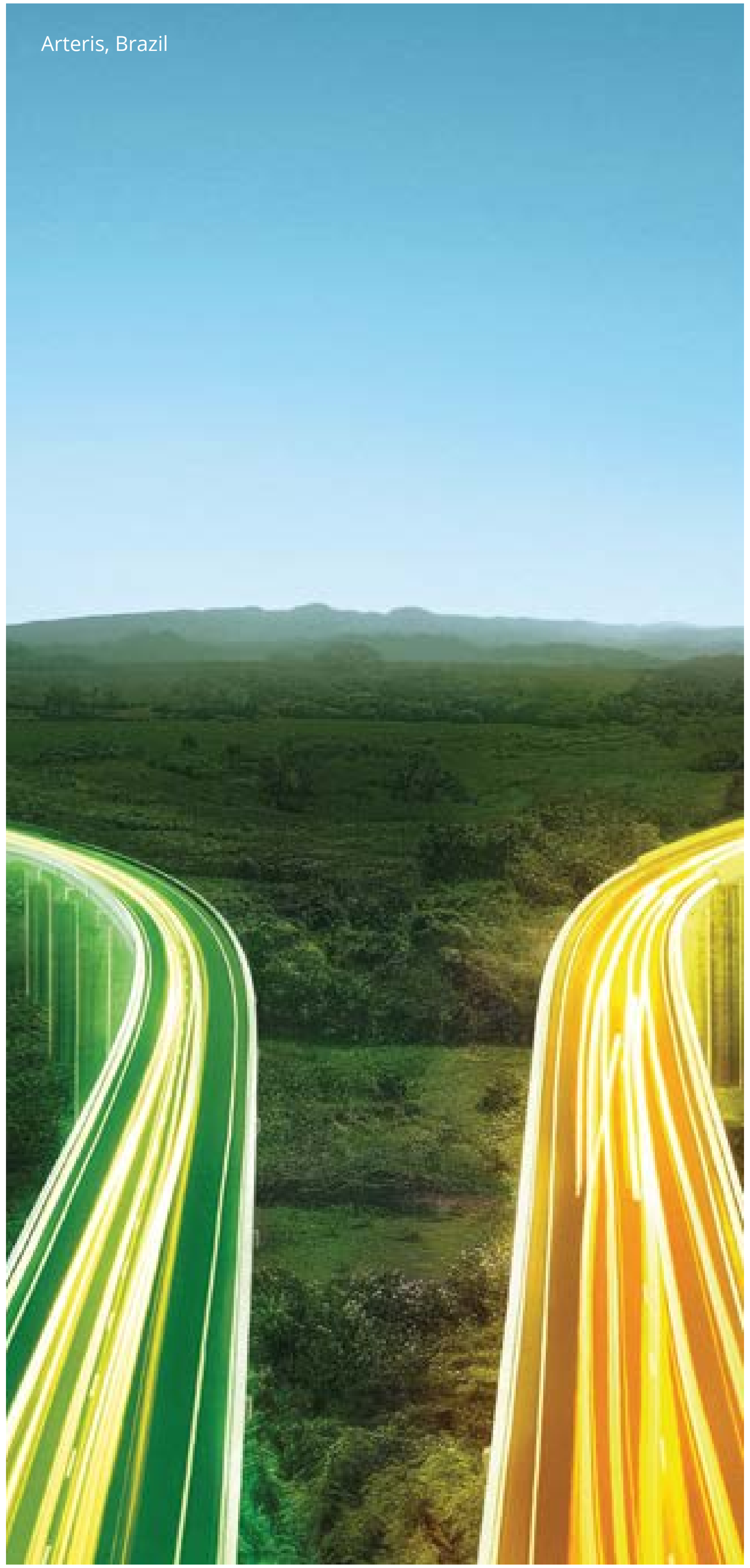
CASE STUDY

Decarbonizing Electricity

Our Global Transition Funds are allocating capital to impact some of the hardest areas to decarbonize, through Paris-aligned business plans and long-term investments. We are focused on decarbonizing carbon-intensive sectors and developing sustainable solutions to accelerate the global transition. We have made an investment in InterEnergy, a leading utility and independent power producer (IPP) with operations in the Caribbean and Latin America. Many Caribbean and Latin American countries rely on fossil fuel energy production and need additional investment to develop renewable infrastructure. InterEnergy invests, owns and operates a portfolio of over 1,000 MW of power-generating assets, including the largest IPP in Jamaica, which provides 25% of the country's generating capacity through thermal energy.

InterEnergy partnered with Brookfield to develop a structured decarbonization transition plan with mid- and long-term goals, including specific emission intensity targets by 2030 and net zero by 2050. The plan includes the addition of new renewable capacity with several emission reduction activities, such as decommissioning, conversion of generation units to cleaner fuels and options of including blending of heavy fuel assets with low carbon fuels. With Brookfield's partnership, InterEnergy is progressing its decarbonization plan in line with its ambitions. In 2023, it commissioned and acquired approximately 37 MW of renewable power capacity, and it expects to bring on an additional 144 MW of capacity by the end of 2024.

InterEnergy, Dominican Republic


Arteris, Brazil

The majority of our investments in sectors screening at higher risk are related to natural gas. The scenarios suggest that the transition away from natural gas may be more gradual than for other traditional fuel sources, since natural gas is expected to play a role providing baseload power and replacing higher-carbon fuels, such as coal, as the economy transitions to renewable power sources. This view is further supported by the current trajectory of energy demand levels and relative pacing of clean energy development. Our investments that support the export of liquefied natural gas (LNG) will play a meaningful role in this transition, particularly for countries that are currently more reliant on higher-carbon sources of energy. Also, our assets generally have indirect exposure to natural gas, as they provide infrastructure for natural gas producers, and may be repurposed as part of a transition to a lower-carbon economy. For example, as the world transitions toward net zero, we believe midstream assets, with their extensive, critically located fixed infrastructure, will be able to continue to meet the needs of their customers, by potentially adapting their pipelines to carry newer fuel types, such as hydrogen.

We focus on investing in high-quality midstream assets that will generate an appropriate risk-adjusted return during our hold period, notwithstanding terminal value expectations. These businesses represent essential infrastructure that is strategically located to serve attractive supply and demand centers.

We believe that decarbonization and repurposing efforts will mitigate the potential longer-term transition risks for many of our portfolio companies in higher-risk transition sectors. Moreover, our exposure to fossil fuel-related industries is relatively low at less than 10% of our assets under management.[1]

For real estate assets, transition risks may result from shifting tenant and consumer preferences, regulatory changes such as more stringent building codes, changes in technology use and increasing costs due to carbon pricing. We believe our real estate portfolio is well-positioned in this environment, given its current emissions intensity profile and the geographies in which our assets are located. In addition, we have developed a climate transition strategy for our real estate assets, which involves developing sustainable solutions that can generate significant value through above-market rents, access to green financing, improved operating margins, enhanced liquidity and asset valuations, increased investor demand, and strong regulatory compliance. Our approach to decarbonizing our real estate portfolio includes:

- **Procuring clean energy:** we leverage both offsite and onsite clean energy through power purchase agreements and solar installations, decarbonizing both our business operations and the local electricity grid. We are well-positioned to contribute to the decarbonization process by using our expansive real estate footprint for solar panel installations, meaning we can supply many properties with clean energy and feed unused energy to the grid to power other customers. Additionally, we leverage the power of the Brookfield Ecosystem by working with our Renewable Power & Transition group to procure clean energy for our properties where possible.
- **Implementing additional retrofits and operational energy reduction initiatives:** we invest in asset-level improvements to reduce our demand for energy, avoiding significant GHG emissions, and positioning our assets to meet future anticipated regulations limiting GHG emissions in some regions. To determine where best to invest, we conduct energy audits, review building condition reports, consider unique site design and technology options, understand our properties' GHG emissions baseline, and benchmark building performance.
- **Considering the procurement of carbon offsets:** we consider procuring high-quality carbon offsets to fully decarbonize our portfolio after exhausting all feasible means of lowering our emissions through the procurement of clean energy, making asset-level retrofits, and reducing our energy usage as much as possible.

The execution of our real estate decarbonization strategy will vary across our global portfolio depending on the energy mix of local electricity grids, the availability of clean energy, the particular asset class, investor demand, legislation and tenant demand. See Case Study "Bespoke Approaches to Decarbonizing Real Estate" for examples of how these decarbonization approaches are being put into action.

[1] As of December 31, 2023. Fossil fuel is defined based on the MSCI definition of fossil fuel exposure which includes companies with evidence of fossil fuel reserves and deriving revenue from business segments associated with energy application of fossil fuels.

CASE STUDY

Bespoke Approaches to Decarbonizing Real Estate

Leveraging Clean Energy

Our U.S. office portfolio is leveraging clean energy procurement to decarbonize its operations. By 2026, the portfolio will procure 100% of its electricity from clean energy sources. Given Brookfield is one of the largest owners of U.S. office properties, this commitment creates tremendous decarbonization progress. The portfolio will procure 600,000 MWh of clean electricity, which is expected to reduce GHG emissions by approximately 260,000 mtCO_2e per year.[1]

We have also executed significant solar panel installations across our retail portfolio. These properties are well-suited for solar panel installations, due to their typically low-lying, high-square-footage footprints. In the U.S., we have 51 paneled properties that generate 57 million kWh of energy on an annual basis. The electricity generated from these solar installations is both consumed onsite and sold to the local electricity grid, avoiding any energy wastage.

In 2023, the energy generated from the solar panels reduced GHG emissions by over 22,000 metric tons and ranks our retail portfolio as the seventh-largest onsite solar power generator in the United States.

Asset-Level Improvements

A significant portion of energy consumption is commonly attributed to lighting fixtures. Modernized lighting fixtures can make a big impact on energy performance. For example, our U.S. logistics portfolio consists of 433 facilities across 23 states. By installing LED lighting fixtures in energy-inefficient buildings, we achieved a 73% reduction in tenant energy consumption, reducing both cost and environmental impact.

By 2026, our U.S. office portfolio will procure 100% of its electricity from clean energy sources.

[1] This calculation is based on the best available data at the time of the calculation and has not been independently verified.

Brookfield Place NY, New York

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Other sectors in which we invest, such as financial and real estate services, and IT and other services, have limited risks associated with a transition, with the source of risk or opportunity generally being indirect. Indirect transition impacts may include macroeconomic factors such as changes to GDP growth or energy pricing, which vary by country depending on transition readiness.[1] For example, countries with a high level of transition readiness may experience positive effects on their economic growth during a transition, which in turn creates growth opportunities for companies operating in those regions. Companies in this category may thrive in a transition if they are able to adapt their operations and business model to become low-carbon and to serve low-carbon industries.

The ultimate path of a transition to a net-zero economy is highly uncertain and will vary by sector, industry and geography. We believe that we can make a meaningful contribution through our investments that will support a net-zero transition and through our efforts to operationalize decarbonization across our assets that have higher emissions footprints. As further described in Our Climate Strategy, a key imperative of our strategy to address transition risk is to engage with our portfolio companies on value-enhancing decarbonization strategies, as well as to explore value chain opportunities (e.g., new products, services, markets or materials substitutions). Decarbonization benefits may also include improved access to capital, reduced operating costs, tax credits, and an enhanced reputation among customers and employees. Our operations professionals engage with our portfolio companies on transition and decarbonization strategies, including by providing training and sharing of best practices for emissions measurement and goal setting, identifying decarbonization levers (e.g., operational efficiencies, electrification, clean energy) and supporting implementation plans. We believe our strategy, along with the profile of our investments and risk mitigation efforts, is resilient across a range of possible transition scenarios and that we are well-positioned to capitalize on transition opportunities.

Physical Risks

Climate change is expected to increase the frequency and severity of extreme weather events such as floods and wildfires (acute risks). It is also expected to result in more gradual changes, such as higher average temperatures and increased or decreased precipitation (chronic risks).

Physical climate scenarios define possible climate consequences under different levels of future global warming resulting from increased GHG emissions. For our screening analysis, we selected two contrasting physical climate scenarios using the Shared Socioeconomic Pathways (SSPs) framework featured in the Sixth Assessment Report (AR6) of the Intergovernmental Panel on Climate Change (IPCC). The SSPs consider possible changes in population, economic growth, education, urbanization and the rate of technological changes, all of which influence global GHG emissions trajectories. The resulting emissions trajectories are used as inputs into climate models to assess possible changes to climate hazards over time.[2] The two scenarios selected were:

Higher emissions scenario (SSP5-8.5)

A pathway where there is fast and unconstrained growth in energy consumption and economic output, mostly met with fossil-based fuels, leading to a global average temperature rise of 3.3 ºC to 5.7 ºC by 2100 compared to pre-industrial times.

Lower emissions scenario (SSP1-2.6)

A pathway where climate policies are implemented, technological growth to mitigate climate change is rapid and GHG emissions are significantly reduced, limiting global average temperature rise to 1.3 ºC to 2.4 ºC by 2100 compared to pre-industrial times.

For each scenario and time period, we screened for potential risks across our investments by considering two dimensions: 1) exposure (to eight physical hazards based on location), and 2) vulnerability (to the physical impacts of those hazards based on asset type (e.g., an office building, warehouse, manufacturing facility)).

Exposure was assessed considering both: i) historical exposure (recent past) to the noted climate hazards, which provides an indication of current risk, and ii) the potential for increasing exposure due to climate change using data from global climate models. Vulnerability was assessed based on a qualitative determination of how exposure to the relevant physical hazard would impact the asset from a cost, business continuity and legal and reputational perspective.

Data on over 14,000 locations across our businesses were included in the screen, which provided a comprehensive view of potential risk areas. Where specific asset location data were not available or where screening additional locations was not additive to the analysis (e.g., the locations were of the same asset type and in the same geographic area), sampling or regional analysis was conducted. For linear assets (e.g., transmission lines, rail, pipelines), locations were spatially sampled at intervals of 25 km. The screens helped us to understand, on a pre-mitigation basis, the overall potential for, and drivers of, physical risks across our investments and potential areas of concentration.

Physical Risk Assessment and Management Strategy

The results of our physical risk screen identified locations across our businesses that may be at risk of particular physical hazards. These risks are well-known to us, for the most part having already been identified during our initial investment due diligence or ongoing portfolio management activities. While we continue to focus on the localized physical risks at our assets, our geographic diversification has the effect of lowering the overall potential impacts of physical risk across our investments. Furthermore, because the vulnerability of our assets to each physical hazard varies significantly, depending on the type of asset and its individual characteristics, the sectoral diversity of our investments also helps to mitigate risk. Our post-mitigation analysis also takes into account mitigation and adaptation strategies that are currently in place. Based on our assessment, overall, no pervasive or systemic risks were identified across our portfolio of investments.

Physical risk mitigation and adaptation strategies differ depending on the type of asset and its level of vulnerability to a particular physical hazard. In managing physical risks, structural integrity of an asset under different weather conditions and the suitability of insurance coverage are two areas of focus during acquisition due diligence and ongoing portfolio management. Maintenance and capital expenditure programs focus on ensuring that assets are resilient through changing conditions. In addition, future resilience to changes in the physical environment is typically considered when defining standards for the design, build and enhancement of assets. Business continuity plans are also implemented across our portfolio companies to mitigate disruptions from severe weather events, where applicable. Finally, we regularly review insurance programs and endeavor to ensure that appropriate insurance is in place to mitigate

[1] The International Monetary Fund, Preparedness of Countries for a Low-carbon Transition.

[2] We used the NASA Earth Exchange (NEX) Global Daily Downscaled Projections (GDDP) dataset, (NEX-GDDP-CMIP6), which is comprised of global downscaled climate scenarios derived from the General Circulation Model (GCM) runs conducted under the Coupled Model Intercomparison Project Phase 6 (CMIP6) and across two SSPs.

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residual risks where further mitigation measures at the asset level may not be feasible or economical.

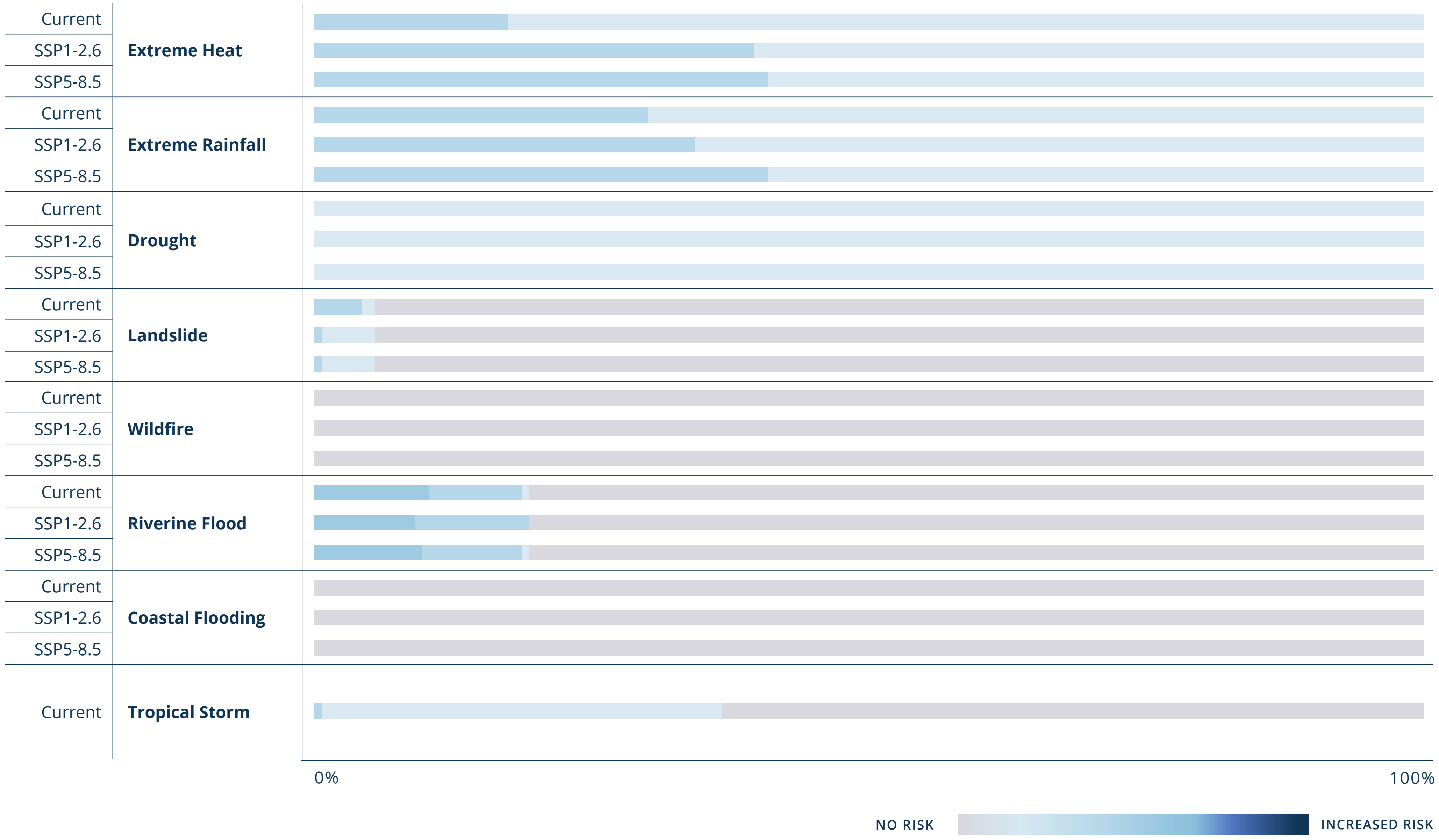
See Physical Risk Assessment: Summary of Key Observations for a summary of our screening results and selected examples of mitigation and adaptation[1] activities being pursued. The summary is reflective of the results from our current (based on historical data) and long-term (2050) higher emissions scenario screens and considers asset type characteristics. Under the lower emissions scenario, similar trends to the higher emissions scenario are generally observed. We will continue to work with our portfolio companies in further enhancing their physical risk mitigation and adaptation strategies by providing support for operational and other improvements and sharing of best practices.

Physical Risk Screen

To illustrate the screening approach and one type of output analyzed, an example of physical risk distribution scores for a sample portfolio of assets is presented in the graph. The graph shows the distribution of potential physical risks by climate hazard for the sampled assets under i) current climate conditions (baseline period from 1986-2014) and ii) the long-term time horizon (2050) for both the lower (SSP1-2.6) and higher (SSP5- 8.5) emissions scenarios.

Given the diversified nature of the assets in which we invest and the differing vulnerabilities of these asset types to each physical hazard (for example, an office building compared to a section of rail), aggregated results across different asset types do not provide particularly meaningful information. As such, we have chosen to provide an example of the screening output and present key observations from our comprehensive assessment in the pages that follow.

Distribution of Current and Future Physical Risks (Pre-Mitigation) (Sample Portfolio of Assets for Illustrative Purposes)



[1] For simplicity, references to risk "mitigation" in the physical risk assessment refer to both mitigation and adaptation, as applicable.


One New York Plaza, New York

PHYSICAL RISK ASSESSMENT: SUMMARY OF KEY OBSERVATIONS

Tropical Storm

Given the lack of modeling data for future periods, our assessment of tropical storms was based on historical data. Overall, only a small number of assets screened at potential risk for tropical storms. These assets are located in the Asia Pacific region, the United States and the Caribbean. Tropical storm risk at these locations has previously been identified and the affected assets are typically built to standards that consider elevated storm risk. Furthermore, where applicable, business continuity plans are in place to minimize disruption from storms.

Coastal Flooding/Sea Level Rise

Coastal flooding risk and rising sea levels affect only a small portion of locations screened. The affected assets are diversified by sector and geography, thereby limiting any potential impact. The number of assets exposed to coastal flooding risk is not projected to change significantly under the long-term higher emissions scenario. Risks were previously identified and mitigation strategies vary by asset type. For example, at certain of our port assets, quay heights have been or can be raised. Other mitigation strategies include ensuring operational recovery and inventory management systems are in place, and leveraging local flood management and defense system plans, such as locks and sea walls.

Case Study

Protecting Against Hurricanes and Sea Level Rise

As owners and operators of real assets, physical resilience is one of our top priorities. At One New York Plaza, an office building located on the southern tip of Manhattan, we identified that the building is exposed to both storm events and potential sea level rise. To ensure the building had appropriate climate resiliency measures to protect against these longer-term climate shifts and extreme weather events, we conducted extensive retrofits, which included:

- Relocating critical building infrastructure (including electrical switch gear) from below grade to safer above grade locations.
- Installing a rapidly deployable flood protection system.
- Completing a rainwater bypass project to further fortify and refurbish the rainwater basin.


AusNet, Australia

PHYSICAL RISK ASSESSMENT: SUMMARY OF KEY OBSERVATIONS (CONTINUED)

Landslide

The results of our screen indicated that landslide risk is not projected to increase significantly in the long-term under the higher emissions scenario compared to historical experience. Landslide risk predominantly exists in India, Brazil and the United States for portions of our linear[1] infrastructure assets and certain renewable power assets. Linear infrastructure assets are spread across very large geographic areas, and landslides, should they occur, would be expected to impact only a small segment of operations at any given point in time. Where feasible, mitigation measures have been implemented to protect against landslide, for example, through the installation of netting in locations with higher potential exposure. Mitigation strategies for our other assets vary by asset type. For example, for hydroelectric power assets, risk is mitigated through measures such as stringent design standards, annual dam safety assessments, and hillside vegetation planning and slope protection. As landslides are local, risk across our investments is further mitigated by the geographic diversity of the assets screening at risk for this hazard.

Wildfire

Wildfire exposure is based on a proxy that represents the conditions required for a wildfire to start and spread. The results consider ecoregion classifications to assign wildfire risk to assets that are near a fuel source; however, it does not consider the likelihood of an ignition and, therefore, does not project changes in frequency or intensity of wildfires. Modeling wildfires is complex and there are limitations to our ability to accurately screen for this risk.

Assets screening at potential risk of wildfire were predominantly associated with portions of our linear infrastructure assets and certain renewable power assets. Wildfire risk has been an area of focus for these businesses. Mitigation strategies are in place and continue to be improved, including, where applicable, vegetation management plans that meet or exceed industry standards, installation and maintenance of firebreaks and, where feasible, asset hardening to reduce the impacts of wildfire (e.g., using concrete rail ties), ensuring operational recovery systems are in place and training employees to proactively identify and mitigate hazards that could lead to or exacerbate the impacts of wildfire. Linear assets generally span wide geographic areas and wildfire, should it occur, would be expected to impact only a segment of operations at any given point in time. The number of assets exposed to wildfire risk is not projected to change significantly in the long-term under the higher emissions scenario.

Case Study

Reducing the Risk of Powerline-Related Bushfires

Our Australian regulated utility business, AusNet, has operations in locations that exposes it to wildfire risk and has implemented step changes to manage bushfire risk on its network. Bushfire risk mitigation strategies at AusNet include the introduction of aerial inspections, a fire-loss consequence model, mandated insulated conductors in the highest fire-loss consequence areas and the use of remote-controlled Automatic Circuit Reclosers (ACRs). Bushfire risk is also reflected in AusNet's network design, where the highest bushfire-prone areas are progressively being fully insulated, making the network more resilient. In 2023, AusNet completed a seven-year program to install the world's first deployment of Rapid Earth Fault Current Limiter (REFCL) technology designed to mitigate powerline-related ignition risks in 22 high risk bushfire areas across the electricity distribution network. An REFCL operates as a safety switch in the electricity network and limits the amount of energy released when an earth fault occurs on a powerline (for example, when a powerline touches the ground), reducing the risk of fire in the communities in which it operates.

[1] Linear assets cross multiple geographies, and may include any combination of rail, toll road, telecommunication tower, pipeline and transmission assets.

Smoky Mountain Santeetlah, Tennessee

Riverine and Pluvial Flooding

Riverine flooding, also known as fluvial flooding, occurs when there is an overflow of a body of fresh water, such as a river. This type of flooding is typically caused by heavy rainfall and can be coupled with snow or ice melt. Pluvial flooding, which is flooding that occurs independent of an overflowing body of water, may be caused by extreme rainfall events. To assess for these types of flooding risk, we screened for both riverine flooding and extreme rainfall. A portion of our assets, across various types and regions, screened as potentially at risk of flooding. The occurrence of assets screening at risk in the long-term for riverine flooding was consistent with the historical period and slightly increased for extreme rainfall. The mitigation strategies in place to address flooding risk across our investments vary by asset type. For example, at our real estate properties, keeping essential building infrastructure, such as generators, on higher floors can help to mitigate flooding risks. Certain of our manufacturing facilities and warehouses also store critical equipment on elevated racking systems or higher floors and can utilize backup facilities in the event of a local disruption. At our hydroelectric power assets, inflows are monitored compared to dam capacity and flood map studies, and inflow design flood calculations are updated on a regular basis. Another example of a mitigation strategy is ensuring that rail ties are constructed to standards appropriate for local flood conditions and checked regularly, as part of regular maintenance programs, to ensure they remain secure. In addition to asset-level mitigation measures that serve to lower the risks associated with flooding, risk across our investments is further mitigated by the geographic diversity of our assets.

Case Study

Responding to the Effects of Changing River Flows on Hydro Assets

There remains uncertainty as to how climate change could impact river flow at our hydroelectric assets. Although all our facilities are built to withstand floods, we invest in, enhance and monitor dam safety initiatives to mitigate future risks and adapt to changing climate conditions. As part of our ongoing responsible management of these critical assets, we have implemented a Dam Safety Standard and Program that meets or exceeds regulatory requirements and standards across all jurisdictions in which we operate.[1]

In an effort for ongoing and continuous improvement, we recently partnered with the U.S. Department of Energy to further research the impact of climate change (e.g., flooding and drought) on rivers that feed into our hydropower generation assets. Through this ongoing collaborative effort, we aim to better understand the influence of climate change on our operations and to incorporate the relevant outputs into our planning.

[1] Including those published by the Federal Energy Regulatory Commission (FERC; U.S.), Lakes and Rivers Improvement Act (LRIA; Ontario), Centre d’expertise hydrique du Québec – Sécurité des barrages (CEHQ; Quebec), and the Canadian Dam Association (CDA; Canada), as well as the International Commission on Large Dams (ICOLD; International).

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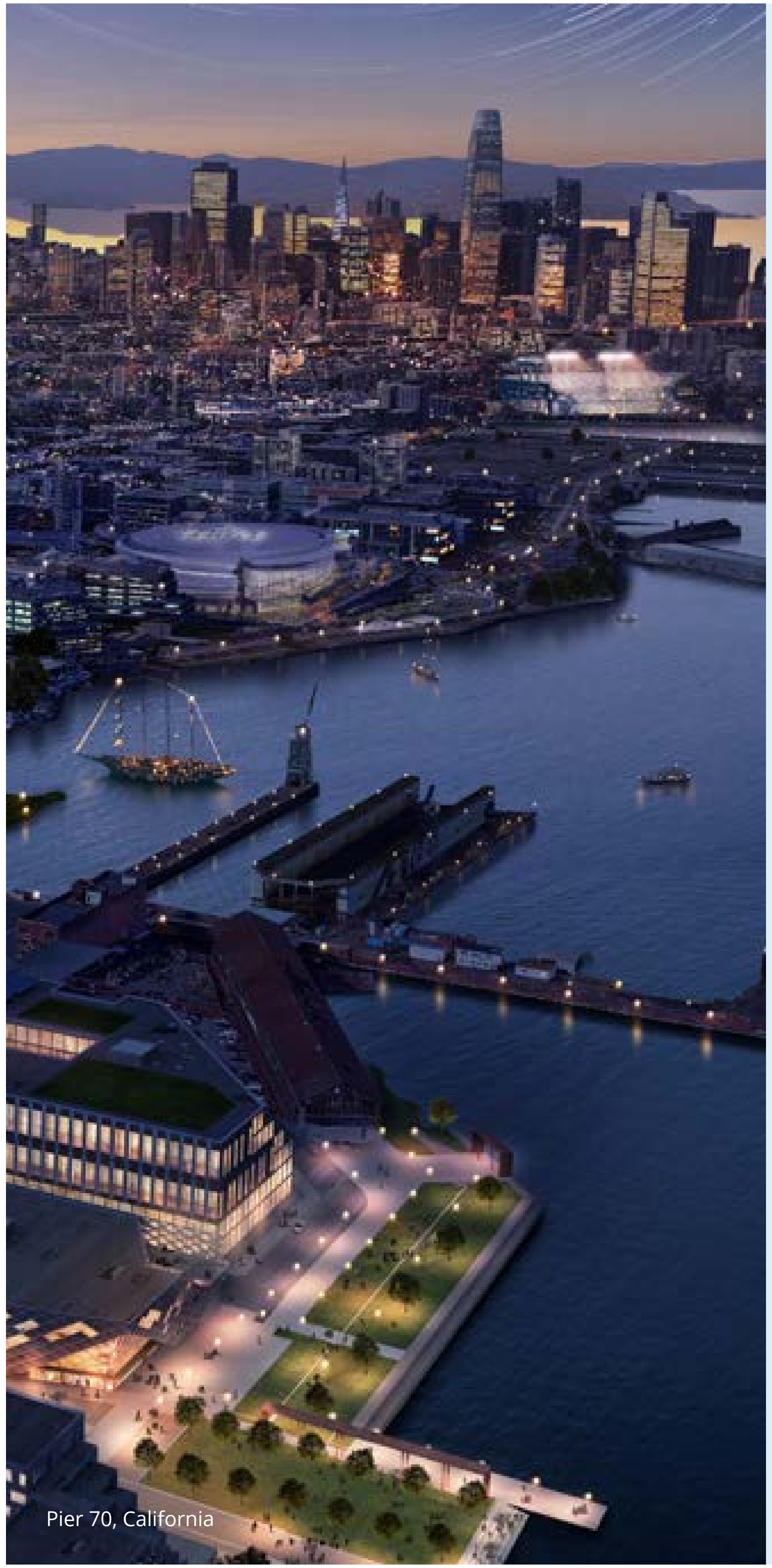
Pier 70, California

Drought

Overall, the current and projected risk of drought across our investments is low. Where relevant, for example in our manufacturing and real estate businesses, drought mitigation measures may include the implementation of water management plans along with other water conservation measures. Reducing the impact of our overall water consumption is an important area of focus for our portfolio companies, as further described in Encouraging the Conservation of Nature.

Extreme Heat

The results of our screen indicate that the occurrence of extreme heat is projected to increase over the long-term across many parts of the world where we operate; however, most of our businesses are not highly vulnerable to this hazard. Where extreme heat is projected to be most pronounced for our investments, these businesses are, for the most part, already experiencing a warmer environment and implementing mitigation strategies. For example, in our healthcare and senior living businesses, mitigation strategies include ongoing maintenance to ensure that air cooling systems and backup generators (or other redundancy systems) are in good working order and appropriate for both the local and changing climate conditions, and that emergency management plans and protocols are in place. Another area of focus is ensuring health and safety programs protect people from the risk of extreme heat, including outdoor work restrictions during peak temperature hours, as required.

Case Study

Reducing the Future Impacts of Heat Stress

When we partnered with the Port of San Francisco to restore a portion of Pier 70, an industrial complex located in San Francisco's Central Waterfront area, our vision was to create a thriving waterfront neighborhood with housing, offices, parks, space for artists and local manufacturing, rehabilitated historic buildings, and the largest mass timber office building in North America. In the due diligence process, we identified heat stress as a future risk for the development. In response, we integrated additional resiliency considerations to ensure the development was designed to mitigate the potential for urban heat island effects under different future climate scenarios. An urban heat island is an urban area that is significantly warmer than its surrounding rural areas due to differences in how well surfaces in each environment absorb and hold heat (glass and concrete vs. soil and water, for example). We reduced the amount of hardscape road surfaces by 12%, installing natural, vegetated areas in their place. Where hardscape areas remain, light-reflecting surfaces were installed to cut solar radiation absorption, reducing the property's exposure to potential heat stress.

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BRK Ambiental, Brazil

Limitations to the Analysis

Climate risk and opportunity management is an evolving aspect of our business. We recognize that there are a number of uncertainties and dependencies in understanding and addressing these risks and opportunities. Climate science, as well as associated methodologies, scenario analysis and industry standards, continue to evolve and there continue to be challenges with data quality and availability. Furthermore, other externalities, including technology, and economic and geopolitical events may have an evolving or unexpected impact. As such, we will continue to refine our understanding of how transition and physical climate issues may impact our portfolio companies and assets, and we expect to continue making enhancements to the way we assess, manage and report on climate-related risks and opportunities as we learn from our own experiences and incorporate advancements in climate science, relevant standards and best practices.

As a result, we expect that certain information presented in this report and in our other sustainability-related publications may be updated or restated in the future as the quality and completeness of our data and methodologies continues to improve.

Our Climate Strategy

Brookfield is aligned with the global ambition to achieve net zero across all assets under management by 2050. Achieving this will require mobilizing capital, a paradigm shift in how assets are managed, and government support through policy and regulation.

We intend to contribute operational and investment expertise to execute practical decarbonization strategies and prepare our portfolio companies for the future economy. We believe that decarbonization will help to mitigate long-term physical and transition climate-related risk, thereby preserving and enhancing value.

We are mobilizing climate finance at scale in both developed countries and emerging markets to progress global climate goals. In investing this large-scale capital, we intend to deliver outcomes that work for our investors, the economy and the environment.

As the world transitions to a low-carbon economy and with the advent of digitization, we aim to bring additional clean energy onto the grid. We are also focused on driving operational improvements for our assets, making them more energy-efficient, resilient and valuable.

Our climate strategy is informed by our risk and opportunity assessment and comprises three components:

1. Supporting the World's Transition to a Net-Zero Economy
   a. Putting Plans into Action: Operationalizing Decarbonization
   b. Mobilizing Capital to Facilitate a Transition to a Lower-Carbon Economy
2. Enhancing Value and Building Resilience by Managing the Risks and Opportunities of a Changing Climate
3. Developing Climate-Related Skills and Expertise Through Training, Engagement and Knowledge Sharing

1. Supporting the World's Transition to a Net-Zero Economy

1a. Putting Plans into Action: Operationalizing Decarbonization

Our sustainability approach, at its core, is aligned with our fiduciary duty to create long-term value for our investors and stakeholders, while managing our portfolio companies responsibly. We believe that proper investment stewardship, including preparing for a low-carbon future, will enable assets to increase or preserve value over time.

X-ELIO, Japan

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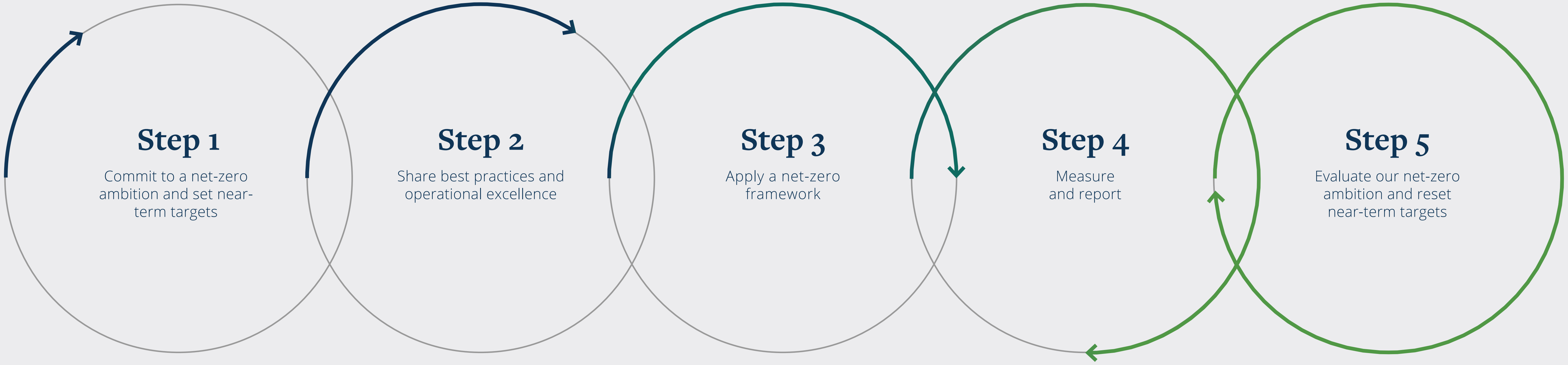
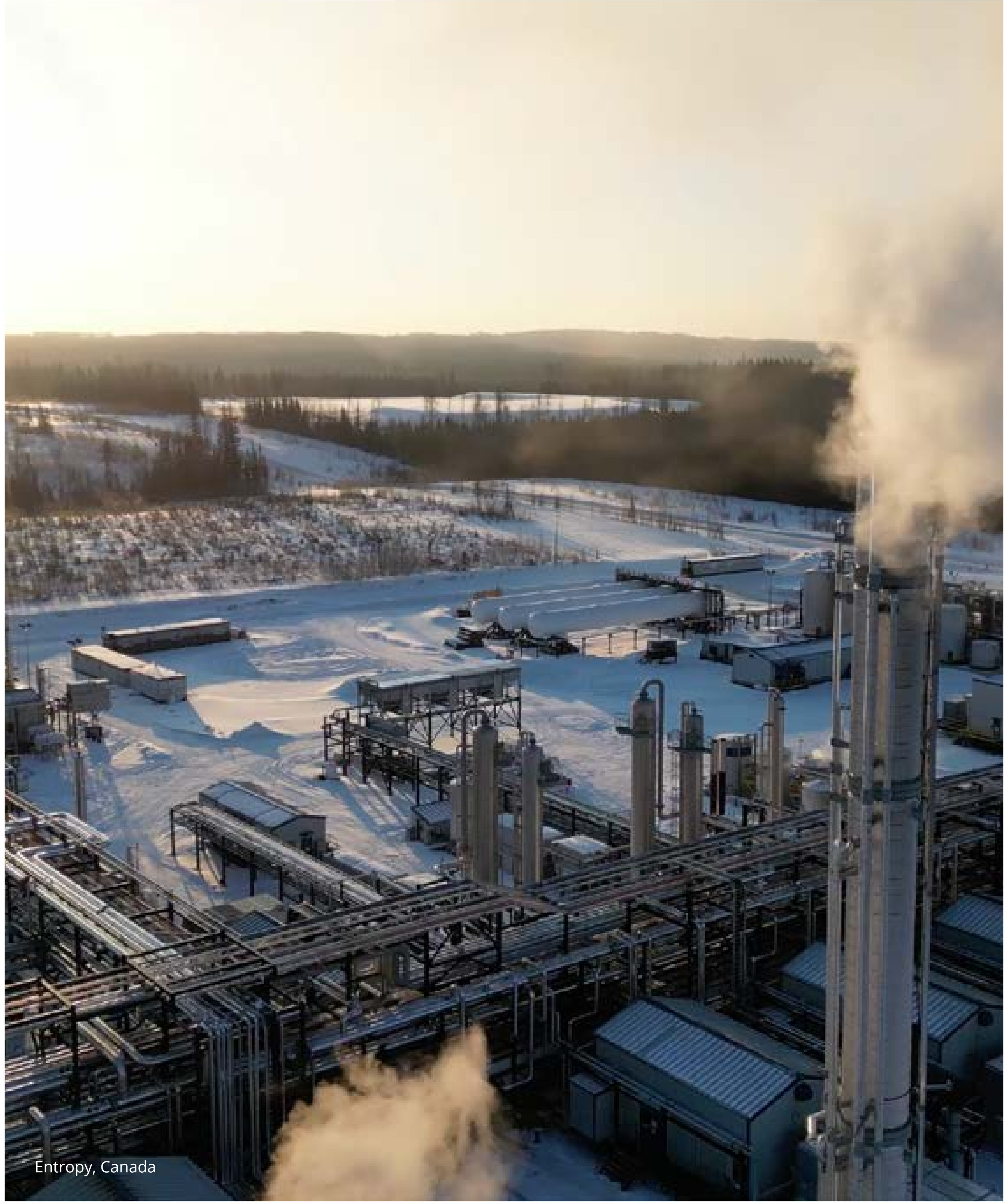
Operationalizing decarbonization is made up of a five-step cycle:

Utilizing our 100+ year heritage as an owner-operator, we are well-positioned to help identify decarbonization opportunities and support our portfolio companies in their transitions accordingly. Our role as operators is to formalize our approach, facilitate knowledge sharing and develop repeatable strategies across our broad asset base to catalyze emissions reduction solutions. This approach is what we refer to as "operationalizing decarbonization," which comprises a five-step cycle:



Across Brookfield, our business and portfolio companies seek to:

STEP	DESCRIPTION	2023 PROGRESS
1. Commit to a net-zero ambition and set near-term targets	We set an ambition to reach net zero by 2050 or sooner and became a signatory to the Net Zero Asset Managers (NZAM) initiative in 2021. As part of joining the NZAM initiative, we seek to: work in partnership with asset owner clients on decarbonization goals, consistent with an ambition to reach net-zero emissions by 2050 or sooner across all AUM; set an interim target for the proportion of assets to be managed in line with the attainment of net-zero emissions by 2030; and review this interim target at least every five years. Over the next 30 years, many factors will impact how we implement our climate strategy and our ability to achieve our goals and business plans, including demographics, technological advances, government policies, and individual countries' net-zero timelines.	Upon onboarding a controlled portfolio company and during the creation of a 100-day plan, we introduce our portfolio companies to our net-zero ambition, while learning about their existing decarbonization commitments and strategies. Across a significant portion of our assets, we encourage our portfolio companies to develop five-year emissions forecasts and decarbonization plans. We actively monitor progress and continue to increase the amount of our AUM in scope for our net-zero commitment (see Metrics and Targets section).
2. Share best practices and operational excellence	A vital component of operationalizing decarbonization is a mindset shift to view this as table stakes for value creation. We believe that we can guide this shift by informing our investment professionals and portfolio companies on methods to identify climate opportunities and emissions reduction initiatives. We have taken an active approach in engaging our Operationally Managed portfolio companies where we can broadly influence and control decarbonization outcomes through a range of factors, such as governance rights and economic interest. Also, included in this category are investments that have a transition mandate and investments where we have more direct access to collaborate with the portfolio company and can influence other significant owners of the business. This category represents over 69% of our AUM. Within this category, the largest subcategory reflects portfolio companies where Brookfield has a position of control, representing over 56% of our AUM. For Stewardship investments where Brookfield does not have governance rights and our ability to engage is limited to, for example, investor meetings, shareholder proposals, proxy voting and other relevant methods, we will continue our stewardship approach (see Metrics and Targets for a discussion on investment categories).	In 2023 we developed a Net Zero Playbook and Decarbonization Decision Tree to support our portfolio companies, inform near-term priorities and serve as a resource in facilitating value creation. We also held roundtable discussions with our portfolio companies on various topics, including net zero, data quality and reporting considerations, energy transition and climate risk, non-financial reporting and linking climate to value creation. We continued our practice of knowledge sharing through internal and external presentations at the Net Zero Operational Committee.
3. Apply a net-zero framework	Brookfield leverages the NZAM-endorsed Paris Aligned Investment Initiative (PAII) Net Zero Investment Framework (NZIF) methodology for our commitment. Recognizing the need to prepare our portfolio companies, our Achieving Net Zero Framework (ANZF) sets out a phased approach for a portfolio company's net-zero journey. This framework complements NZIF and sets a foundation for portfolio companies to achieve long-term climate goals. See Metrics and Targets for further details of the framework and the results of our plotting analysis.	Brookfield conducted our baseline plotting exercise to assess within which stages of our Achieving Net Zero Framework our portfolio companies fall (see Metrics and Targets). We expect to update our analysis, at a minimum annually, and monitor progression over time. This serves as an important tool to articulate progress to stakeholders, especially as our assets under management continue to grow.
4. Measure and report	We are committed to transparency, creating a high-quality and comprehensive emissions inventory and reporting on our progress to our stakeholders. To meet this commitment, we have collaborated with our Operationally Managed portfolio companies and advisors to develop a systematic methodology to measure emissions. We also use emissions measurement to support the development of specific decarbonization plans for our assets. This includes identifying operational levers to lower emissions, and science-aligned pathways best suited to a particular business and sector. We encourage our portfolio companies to find the appropriate pathways; though in some cases, where sector-specific pathways are not yet available, they may leverage other global decarbonization guidance. We require emissions forecasting across a significant portion of our portfolio companies as a vital part of business planning. Regardless of available pathways, our focus is to encourage portfolio companies to maximize their decarbonization potential.	Please refer to the discussions in the Metrics and Targets section.
5. Evaluate our net-zero ambition and reset near-term targets	As we make progress advancing our investments toward decarbonization, we expect to iterate on our process, evaluate our net-zero progress and reset near-term targets bearing in mind our long-term ambition and NZAM commitment.	See Metrics and Targets for our emissions relative to our base year and progress at our portfolio companies.


Entropy, Canada

Across hundreds of billions of Brookfield's assets under management, whether it is Renewable Power & Transition, Infrastructure, Private Equity or Real Estate, we are rationalizing and evaluating decarbonization operational levers based on their feasibility, economics and client demand. We perform cost-benefit analyses across all abatement opportunities to compare and implement operational changes as we look to decarbonize in a value-accretive manner. Brookfield owns a diversified portfolio of assets, and we recognize that there cannot be a "one size fits all" approach to decarbonization. Where value enhancement opportunities are identified, which could include energy efficiency and electrification measures, our operations teams work closely with senior management of our portfolio companies to support the implementation of these improvements. We expect some of our portfolio companies may achieve their full decarbonization potential at a specific point in time based on decarbonization strategies currently available while they await the evolution of further solutions to reach net zero. All portfolio company decarbonization efforts are acknowledged and we will encourage these portfolio companies to continuously reassess decarbonization opportunities as these factors continue to evolve.

Throughout our asset management business, we leverage our deep operational expertise to advance opportunities for system transformation to further our decarbonization strategy. System transformation opportunities include implementing distributed generation and battery storage systems, among others. We seek to achieve our decarbonization ambition thoughtfully with consideration of our various stakeholders. Our emissions reduction levers vary across sectors and portfolio companies. For example, our Infrastructure business is concentrating on residential decarbonization infrastructure, efficiency improvements, electrification, green and transition technology, as well as abatement. These levers can help consumers manage their energy demand and lower emissions intensity.
We use our operations-oriented, active management approach as we seek to place all assets on a pathway to emissions reduction, employing capital investment and process-intensive decarbonization methods. We are initially prioritizing Operationally Managed assets to implement emission reduction strategies, though we continue to conduct stewardship practices across our remaining AUM.

The primary focus of our decarbonization strategy is on emission reductions. However, even after taking every possible measure to reduce a company's emissions, there may still be residual emissions. We are committed to exhausting all other means of decarbonization and expect to utilize certified high-quality carbon offsets or removals only in instances where there are no technologically and/or financially viable ways to eliminate residual emissions.

CASE STUDY

Leveraging the Brookfield Ecosystem to Facilitate Decarbonization Opportunities

Brookfield Real Estate and Brookfield Renewable Power & Transition have formed an agreement to build solar and wind farms with battery storage, aiming to provide renewable energy to Brookfield India's office tenants at par or at a discount to traditional energy costs in most cases. The project will be executed over four years and three phases, with ~200 MW of solar capacity, ~100 MW of wind capacity, and battery storage capacity to provide round the clock power.

This partnership results in:

- Ability to add and replace assets to cover acquisitions and dispositions through master agreement
- Strong tenant alignment in decarbonization ambitions, reducing our scope 3 GHG emissions, and building customer satisfaction
- Participation in the investments reduces cost of operation and boosts the profitability
- Agreement aims at 24-hour renewable power with integration of battery storage

In another instance, in 2023, Brookfield Real Estate executed a programmatic agreement with Brookfield Renewable to install rooftop solar panels on select logistics facilities in the United States. The project leverages over 13 million sf of vacant rooftop space, adding over 130 MW of solar generation capacity, highlighting the extraordinary synergies that exist within the Brookfield Ecosystem.

The arrangement allows our real estate group to receive rooftop leasing rental revenue from Brookfield Renewable Power & Transition, which utilizes the space to install both solar panels and battery storage. The energy generated from the rooftops is sold to Community Solar Programs, decarbonizing the local electricity grid and providing clean, renewable energy for local individuals and businesses to consume. Our logistics group is evaluating the potential to direct a portion of the rooftop-generated energy for onsite use by tenants, contributing to the firm's decarbonization target.

The project leverages over 13 million sf of vacant rooftop space, adding over 130 MW of solar generation capacity.

Bikaner Park, India

CASE STUDY

Embodied Carbon Reduction at 435 Bourke Street

Multiplex, Brookfield Private Equity's construction operation, is delivering Cbus Property's 435 Bourke Street in Melbourne and targeting an ambitious embodied carbon reduction of 40%.

This is supported by innovative design and construction practices identified through early collaboration between Multiplex, Cbus Property, architects Bates Smart and supply chain partners.

These include:

- Collaboration with suppliers to deliver fast curing low carbon concrete and low carbon reinforcement solutions
- Procurement of Hydrotreated Vegetable Oil (HVO100), 100% renewable diesel and renewable power for the site
- Application of an innovative 'solar skin' façade—the largest in Melbourne and one of the first in the world

The building is targeting a 5.5 star NABERS Energy rating, a 6 Star Green Star Buildings rating and WELL Platinum certification. Cbus Property has also set a net-zero carbon in operation target for the building upon completion.

Cbus Property has also set a net-zero carbon in operation target for the building upon completion.


Multiplex, Australia

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CASE STUDY

Creating a Net-Zero Logistics Center at E-Valley

Brookfield Real Estate's logistics development site in Northern France, E-Valley was a decommissioned military base, covered with concrete runways and taxiways and represented substantial embodied carbon. To develop the site with zero agricultural land loss, it repurposed the brown property into a 1.8 million sf logistics facility.

The redevelopment of E-Valley included a focus on leading sustainability and technical credentials, and is expected to achieve net-zero operations when complete:

- Brookfield Real Estate is partnering with a French multinational utility company to implement decarbonization strategies while controlling tenant operating costs.
- The property is expected to be equipped with a 20 MW sustainable heating plant powered by biomethane and geothermal energy, along with 90 MW of solar panel generation capacity. E-Valley's energy systems will supply energy to both the property's buildings and vehicles.
- The geothermal energy, and solar panels power the buildings, while the biomethane plant provides sustainable heating and fuels internal combustion engine vehicles with bio-LNG, prior to the electrification of the logistics fleet.
- Brookfield Real Estate expects to install over 500 electric vehicle charging stations at the property.

To ensure E-Valley has a positive impact on the local community, the property has incorporated onsite training centers for job creation, local neighborhood network installations and onsite nurseries.

The redevelopment of E-Valley included a focus on leading sustainability and technical credentials, and is expected to achieve net-zero operations when complete.


E-Valley, France

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1b. Mobilizing Capital to Facilitate a Transition to a Lower-Carbon Economy

We recognize that large-scale private sector financing for both developed and emerging economies is critical to achieve net zero. Transitioning to a net-zero emissions future also creates a massive investment opportunity. Estimates vary, but they are all substantially large, representing a multi-trillion dollar investment opportunity by 2050, and we believe large-scale capital invested in real assets will be required to build these solutions. We are mobilizing capital at scale globally across our asset classes, including portfolio companies that are high-emitting and will require capital to become green, as well as portfolio companies that enable a lower-carbon outcome in the supply chain.

We are not only leveraging our operational expertise to aid our portfolio companies in identifying and implementing decarbonization strategies, we are also deploying, or have invested capital toward, multiple themes of transition solutions. We have deployed capital across "Climate Solutions," or assets that directly remove or reduce real-economy GHG emissions, and "Climate Enablers," assets that indirectly contribute to, but are necessary for, emissions reductions by facilitating the deployment and scaling of Climate Solutions or supporting the decarbonization of other actors' operations.[1]

Brookfield Climate Solutions and Enablers[2]

AS OF Q4 2023

Climate Solutions

Enablers

[1] GFANZ "Scaling Transition Finance and Real-Economy Decarbonization;" December 2023; https://assets.bbhub.io/company/sites/63/2023/11/Transition-Finance-and-Real-Economy-Decarbonization-December-2023.pdf page 20.

[2] While the above represents 32% of our total assets under management, $183 billion of these assets are also contributing through their alignment to appropriate net-zero pathways and implementing decarbonization initiatives, where feasible.

Our asset management business has seen tremendous growth over the past several years, and we expect that growth to continue, particularly across multiple themes that will benefit the global economy's low-carbon transition. Of the more than $900 billion of assets that we manage, nearly half are in sectors that did not exist or that we had no presence in 20 years ago.[1] As an organization focused on building and operating businesses at scale, our asset growth reflects how we are supporting an ever-changing global economy. For example, in our Renewable Power & Transition business, we have recently invested in several carbon capture and storage and biofuel businesses, reflecting the potential of these viable but emerging technologies that need capital to scale and access growing offtake markets. Additionally, within our infrastructure business, we entered the residential infrastructure sub-sector six years ago, showcasing our leadership in driving demand-side decarbonization.

Looking ahead, one of the ways we expect to grow is through our Renewable Power & Transition business. As of today, we are on our way to raising our target of $40 billion in transition capital to be deployed in developed and emerging markets. We expect to grow our Transition business to $200 billion over the next decade.

Brookfield's first Global Transition Fund has already resulted in 820,199 MWh of clean energy produced, 57,000 tons annually of carbon captured and 592,142 $mtCO_2e$ of emissions avoided as of December 31, 2023.[2]

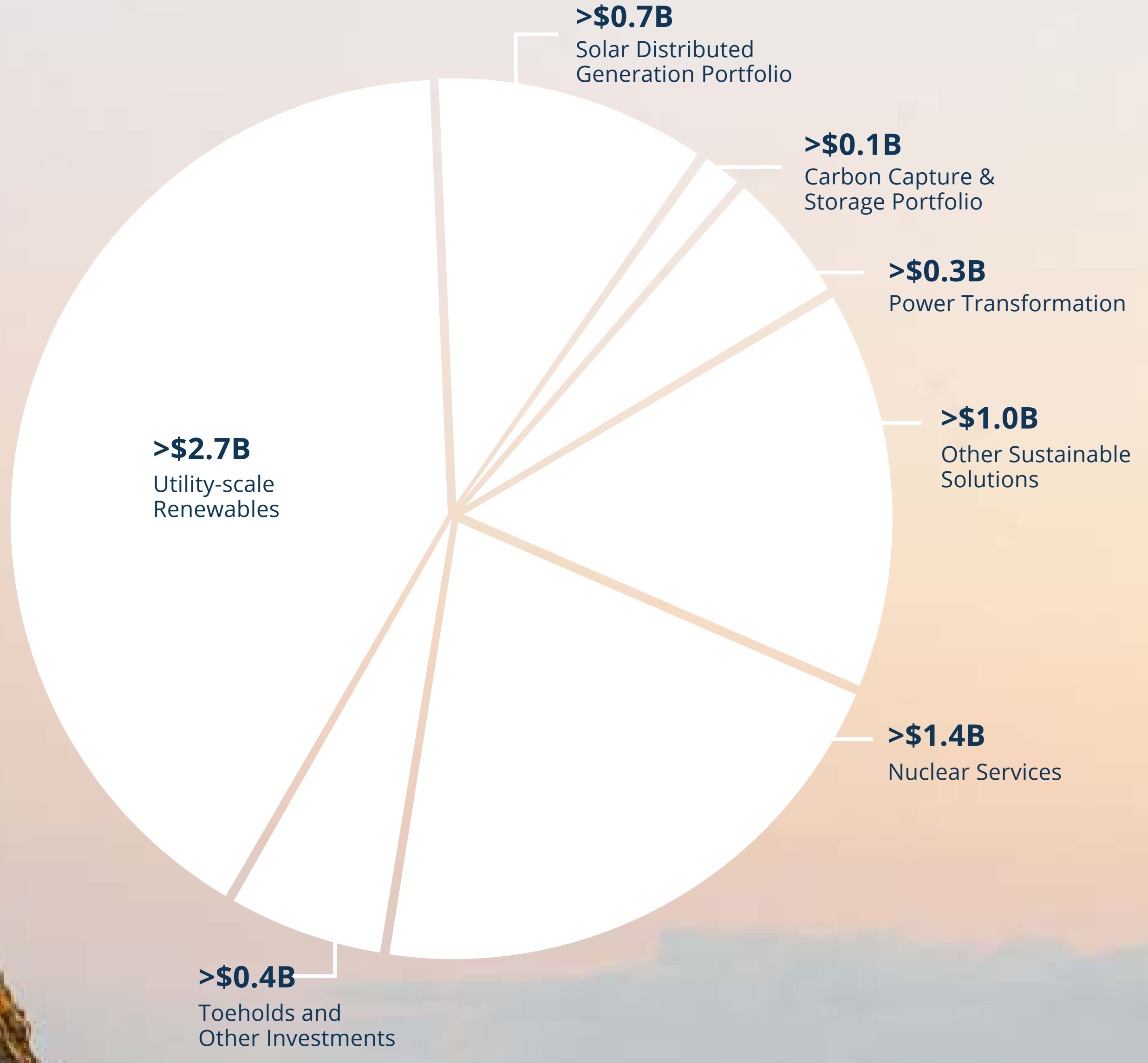
Mobilizing Transition Capital:

Over the last three years, Brookfield established ourselves as a leader in private fund transition investing with Global Transition Funds (BGTF I and II) dedicated to accelerating the shift to a net-zero economy. BGTF I was the largest transition fund of its kind, raising $15 billion. BGTF II, launched in 2023, will follow the strategy of its predecessor and invest in developing new clean energy capacity, scaling sustainable solutions and providing capital for transforming portfolio companies in emissions-intensive sectors.

Emerging market and developing economies account for approximately 60% of global energy consumption.[3] Annual clean energy investments in these economies will need to more than triple by the early 2030s to meet rising energy needs. At COP28, Brookfield and ALTÉRRA announced the creation of a multibillion-dollar Catalytic Transition Fund (CTF). CTF will deploy capital exclusively for emerging and developing markets, with a dedicated focus on supporting energy transition, industrial decarbonization, sustainable living and climate technologies.

Transition Capital Invested

AS OF Q4 2023



[1] Brookfield Corporation Q4 2023 Letter to Shareholders; https://bn.brookfield.com/reports-filings/letters-shareholders/q4-2023-letter-to-shareholders

[2] Avoided emissions represent the reductions that occur outside of a product's life cycle or value chain, but as a result of the use of that product. Reporting avoided emissions is a way to demonstrate a quantifiable positive contribution of an investment and are reported separately from the generated absolute emissions of the underlying investment. Calculation of emissions avoided is done consistently with methodologies defined by PCAF. This claim has not been independently verified.

[3] https://www.iea.org/reports/scaling-up-private-finance-for-clean-energy-in-emerging-and-developing-economies/executive-summary

Itiquira, Brazil

Additional Climate Finance Initiatives:

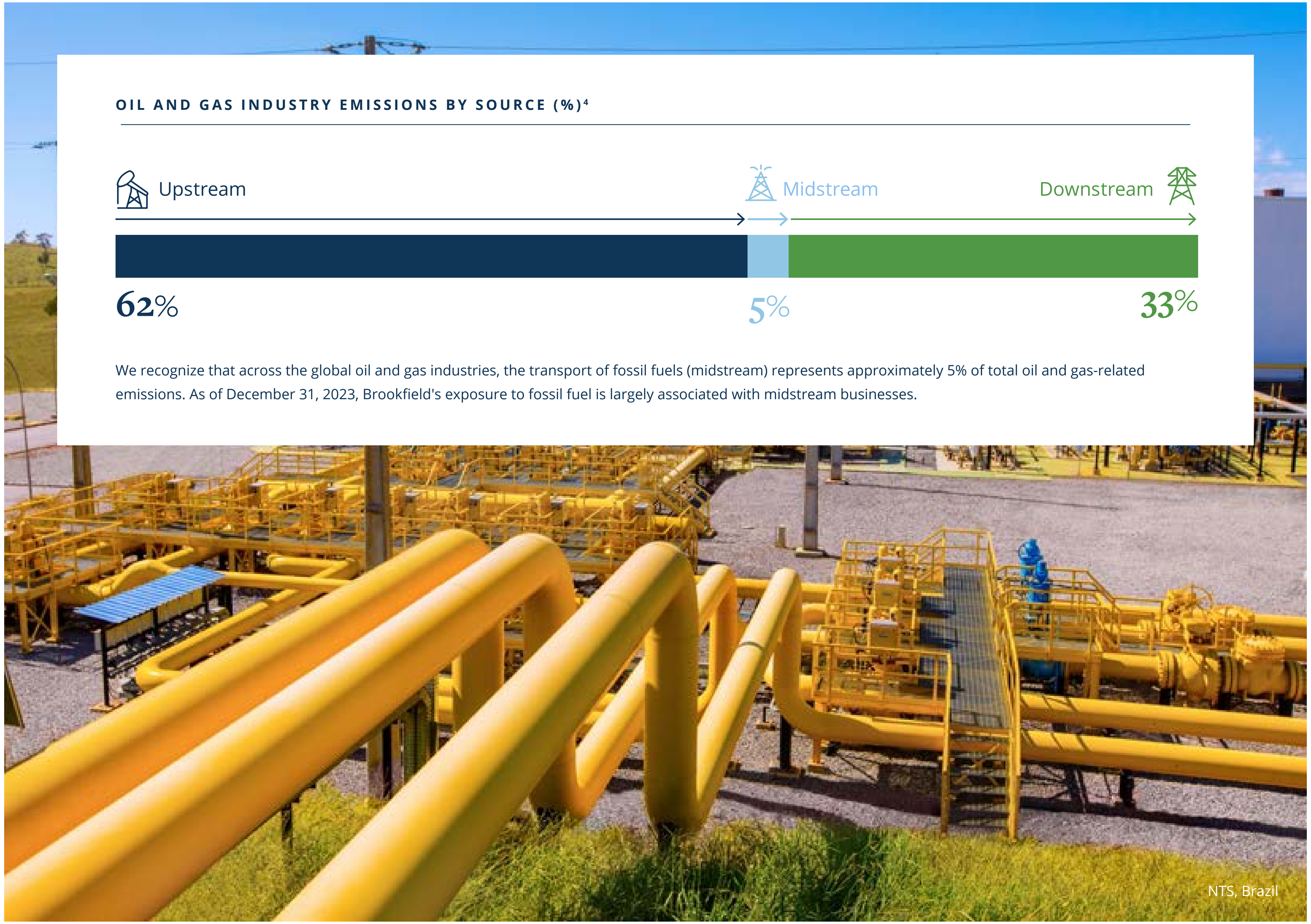
Brookfield also issues green bonds, preferred shares and other instruments to fund the development of green energy technologies and to finance other eligible investments. Brookfield established a Green Bond Framework and criteria for green projects that align with the International Capital Markets Association Green Bond Principles. These criteria include use and management of proceeds, the process for project evaluation and selection and reporting. The Capital Markets and Treasury team, including senior executives from the Finance leadership team, oversees the evaluation and selection of green bonds and other products. In 2023, we issued approximately $6.5 billion in green bonds, sustainability-linked debt and green preferred securities.

A Balanced View on Fossil Fuel Investments:

We believe that we play an important role on a global scale in creating a low-carbon future. To achieve this, we believe in facilitating a balanced transition and seek to use that perspective in our approach to investing in fossil fuel.

We do not have a firmwide exclusion policy on coal or other fossil fuel investments. Similarly, we do not believe in divestment of high-emitting industries. Rather, we believe that there is significant value in supporting decarbonization of the highest-emitting sectors where we can deliver the greatest level of impact. Our fossil fuel-related investment exposure is less than 10% of our business in terms of assets under management[1] and is largely associated with midstream businesses, primarily in natural gas. Based on today's energy demand trajectory and pace of clean energy deployment, natural gas remains a key component of the decarbonization equation due to its reliability, ease of transport and lower GHG emissions profile, typically emitting almost 50% less GHG emissions than coal.[2] Combined, these variables mean that natural gas is expected to remain an economical and secure source of energy for countries in the near term.[3]

We continue to incorporate climate risk implications into our underwriting and seek opportunities to manage the emissions profile of our portfolio companies. We recognize that across the global oil and gas industries, the transport of these fossil fuels (midstream) represents approximately 5% of oil and gas-related emissions.[4] The largest emissions segment for the oil and gas industry broadly is within the upstream segment (illustrated in the figure on the right). We balance portfolio companies' potential value chain emissions exposure with the relative importance of supporting energy security in the markets in which we operate. In managing this balance, we believe there is a tremendous opportunity to repurpose our pipelines to transport alternative fuels in the future when consumer demand and technology allow. As described earlier with respect to fossil fuel-related investments, we may consider decarbonizing, repurposing, repositioning, maintaining in-line with energy demand or phasing-out approaches, depending on the nature and specific economic circumstances that are aligned with net-zero expectations.



OIL AND GAS INDUSTRY EMISSIONS BY SOURCE (%)[4]

We recognize that across the global oil and gas industries, the transport of fossil fuels (midstream) represents approximately 5% of total oil and gas-related emissions. As of December 31, 2023, Brookfield's exposure to fossil fuel is largely associated with midstream businesses.

NTS, Brazil

[1] As of December 31, 2023. Fossil fuel is defined based on the MSCI definition of fossil fuel exposure, which includes companies with evidence of fossil fuel reserves and deriving revenue from business segments associated with energy application of fossil fuels.

[2] U.S. Energy Information Administration, U.S. Energy-Related Carbon Dioxide Emissions (November 2023).

[3] https://iea.blob.core.windows.net/assets/f065ae5e-94ed-4fcb-8f17-8ceffde8bdd2/TheOilandGasIndustryinNetZeroTransitions.pdf.

[4] https://www.mckinsey.com/industries/oil-and-gas/our-insights/the-future-is-now-how-oil-and-gas-companies-can-decarbonize.

Deutsche Funkturm, Austria

We expect to appropriately maintain balance on our level of investments in the fossil fuel sector relative to clean energy. Brookfield is playing a role in scaling clean energy, operating one of the world's largest clean energy platforms, with $85 billion of AUM. In 2022 and 2023, Brookfield invested $12 billion into clean energy assets, over 3 times more than into sectors with significant fossil fuel exposure, outpacing the overall market, which committed only 1.6 times as much capital into clean energy as they did into fossil fuels, according to the International Energy Agency.[1]

We continue to monitor this pacing as we look to support our clients' demand for clean, affordable and efficient energy solutions. We seek to invest in opportunities where a portfolio company will facilitate or enable a transition to a lower-carbon economy, including previously referenced residential decarbonization infrastructure. We recognize that growing businesses could have rising absolute emissions in the short term; however, we believe investing in climate enablers is important in achieving large-scale real-world outcomes.

[1] https://www.iea.org/data-and-statistics/charts/global-energy-investment-in-clean-energy-and-in-fossil-fuels-2015-2023

CASE STUDY

Implementing a Tailored Approach to Cross-Portfolio Decarbonization

In October 2022, AdventHealth, a faith-based health system headquartered in Altamonte Springs, Florida, signed the U.S. Department of Health and Human Services Climate Pledge, committing to reduce its GHG emissions by 50% by 2030, and to being net zero by 2050.

AdventHealth has assessed that nearly two-thirds of its scope 1 & 2 emissions footprint is derived from purchased energy to power its hospitals and other facilities. Additionally, the scale and geographic diversity of its business, combined with site-specific factors and spacing challenges, means there is no "one-size-fits-all" solution.

Identifying Actionable Decarbonization Opportunities
Recognizing the urgent pace of action required to facilitate its commitments, AdventHealth partnered with Brookfield Renewable Power & Transition to develop an actionable strategy to begin decarbonizing its operations. Working together, it developed a plan focused on decarbonizing the organization's energy consumption. This plan aims to reduce GHG emissions from purchased energy (scope 2) by developing replacement capacity from clean energy sources in the form of both offsite (utility-scale) and onsite renewable generation (distributed energy), while also assessing energy efficiency upgrades to help optimize the overall solutions.

Maximizing Customer Value
The implementation of this complex and multi-technology solution draws from the diverse capabilities of Brookfield Renewable Power & Transition's business and technological expertise. To determine the viability and implementation timeline for each solution and site, it assessed operational and financial considerations, including availability of land or roof space, and the local electricity market dynamics and constraints which can affect project type and/or size. To maximize the value to AdventHealth, Brookfield Renewable Power & Transition structured the solution to provide "decarbonization-as-a-service" as the project progresses, which eliminates any upfront investment required from the customer.

A One-Stop-Shop for Decarbonization
For the offsite component, Brookfield Renewable Power & Transition brought in a recently commissioned wind project in Texas from its Scout Clean Energy operating business and entered into a long-term PPA to offset 40% of AdventHealth's North American energy load (one of the largest in the health care industry). For the onsite elements, there are potential opportunities for solar, battery storage and EV charging, along with energy efficiency and building infrastructure opportunities.

The long-term nature of these solutions will help AdventHealth make meaningful progress to getting on track for its 2030 and 2050 goals, and provide a strong foundation as the company continues to adopt additional decarbonization solutions.

Heart of Texas, Texas

CASE STUDY

Leveraging Technology to Reduce Emissions

Brookfield Real Estate's multifamily portfolio is using technology to create asset-level energy improvements. The Olivia, a building in the Midtown West area of Manhattan, has implemented a cloud-based artificial intelligence technology, Parity, which continuously learns the building and resident patterns to optimize electricity set points, run times, and mechanical performance in real time. In its first year using Parity, the Olivia has seen a 24% decrease in electricity and natural gas consumption, avoiding over 580 metric tons of GHG emissions and saving over $315,000. The project payback period was achieved in seven months.

In addition to artificial intelligence solutions, our multifamily portfolio has completed retrofits on three Class–A properties—Radian, the Hamel Mill Lofts and The Gardens—with LED lighting fixtures. Combined, these upgrades reduce energy consumption by over 450,000 kWh, will avoid 131 metric tons of GHG emissions and save ~$200,000 on an annual basis.

In its first year using Parity, the Olivia has seen a 24% decrease in electricity and natural gas consumption, avoiding over 580 metric tons of GHG emissions and saving over $315,000.

Manhattan West, New York

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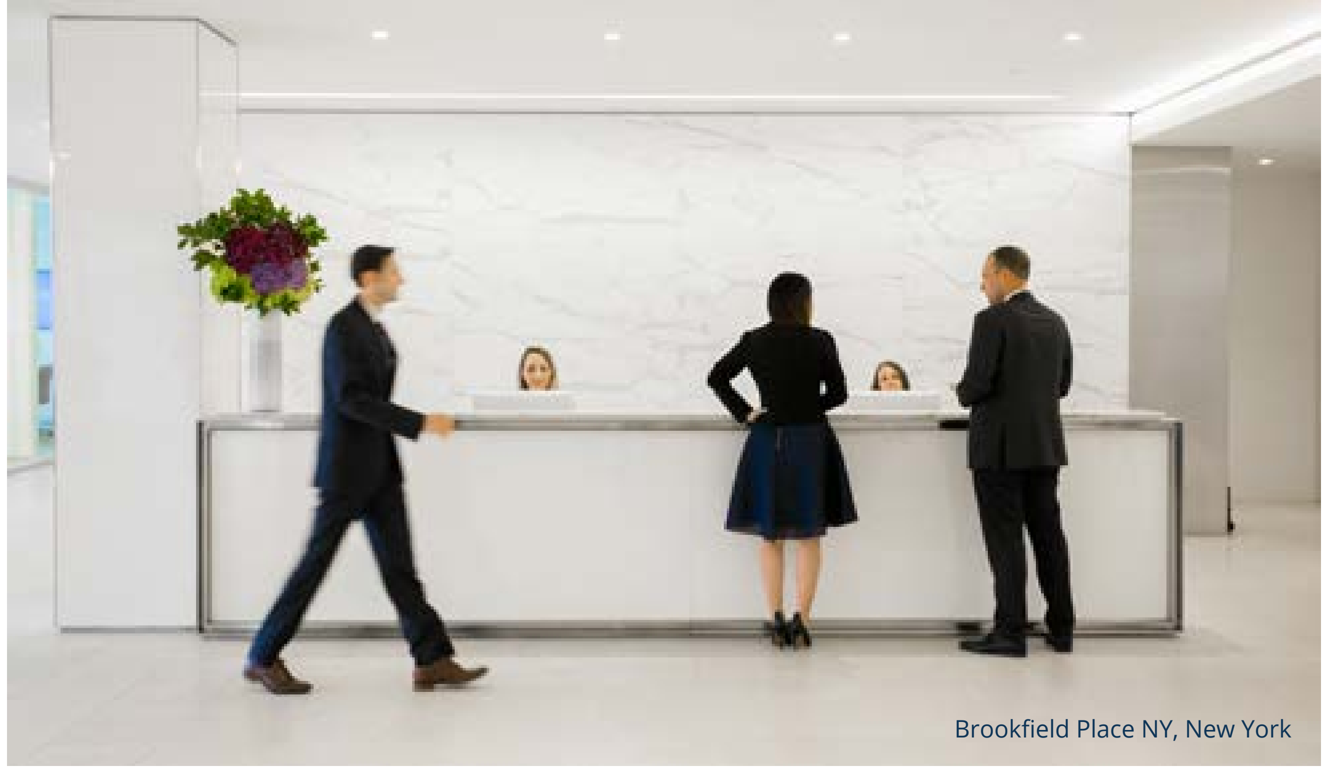
2. Enhancing Value and Building Resilience by Managing the Risks and Opportunities of a Changing Climate

Climate change and the transition to a lower-carbon economy present potential risks and opportunities for our portfolio companies and assets. Based on our climate risk and opportunity assessments, we believe that our business is resilient across a range of scenarios, including a 2ºC or lower scenario. Where value enhancement opportunities are identified, our operations teams work closely with senior management of our portfolio companies to support and oversee their development and implementation. Our strategy and approach to identifying, assessing and managing these risks and opportunities, as well as the results of our latest climate risk and opportunity assessment are described in Climate-Related Risk Management.

3. Developing Climate-Related Skills and Expertise Through Training, Engagement and Knowledge Sharing

Partnering with our internal and external stakeholders is an essential element of our climate strategy. We believe it is important to share our approach to climate, including best practices and progress, with our clients, employees, portfolio companies and industry groups. We partner with our stakeholders to actively facilitate knowledge sharing, advance climate priorities and provide support in achieving their decarbonization ambitions.



Brookfield Place NY, New York

Developing Climate-Related Skills and Expertise Through Training, Engagement and Knowledge Sharing

3a. Climate Training and Engagement

With over 2,400 investment and asset management professionals worldwide, our people are Brookfield's most valued asset. We provide training and promote internal discussions to facilitate a learning culture. We have substantial climate-related expertise within each of our business groups and leverage these experts in leading training within the organization.

We facilitate specific climate training through formal sessions and online platforms, utilizing both internal and external expertise, as well as working group discussions. In 2023, this covered a broad range of topics, including our net-zero ambition, climate strategy, climate risk and opportunity assessments, scenario analysis, GHG emissions measurement, and emission reduction strategies. Employee training is made available across all management levels throughout the organization and functions, including our asset management, investment, finance and sustainability-focused professionals, as well as portfolio companies, as appropriate.

When engaging with our portfolio companies, we apply our active asset management approach to collaborate and encourage sound sustainability practices that are essential for resilient businesses, while creating long-term value for our investors and stakeholders. For example, in 2023 we hosted multiple roundtable discussions with our portfolio companies to share perspectives on decarbonization and other key sustainability topics. Through our ongoing engagement with portfolio companies, we may partner with or support them to facilitate discussions with external stakeholders, with the intention of positively influencing industry standards or practices that are aligned with our Sustainability Principles.

AUDIENCE	MATERIAL COVERED
Corporate Sustainability Professionals Across Functions	• Overview of the E.U. Taxonomy and application of sustainability assessment on assets • Overview of TNFD and leading approaches to manage and disclose on biodiversity • Monthly regulatory summaries; tailored session on California Climate Regulation and ISSB
Corporate Asset Management Team	• Overview of sustainability landscape and Brookfield's net zero commitment • Case studies on climate change progress to date • Details on future state goals for climate change mitigation
Corporate and Portfolio Company Employees	• Key definitions and concepts related to climate change • Brookfield's climate strategy; Climate risks and opportunities; Recent climate regulatory activity • Roundtable discussion on leading practices and emerging topics
Senior Leadership and Board Members	• Climate risk assessment results • Updates on climate risk management initiatives (to the applicable board committee) • Periodic updates from the Net Zero Steering Committee

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3b. Broader Industry Engagement and Knowledge Sharing

We collaborate regularly with outside stakeholders, including industry groups, and encourage our portfolio companies to participate in knowledge sharing forums. We believe external collaboration with stakeholders in public and private sectors is critical to uncovering solutions to challenges in the energy transition. We seek opportunities to work with stakeholders where we can help inform the public and influence government actions and decisions in ways that protect and support Brookfield's business interests and reputation. We are members of various industry-leading groups and contribute to industry-led publications. Sharing our expertise is a priority, and we will invest time to contribute to key climate initiatives and stakeholder discussions that are aligned with our ambition and can help accelerate decarbonization.

Brookfield also publishes thought leadership on climate-related topics through Brookfield Insights and through our net-zero themed podcast episodes, Brookfield Perspectives.

THE FOLLOWING REPRESENTS AN ILLUSTRATIVE SELECTION OF BROOKFIELD'S MEMBERSHIPS AND CONTRIBUTIONS:

INITIATIVE	INVOLVEMENT
Bloomberg New Economy Climate Tech Coalition	• Steering Committee Member
Canada Business Council	• Energy Transition Working Group Member
GFANZ	• Contributed to the publication "Driving Enhancement, Convergence, and Adoption" (2022). Member of the Transition Finance x Decarbonization Industry and Decarbonization Contribution Working Groups. Collaborated on several initiatives, including COP 28
North America Private Equity Industry Working Group	• Members of working group; monthly meetings for the purposes of training, networking and discussion amongst industry peers on sustainability topics, including climate
Sustainable Markets Initiative Asset Manager and Asset Owner Task Force	• Active Member
Task Force on Nature-Related Financial Disclosures Real Estate Working Group Member (Europe)	• Active Member
Accounting For Sustainability (A4S)	• Active Member

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CASE STUDY

Partnering to Expand Finance-Ready Climate Solutions

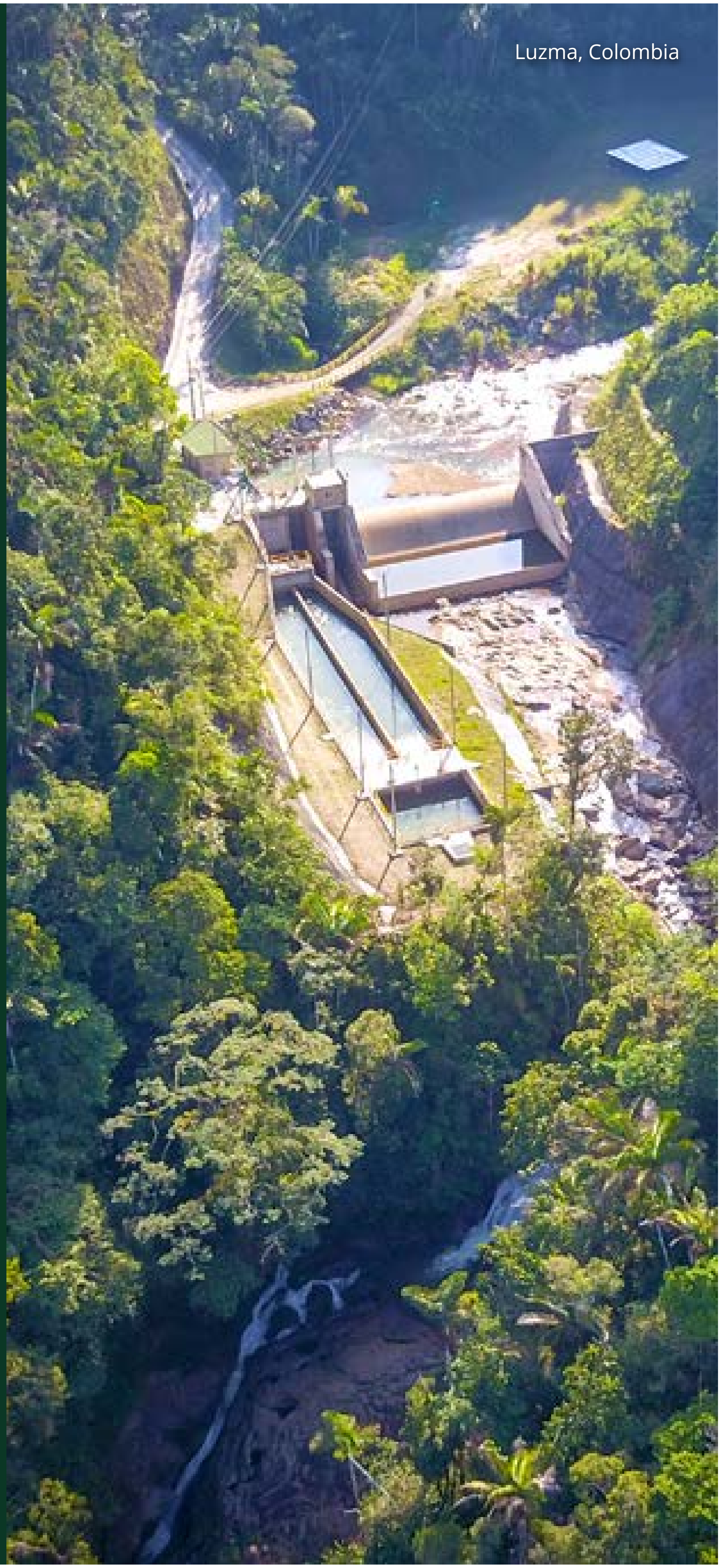
The need for climate action has never been more urgent, and finance plays a vital role in the transition to a more sustainable and inclusive global economy. Attracting more private-sector investment into climate solutions is critical to helping Colombia reach its climate objectives. To meet these ambitious goals, Colombia's energy transition requires not only scaling up, but also increasing the speed of execution and adoption of innovative projects and technologies.

Brookfield is an active participant in the Climate Finance Leadership Initiative (CFLI) in Colombia, the first Latin American CFLI pilot that works to facilitate a private-sector led and country-specific approach to mobilizing climate finance in areas most critical to the country's overall climate agenda.

CFLI Colombia works to meaningfully accelerate the country's transition to a net-zero economy. Through this initiative, financial institutions and businesses collaborate with key government and multilateral partners and policymakers to build bankable pipelines of catalytic climate financing solutions. CFLI also works to improve the policy-enabling environment, which is needed to mobilize private capital at scale. These solutions go beyond business-as-usual to support the government's ambitions to deliver a just and inclusive transition.

Since CFLI Colombia's inaugural meeting in July 2022, institutions have originated 13 catalytic financings and policy solutions across four areas: renewable alternatives; nature, resilience and adaptation; low-carbon transportation; and sustainable infrastructure. CFLI Colombia anticipates several initiatives will reach financial close in 2024, demonstrating how private-public collaboration can drive the net-zero transition.

The need for climate action has never been more urgent, and finance plays a vital role in the transition to a more sustainable and inclusive global economy.



Luzma, Colombia

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Metrics and Targets

We continue to prioritize the identification and execution of commercially viable opportunities to decarbonize our assets in line with our ambition to reach net zero. We believe establishing the right processes will allow us to, in time, amplify and accelerate decarbonization results. While we will be measuring progress over time, our ambition to achieve net zero by 2050 should be viewed in the spirit that it is intended, which is to drive the widest decarbonization impact while maintaining our fiduciary duty.

We will strive for and measure success in a variety of ways, including reductions in our absolute emissions and emissions intensity, expansion in the scope of asset coverage in our emissions inventory, and advancement of our portfolio companies along a decarbonization pathway.

We know that collection and access to high quality emissions data is imperative to assessing our decarbonization progress. Our initial focus has been on robust, bottom-up measurement of emissions from our corporate operations as well as those of our portfolio companies, as reducing these emissions, where economically feasible, is a vital component of our net-zero ambition. Specifically, we have directed our efforts on the measurement of the scope 1 and 2 emissions of our portfolio companies where we have control[1] and by virtue of our governance rights, have been able to obtain detailed and quality data. We believe that prioritizing the reporting of high-quality scope 1 and 2 emissions data can support global efforts to measure material scope 3 emissions. We have also begun collecting scope 1 and 2 emissions of our non-controlled investments. These emissions comprise our scope 3, category 15 financed emissions. The quality of emissions data we have collected in this category varies widely.[2] We have included a portion of these financed emissions in our annual disclosure this year and will continue to focus on increasing the scope of coverage over time. As a result, our emissions inventory has expanded to encompass over 75% of Brookfield's Invested AUM, a substantial increase year-over-year. Our emissions inventory figures are reviewed annually by senior management and through the channels discussed in Climate Governance, and are not independently verified at this time.

Please see page 136 for Metrics & Targets footnotes.

Saeta Yield, Spain

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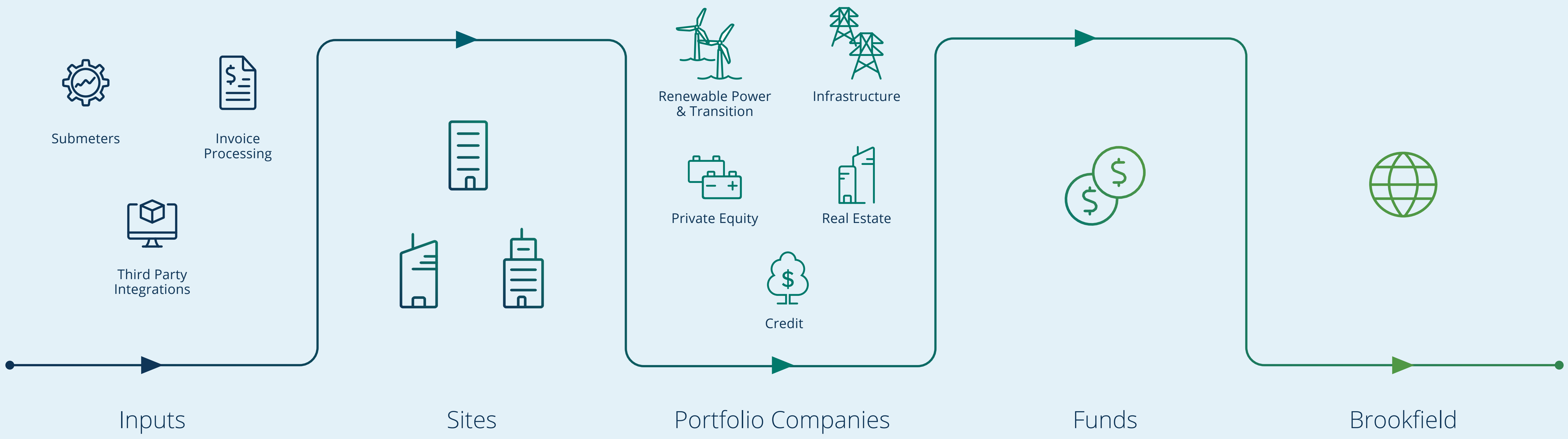
Data Collection Process



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2023 AUM BY THE NUMBERS

OPERATIONALLY MANAGED INVESTMENTS

Approach to Metrics & Targets

While our objective is to encourage and achieve maximum decarbonization potential across all of our investments, we recognize that our ability to control and influence outcomes varies widely across our asset base. We have, therefore, developed an approach to measure and assess our decarbonization performance that separates our investments into two categories, Operationally Managed and Stewardship, which reflect the differences in our ability to influence outcomes. Many factors have informed our analysis, including level of economic interest, governance rights, alignment with other owners, and our role as operators. We believe that analyzing our business through this lens helps us to better identify and execute decarbonization strategies and priorities and more accurately measure our progress.

- **Operationally Managed:** This category consists of investments where we may be able to broadly influence and control decarbonization outcomes through a range of factors, such as governance rights and economic interest. Also included in this category are investments that have a transition mandate and investments where we have more direct access to collaborate with the portfolio company and other significant owners of the business. This category represents approximately 69% of our total AUM.[4] Within this category, the largest subcategory of assets is comprised of portfolio companies where Brookfield has a position of control or significant influence, representing over 62% of our total AUM.[5] We report scope 1 and 2 emissions for 94% of our Operationally Managed investments.

For assets in this category, we have been focused on developing and enhancing our approach to measurement and disclosure of scope 1 and 2 emissions and we are seeking to progress these companies along our Achieving Net Zero Framework. Measuring progress is imperative to achieving our net-zero ambition; however, we recognize that absolute emissions reduction may not always be linear. As assets progress along this framework, we seek to support pragmatic decarbonization initiatives through the development of resources to help create and execute decarbonization plans. These resources serve as a tangible roadmap for portfolio companies to select a science-based decarbonization pathway, develop emissions reduction targets, seek board oversight and execute against these targets. Our Climate Strategy largely reflects our approach to these types of investments.

- **Stewardship:** This category consists of investments where Brookfield does not have governance rights and our ability to engage is limited to, for example, investor meetings, shareholder proposals, proxy voting and other similar methods. This category includes certain investments managed by Brookfield and the investments of our asset manager partners (e.g., Oaktree) and Insurance Solutions channel. Investments in this category include a wide range of assets, such as private equity and credit investments, listed equity, liquid credit and structured products. These investments are typically passive in nature and reflect situations where access to information is generally more limited. For these types of investments, our focus is currently on measuring and assessing emissions, and stewardship practices consistent with Brookfield's sustainability approach.

Putting Plans into Action

We focus on supporting our portfolio companies on their decarbonization journey. Key initiatives driving decarbonization progress this year across our business groups are highlighted below:

- **Enhanced Sustainability Measurement and Disclosure:** We collected key metrics across our assets under management, including GHG emissions inventories covering at least scope 1 and 2 emissions for over 75% of our Invested AUM.[6] We will seek to increase coverage in the coming years, mindful of regulatory requirements. A portion of our portfolio companies conducted a materiality assessment to identify their material scope 3 categories. For example, our Renewable Power & Transition business reports their portfolio companies' scope 1, 2 and material scope 3 emissions in their Sustainability Report. For the Operationally Managed portfolio companies, we are encouraging the development of five-year emissions forecasts that identify potential levers to reduce emissions and consider science-based targets (SBTs). We also publish economic and physical emissions intensity metrics for our controlled portfolio companies across our business.

- **Reporting on our Achieving Net Zero Framework:** Brookfield conducted a baseline plotting for the majority of its Operationally Managed portfolio companies against our net-zero alignment framework to identify actionable near-term priorities.

- **Increased our Net-Zero Ambition:** We increased AUM in our NZAM interim target by $62 billion year-over-year, with committed assets now representing 42% of Brookfield's Operationally Managed investments.[7]

Please see page 136 for Metrics & Targets footnotes.

CASE STUDY

Emissions Reductions Targets and Strategies Across our Assets

Real Estate

Across our Real Estate business, we are mindful of our buildings' life cycle emissions as we seek to advance towards net zero. For example, our European Office Portfolio set one of its older office buildings in Dublin on a path to net zero, demonstrating compliance with relevant targets and regulatory requirements for embodied carbon.

- The office building was built in the 1970s and refurbished from 2015 to 2016.
- Management sought to improve the building's energy performance rating from LEED BD+C Platinum.
- It engaged with its tenants and was able to install granular energy data metering and demand-controlled ventilation systems. It progressed to LEED O+M Gold certification.
- The building now has an energy efficiency performance within the best performing 5% of Irish office buildings and is EU taxonomy aligned under the "Acquisition and ownership of buildings" activity.
- Its primary energy demand is 44% lower than the average Irish office building and has an estimated embodied carbon footprint 66% lower than that of a new office building, extending its usable life beyond 50-60 years.
- It seeks to continue to improve through full electrification and onsite renewable installations.

Infrastructure

As part of its decarbonization journey, Brookfield Infrastructure's European Data Centers business, Data4, continually looks for innovative technical solutions to reduce emissions. In 2023, Data4 successfully implemented several emissions reductions initiatives, including utilizing:

- Concrete developed through low carbon methods, from 2023 onwards, which has 40% lower emissions than conventional concrete for new data center builds;
- Low-carbon, hydrotreated vegetable oil for generators, from 2023 onwards, which has 70% lower emissions than conventional fuel oil;
- Refrigerant fluids with a low global warming potential (GWP) for chillers and progressively replacing old fluids that have high GWP; and
- AI to reduce refrigerant leaks by 25% between 2022 and 2023.

Private Equity

Several of our private equity operating companies have established emission reduction targets and developed strategies for decarbonization.

- Schoeller Allibert, our returnable packaging operation, seeks to achieve a 90% reduction in scope 1 and 2 emissions by 2025, below a 2020 baseline.
- Modulaire, our modular building leasing services operation, seeks to achieve net zero by 2050 or sooner, with an interim target of reducing scope 1, 2 and 3 emissions by up to 40% by 2030, below a 2020 baseline.
- BRK Ambiental, our water and wastewater operation, seeks to achieve net-zero emissions by 2040, with intermediate reduction targets of 10% by 2025 and 30% by 2030, below a 2019 baseline.

Hibernia, Ireland

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NZAM Commitment and Interim Target

We became a signatory to NZAM in 2021, joining an international group of asset managers committed, consistent with fiduciary duties to clients and beneficiaries, to supporting the goal of net zero emissions by 2050 or sooner. This ambition is in line with global efforts to limit warming to well-below 2 degrees Celsius and to support investment aligned with net zero emissions by 2050 or sooner. We agreed to set an interim target for a portion of our AUM with the ambition to reduce emissions by 50% by 2030, as well as review our interim target at least every five years. Additionally, our ambition includes an objective to increase the proportion of AUM covered until 100% of Operationally Managed investments are included. Our interim emissions target comprises assets across our business groups, including Renewable Power & Transition, Infrastructure, Private Equity and Real Estate. For our in-scope assets, we seek to align interim targets for 2030, consistent with a fair share of the approximate 50% global reduction in emissions—identified as a requirement in the IPCC special report on global warming of 1.5°C. We originally set $147 billion of assets on a path to net zero emissions by 2050 from a 2020 base year.[8] In 2022, we increased our target to $201 billion. We shared our progress on adding additional assets to our interim target in our January 2024 NZAM Interim Progress Report.

Since the beginning of 2023, AUM for our business has grown by $126 billion, of which we currently expect to add $62 billion of assets to our NZAM interim target, which would bring our NZAM in-scope assets to $263 billion (approximately 42% of Operationally Managed AUM).[9] The majority of the expected increase to in-scope assets is attributable to $54 billion of newly added or acquired assets, with the remaining increase represented by accretion in value of existing in-scope assets. Newly added assets were selected as we believe that they have started to develop transition plans in line with our Achieving Net Zero Framework.

Our NZAM interim target includes scope 1 and 2 emissions of Brookfield's portfolio companies.[12] To fulfill this commitment, we focus on portfolio companies' historical and forecasted emissions. We incorporate this into business plans and continue to evaluate emissions reduction opportunities.

NZAM INTERIM TARGET OVER TIME AND BY BUSINESS GROUP IN 2023

COMMITTED	2023	PRIOR YEAR (2022)[10]	BASE YEAR (2020)[11]
AUM Covered ($B)	$263	$201	$147

COMMITTED - 2023	TOTAL	RENEWABLE POWER & TRANSITION	INFRASTRUCTURE	PRIVATE EQUITY	REAL ESTATE
AUM Covered ($B)	$263	$94	$39	$55	$75

NZAM Interim Target Setting

In setting our interim target, we prioritized investments largely where:

- We can operationally manage the outcomes;
- We could identify and implement actionable initiatives in the near term; and
- We assessed it to be value-accretive to do so over the life of the investment.

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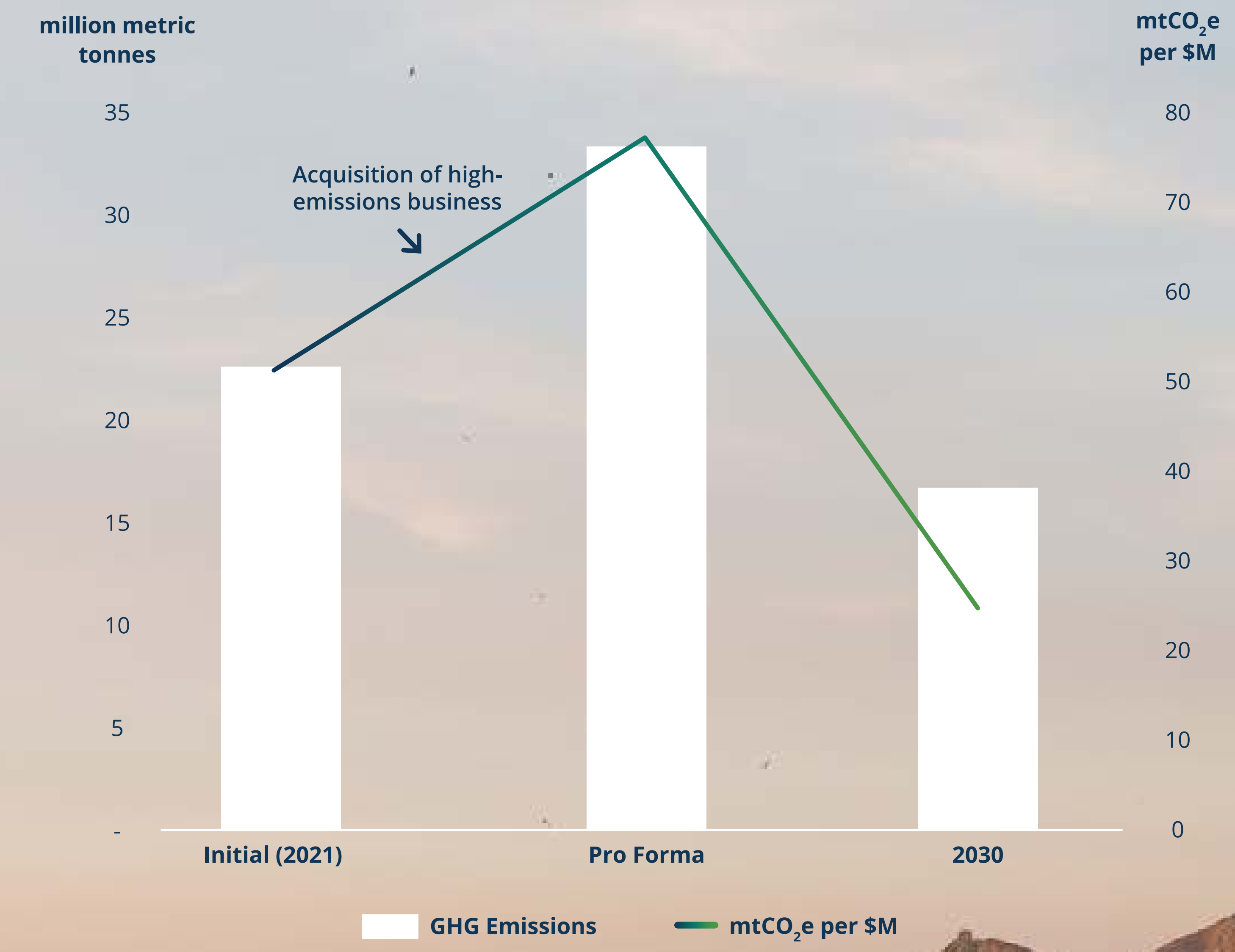
We are initially focusing our carbon reduction efforts on Operationally Managed portfolio companies, as this is where we can more directly guide outcomes. Assets in our target scope include relatively energy efficient and “green” assets, but also some of our highest-emitting transition assets, where we are undertaking large-scale emissions reduction initiatives. While our high-emitting transition assets may maintain or increase absolute emissions in the first few years after purchase, we expect these to decline over time as the image below illustrates. Given the immense time value of carbon, or the concept that there is a greater benefit from reducing GHG emissions today rather than reducing the same amount of emissions in the future, Brookfield believes the world cannot simply avoid entire industries or sectors that are high emitting. Instead, our transition strategy seeks to "go where the emissions are" and develop credible decarbonization plans. To create value and become a leader in decarbonizing high emitting assets, we believe it is necessary to invest in these sectors. Ultimately, if we go where the emissions are, bringing forward a decarbonization solution, we believe we can make a bigger impact. Please refer to the InterEnergy Case Study for an example of such an asset.

While Brookfield progresses towards its 2030 interim target, we note that Brookfield’s ability to decarbonize its portfolio relies in part on the rest of the economy transitioning at a pace aligned with countries’ goals and the Paris agreement. We observe that the path to net zero may not always be linear or binary.

If we go where the emissions are, bringing forward a decarbonization solution, we believe we can make a bigger impact.

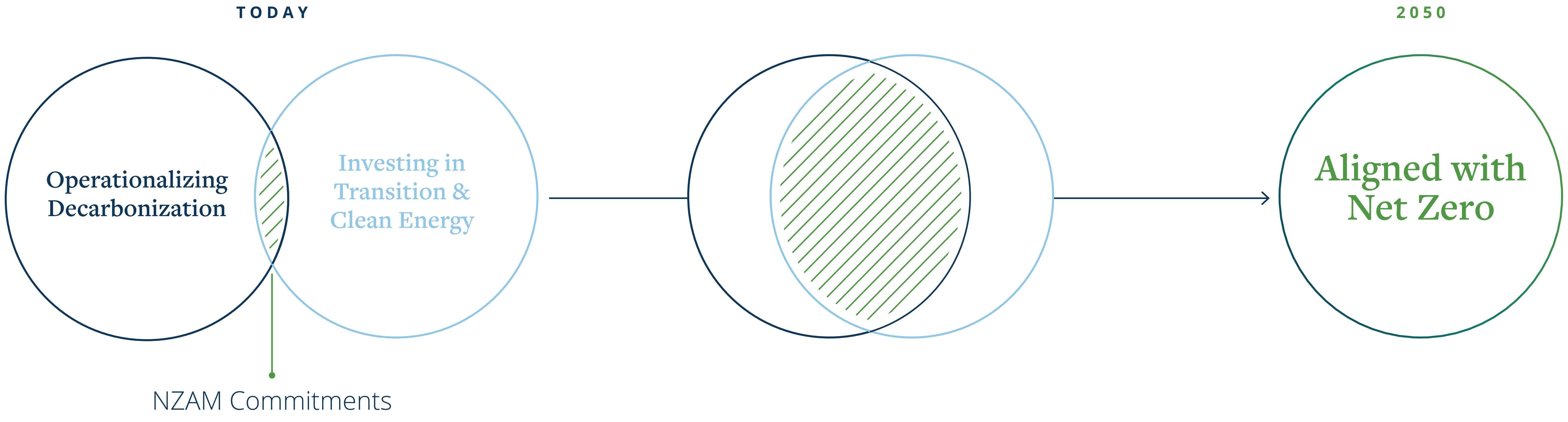
‘Going Where the Emissions Are’ Maximizes Impact

ILLUSTRATIVE PORTFOLIO



Our Decarbonization Focus Over Time

Our approach is underpinned by a recognition that achieving net zero by 2050 or sooner requires significant collaboration between companies, governments and individuals. As our assets develop their decarbonization plans, we seek to progress them toward or align them to science-based pathways, enabling us to increase the scope of assets included in our NZAM interim target. Today, assets within our interim target represent only a portion of our total assets[13]; over time, we aim to place all of our Operationally Managed portfolio companies on a decarbonization journey.



Other key targets and achievements across our business include Brookfield's Renewable Power & Transition business' commitment to achieve net zero in its operations across scope 1 and 2 by 2030.[14] Also, Brookfield's Real Estate group is committed to powering its U.S. office portfolio with clean energy by 2026 and Brookfield Real Estate's India portfolio set an ambition to reach net-zero emissions by 2040.

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Measuring Our Progress Against the Achieving Net Zero Framework[15]

Our Achieving Net-Zero Framework (ANZF) is our tool for assessing the decarbonization status of our portfolio companies. Each of our portfolio companies is embarking on its own individual path—beginning with measuring emissions, working to identify levers, and ultimately setting and implementing science-based targets. Our framework incorporates NZIF's recommended phases and supplements with additional steps to help bridge portfolio companies from the beginning of their journey to being able to set a net-zero ambition consistent with the "Committed to Aligning" category shown below. We implemented this approach as we aim, where commercially-viable, to meet our targets and enable a broader transition towards net zero. Where feasible, we seek to utilize Paris-aligned pathways and science-based methodologies to set targets with our portfolio companies.

In our inaugural year of assessing our portfolio companies against our Achieving Net Zero Framework, we note that the majority of our assets are advancing through the "Preparing: Transition Plan Development" category.[16] Our NZAM in-scope assets show a more advanced profile, with the majority in the "Managed in Alignment with Net Zero" categories. The ANZF will enable us to assess decarbonization outcomes over the coming years and decades. As the world transitions toward a lower-carbon economy, we expect our portfolio of assets to advance in line with our ambition.

Over the next several years, we seek to catalyze the progression of our assets into the "Managed in Alignment with Net Zero" categories. For assets that we control or have the ability to meaningfully influence, we aim to achieve this within two to three years of ownership. To accomplish this and inform near-term priorities, we systematically assess our portfolio companies against a Decarbonization Decision Tree. This tool helps us determine which portfolio companies have feasible, science-based net-zero alignment pathways. We encourage our portfolio companies to use the most applicable science-based net-zero pathway, which may include sector-specific, cross-sector or regionally defined contribution pathways. We leverage the pathways to consider assets' progress in developing decarbonization plans and related targets, as well as pragmatic next steps. To measure our success in encouraging progression, we will seek to look closer at companies owned greater than three years to better understand their progress or assess if additional resources or support are required. As described below, in some cases alignment with net zero will not be achievable during our expected tenure of ownership. See our description of Achieving Full Decarbonization Potential for additional details.


Ecoworld, India

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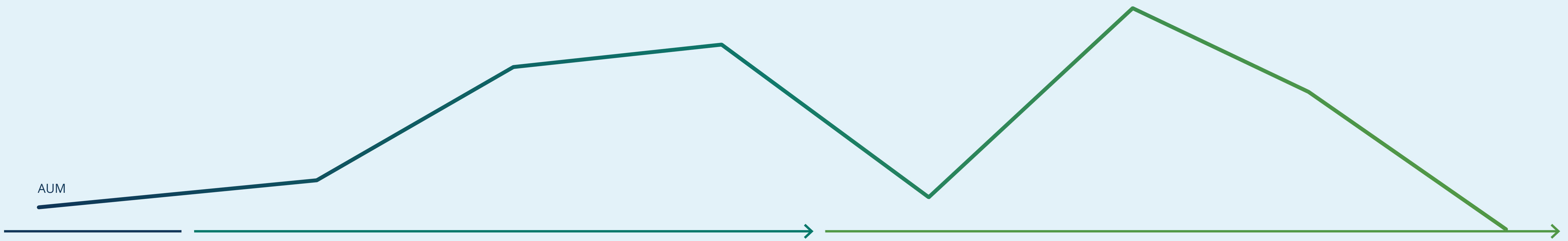
2023 Achieving Net Zero Framework Plotting[17]



Preparing - Transition Plan Development

Managed in Alignment with Net Zero

0. Not Aligned

Ambition not yet defined

1. Engagement

With Portfolio Company

2. Emissions Baselining

For emissions-to-date and preliminary projections

3. Decarbonization Strategy

Review available SBTs to identify possible levers

4. Committed to Aligning

Board oversight of net zero by 2050 goal, including strategy and risks

5. Aligning

Working toward net-zero pathway. Disclosure of scope 1, 2 and available/ material scope 3 emissions, 5-10-year Paris-aligned reduction targets

6. Aligned

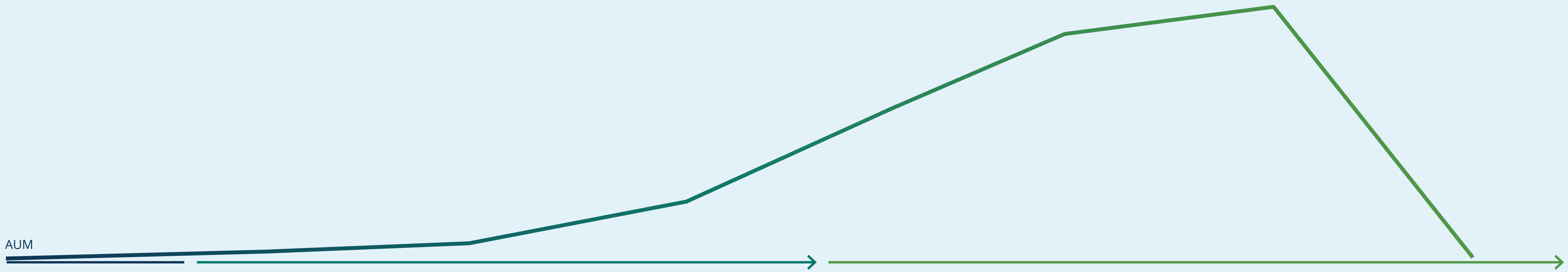
Emissions reductions meet or exceed annual reduction targets

7. Achieving Net Zero

Emissions intensity at or close to net-zero

Please see page 136 for Metrics & Targets footnotes.

2023 Achieving Net Zero Framework
Plotting of NZAM In-Scope Assets



Preparing - Transition Plan Development

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With Portfolio Company

2. Emissions Baselining

For emissions-to-date and preliminary projections

3. Decarbonization Strategy

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Managed in Alignment with Net Zero

4. Committed to Aligning

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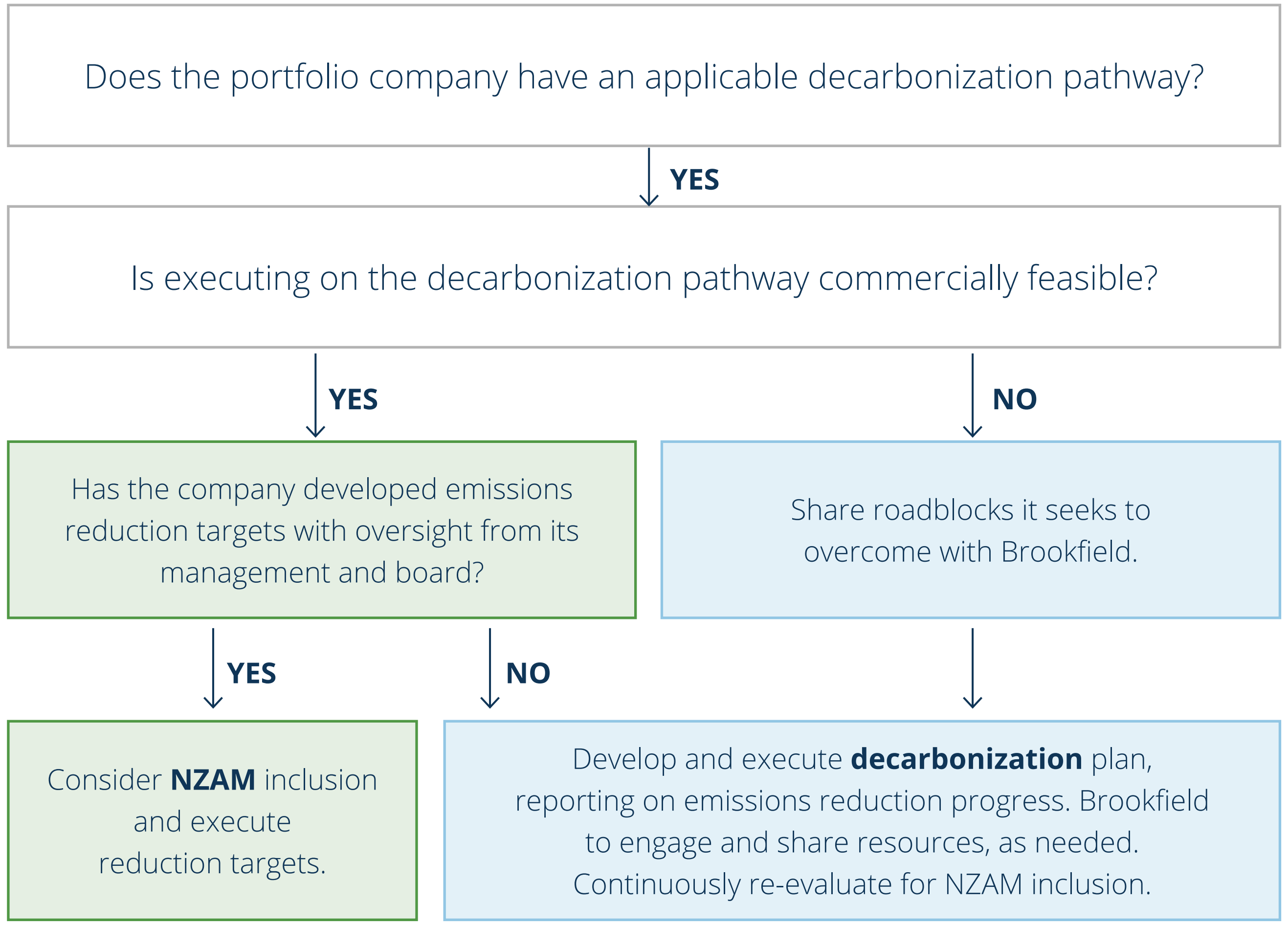
6. Aligned

Emissions reductions meet or exceed annual reduction targets

7. Achieving Net Zero

Emissions intensity at or close to net-zero

Decarbonization Decision Tree



As an example of assessing our portfolio companies against a Decarbonization Decision Tree, Brookfield Real Estate's Core Office Portfolio references the draft SBTi Buildings Guidance net zero alignment standard, developed in collaboration with Carbon Risk Real Estate Monitor (CRREM), as its applicable decarbonization pathway. This is an operational emissions pathway for residential and commercial buildings and the portfolio has set decarbonization plans aligned with CRREM. Assets in this portfolio continue to progress towards 5–10-year emissions reduction targets, including by procuring clean energy. We have considered these assets for NZAM inclusion.

Importantly, we are committed to advancing portfolio companies' decarbonization journey even if it is not feasible for them to immediately conform to a net-zero aligned pathway. We recognize that a select portion of our portfolio companies do not yet have pathways that are both rigorously science-based and commercially viable. These portfolio companies may be constrained by factors outside their control, including limited available technology and a lack of policy support, among others. We expect that some impediments facing portfolio companies will change in nature or recede over time, either within our investment hold period or beyond. As discussed in [Our Climate Strategy](#), these portfolio companies may achieve their full decarbonization potential at a specific point in time based on decarbonization strategies available while they await the evolution of further solutions to reach net zero. We will encourage these portfolio companies to continuously reassess decarbonization opportunities as these factors continue to evolve. We believe encouraging our portfolio companies to develop and execute commercially-feasible decarbonization plans can be an integral contribution to the global transition to a lower carbon economy. We further believe the collective efforts of our portfolio companies, whether on a net-zero aligned pathway or decarbonization journey, will contribute meaningfully to the reduction of Brookfield's overall emissions profile and enhance value. We will support the efforts of all our portfolio companies in feasible emissions reductions.

We seek to directly collaborate with our portfolio companies throughout their decarbonization process. Through our Net Zero Operational Committee, we intend to support our portfolio companies' decarbonization efforts, leveraging internal expertise to provide training. We see great opportunities to learn from each other's expertise, map marginal abatement costs, and execute decarbonization plans, thereby preserving or creating value for our investors.

Our primary focus continues to be to encourage our portfolio companies to realize their maximum decarbonization potential. We will continue to implement our targeted engagement strategy across our Operationally Managed portfolio companies, which includes prioritizing our highest emitting assets[18] for decarbonization initiatives, as well as working with companies currently in-scope under our interim net-zero target. While engaging with portfolio companies, we provide resources and collect data, such as emissions and case studies. We seek to support our portfolio companies in incorporating emissions forecasts, decarbonization levers and risk assessments into business planning. We also strive to support our portfolio companies in verifying their emissions and selecting a science-aligned pathway. In line with our continued improvement of GHG emissions reporting, we seek to enhance our forecasted emissions, where feasible, which helps our portfolio companies better understand the impact of their business operations and capital expenditures. Leveraging our Achieving Net Zero Framework, we will continue to assess how our portfolio companies are progressing and, where applicable, help accelerate their progress and advancement through the framework over time.

Over the coming decades, we may consider decarbonizing, repurposing, repositioning, or phasing-out approaches, depending on the nature and specific economic circumstances, which are aligned with net-zero expectations. In certain instances, we focus on investing in high-quality assets that will generate an appropriate risk-adjusted return during our hold period, regardless of terminal value expectations. We recognize that after taking every feasible measure to reduce a company's emissions, there may still be residual emissions. We are

Please see page 136 for Metrics & Targets footnotes.

committed to exhausting all means of emissions reduction and, where economically feasible, expect we may utilize high-quality carbon offsets in instances where there are no technologically and/or financially viable ways to eliminate residual emissions.

Brookfield's Emissions Inventory

We have measured and tracked emissions across our business groups for several years. We seek to take a bottom-up approach to obtaining GHG emissions data across our corporate operations and Operationally Managed investments (which includes controlled and certain non-controlled portfolio companies), where feasible, compiling and reporting on our inventory informed by the GHG Protocol and Partnership for Carbon Accounting Financials (PCAF) standards, an industry-led partnership to facilitate transparency and accountability of the financial industry to the Paris Agreement. We strive to report transparently on any adjustments that we may implement as we refine these emission disclosures and report on our progress against targets.

Corporate Emissions

Brookfield's corporate scope 1 emissions decreased due to reduced natural gas consumption and fugitive emissions. Our scope 2 corporate emissions increased due to increased energy consumption. Our scope 3 emissions from our corporate operations increased compared to the prior year primarily due to an increase in business travel. On an emissions intensity basis, our total scope 1 and 2 emissions from our corporate operations relative to full-time employees declined year-over-year and since our base year, 2019.

We continue to focus our efforts on lowering our firm's corporate emissions, including by powering the majority of our office sites with clean energy. Over 80% of Brookfield's employees are represented in office locations managed by Brookfield Properties, which are included in our NZAM interim target. As we continue to increase the powering of our offices with renewable energy, we expect to see a reduction in our scope 2 market-based emissions.

Disclosure of Brookfield's scope 3 emissions has been expanded this year to include additional categories including categories 5 (waste generated in operations) and 15 (financed emissions).

In determining which scope 3 activities could be relevant, we considered emissions size, influence, risk, our stakeholders, outsourcing, sector guidance and data availability. We deemed scope 3 category 5 to be useful given we measure emissions from the disposal and treatment of our waste generated in operations. In addition, Brookfield has deemed scope 3 category 15 to be most material to our business. For a discussion of our financed emissions disclosure, please see Our Emissions from Non-Controlled Investments.

BELOW IS A SUMMARY OF OUR GHG EMISSIONS:

GHG EMISSIONS ($mtCO_2e$)[19]	TREND	2023	PRIOR YEAR (2022)	BASE YEAR (2019)
Brookfield Corporate Emissions				
Scope 1[20]	↓	363	454	358
Scope 2				
Location-Based	↑	2,334	2,184	1,805
Market-Based	↑	2,048	1,978	1,914
Scope 3				
Category 5: Waste Generated in Operations[21]	—	63	—	—
Category 6: Business Air Travel[22]	↑	21,695	10,945	4,527
Total (Location-Based) Emissions	↑	**24,455**	**13,583**	**6,690**
Total (Marked-Based) Emissions	↑	**24,169**	**13,377**	**6,799**

CONTROLLED PORTFOLIO COMPANY EMISSIONS		2023	PRIOR YEAR (2022)	BASE YEAR (2020)[23]
Scope 1 and 2 of Portfolio Companies[24]	↓	9,382,697	9,586,335	9,782,536

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Controlled Portfolio Company GHG Emissions and Intensity Metrics

GHG emissions across our controlled portfolio companies in 2023 were 9.4 million $mtCO_2e$. Our controlled portfolio company emissions declined compared to prior year emissions of 9.6 million $mtCO_2e$ and base year emissions of 9.8 million $mtCO_2e$. The decrease of 0.2 million $mtCO_2e$ is predominantly due to increased procurement of renewable energy. Emissions intensity has decreased since our base year due to various factors, one of which is our growing AUM and the diverse mix of our business groups. Given the varying nature of underlying assets, AUM as an intensity basis may not fully articulate the drivers of period-over-period results.

For a more in-depth analysis, please refer to each business group's sustainability reports for absolute emissions and intensity disclosure describing business activities.[30]

CONTROLLED PORTFOLIO COMPANY ABSOLUTE SCOPE 1 AND 2 GHG EMISSIONS AND INTENSITY METRICS[25]

ENTITY	UNITS	2023[26]	PRIOR YEAR (2022)	BASE YEAR (2020)[27]
Renewable Power & Transition	$mtCO_2e$	198,113	194,751	174,657
Infrastructure	$mtCO_2e$	4,982,832	4,827,611	4,303,686
Private Equity	$mtCO_2e$	3,350,384	3,557,531	4,302,127
Real Estate	$mtCO_2e$	851,368	1,006,442	1,002,065
Total Absolute Emissions[28]	$mtCO_2e$	9,382,697	9,586,335	9,782,536
Total Intensity[29]	$mtCO_2e$/million of AUM	15	20	27

- Across our Renewable Power & Transition business, total scope 1 and 2 emissions for portfolio companies were 198,113 $mtCO_2e$. This is a 13% increase from its base year emissions of 174,657 $mtCO_2e$, and a 2% increase from 2022 of 194,751 $mtCO_2e$. Brookfield Renewable Power & Transition continues to advance its decarbonization plans, seeking to achieve net zero over scope 1 and 2 (market-based) emissions by 2030 for its controlled clean energy portfolio and have implemented several emissions reduction initiatives across its portfolio.[31] As its clean energy portfolio continues to grow, it expects to see increases in absolute emissions in the short-term and year-over-year variances as the portfolio changes. Although emissions remained low in 2023, the generation-related carbon intensity of 3 $mtCO_2e$/GWh on a market basis is approximately 150 times lower than the global power and utility curve, Renewable Power & Transition did see an increase in scope 1 emissions from additional energy demand, particularly at peaking facilities.
- In our Infrastructure business, total scope 1 and 2 emissions for controlled portfolio companies were 4,982,832 $mtCO_2e$. This is a 16% increase from its base year emissions of 4,303,686 $mtCO_2e$, and a 3% increase from 2022 of 4,827,611 $mtCO_2e$. The increase is attributable to organic growth of its businesses, however, the emissions intensity across Infrastructure's business has a decreasing trend, primarily related to acquisitions with lower intensity relative to its dispositions and emission reduction initiatives within the portfolio. In 2023, Infrastructure's intensity was 280 $mtCO_2e$ per million of revenue, a decrease of 38% from the base year of 2020, and a 29% decrease from 2022.
- Within our Private Equity business, total scope 1 and 2 emissions for controlled portfolio companies were 3,350,384 $mtCO_2e$. This is a 22% reduction from its base year emissions of 4,302,127 $mtCO_2e$, and a 6% reduction from 2022 of 3,557,531 $mtCO_2e$, attributable to increased procurement of renewable energy, deployment of more energy-efficient initiatives and operational efficiencies at several of its businesses. Our emissions intensity of 61 $mtCO_2e$ per million of revenue has decreased by approximately 50% relative to base year, and 8% from 2022, driven by increased business activity and revenues since 2020.
- Across our Real Estate business, total scope 1 and 2 emissions for controlled portfolio companies were 851,368 $mtCO_2e$. This is a 15% reduction from its base year emissions of 1,002,065 $mtCO_2e$, and a 15% reduction from 2022 of 1,006,442 $mtCO_2e$. As well, Real Estate's emissions intensity of 4 $mtCO_2e$ per million of AUM in 2023 has seen a reduction of 34% from the base year, and 26% from 2022. The decline in emissions intensity is attributable to increased procurement of renewable energy and energy efficiency initiatives, partially offset by the commencement of operations in new developments.

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Our Emissions from Non-Controlled Investments[32]

Our financed emissions disclosure for non-controlled investments seeks to disclose the scope 1 and 2 emissions of the investments we have assessed to date. Our non-controlled investments include investments made by Brookfield, the investments of our asset manager partners (e.g., Oaktree) and our Insurance Solutions channel. Non-controlled investments include a wide range of investment types, such as private equity and credit investments, listed equity, liquid credit and structured products. The majority of our non-controlled investments included in our disclosure fall into two PCAF categories: Business Loans and Unlisted Equity, and Listed Equity and Corporate Bonds. The investment types and hold periods within this group of assets are diverse and we expect that the quantum of emissions reported represents a snapshot of our holdings at a point in time.

SCOPE 3 CATEGORY 15 FINANCED EMISSIONS	2023 GHG EMISSIONS (mtCO_2e)[33]
Business Loans and Unlisted Equity[34]	6,611,324
Listed Equity and Corporate Bonds	6,314,108
Total	**12,925,432**

Data Quality, Associated Risks and Improvement Opportunities

We believe assessment of emissions is crucial as this data serves as a useful risk management and decision-making tool. We are focused on developing high-quality processes to provide decision-useful data to our stakeholders and in preparation for future reporting requirements. There has been tremendous progress in the advancement of global accounting standards for GHG emissions and we expect that there will be more developments to come to address certain limitations in guidance. Today, our emissions disclosure included the scope 1 and 2 emissions of both controlled and non-controlled investments (scope 3 category 15) and overall, we have achieved ~75% coverage across our Invested AUM. Going forward, we will endeavor to improve access to information to increase data quality, primarily across our financed emissions, to achieve 100% disclosure coverage.

Controlled Investments

Each of our business groups—Renewable Power & Transition, Infrastructure, Private Equity and Real Estate—calculates their emissions profile for controlled portfolio companies prioritizing emissions data sourced directly from our portfolio companies. The vast majority of our controlled investments' emissions inventory reflects bottom-up data. This data may, in some cases, reflect preliminary, unaudited disclosures. Where we are not able to obtain information directly, we may utilize proxy data based on similar assets within our portfolio; in other cases, we may leverage emissions data from public sources based on companies of a similar profile. Our overall coverage of emissions disclosed across controlled investments is very high, representing 96% of invested AUM.

We do not yet provide disclosure with regard to all of our portfolio companies' scope 3 emissions. Generally, we believe scope 3 emissions can help us mitigate risk and uncover value creation opportunities. Our work on measurement covers scope 1 and 2 of our controlled portfolio companies and we expect it to incorporate an increasing focus on scope 3 emissions over time.

Non-Controlled Investments

The emissions from our non-controlled investments disclosed to date represent nearly 50% of the investments in this category. We strive for transparency in our disclosure recognizing that financed emissions data in some cases, though available, can be lower in quality. It should not be relied upon today as a precise emissions measurement, though we believe it can serve as a useful risk assessment tool. It is subject to errors that may be material and will be subject to change as measurement and related guidance improves.

As we seek to ensure a high degree of data comprehensiveness and quality, we prioritized disclosure of higher quality data for reported financed emissions as we develop further methods to assess and measure investments not yet included in our inventory. We calculate our financed emissions profile for non-controlled investments (i.e., financed emissions) incorporating a variety of methods. Our initial financed emissions data set includes both company-reported data and estimates.[35] Company reported data represents a meaningful portion of financed emissions excluding certain of the following investments: asset managers where we have begun to engage on emissions measurement, structured products, private equity, and private credit. In many instances we measure emissions based on data provided by third-party sources, such as MSCI, without a direct ability to validate.

Please see page 136 for Metrics & Targets footnotes.

While we have prioritized the use of company-reported emissions data, we note that emissions are self-disclosed. As a result, there is a lack of uniformity from one company to another. There is also a time lag associated with disclosures; as such, we present the most recently available data, which in this Report is typically 2022 calendar year emissions. As well, certain emissions figures for non-controlled investments rely on assumptions from third-party data providers, such as MSCI, based on the investment's industry or geography. This type of data, though leveraged by many firms, is based on assumptions about industry operations, peers and industry averages, and is therefore imperfect. These estimates are of lower data quality than our measured data from primary sources. In certain instances, for our scope 3 category 15 emissions, we will also rely on industry or sub-industry data proxies when company-specific data is not available and proxy data is available and can be validated. Where internal estimates are used, we note that where possible, we have strived to perform a reasonability analysis to validate the information reported. However, as estimated data relies on a number of data dependencies, some of which we may not have direct visibility to validate, we note that the figures reported reflect our best estimate at the time of reporting and are subject to change. The estimates are a commercially reasonable value chain risk and opportunity assessment tool and not an exact emissions calculation. We are constrained by data availability issues in certain asset classes and strategies. We note that PCAF's Financed Emissions Standard does not provide explicit guidance on methods to calculate financed emissions for certain private equity funds and other types of products and assets, and, as such, we only report on our investments' scope 1 and 2 emissions for transparency. In time, we seek to obtain guidance for asset types currently not included in PCAF's Financed Emissions Standard.

We have assessed the quality of our data referencing a scoring system similar to that of the Partnership for Carbon Accounting Financials (PCAF).[36] We consider a variety of data quality factors for our Business Loans and Unlisted Equity investments in relation to PCAF data quality scores. These investments generally correspond to the lower end of data quality scores of approximately 3 to 5. In some cases, emissions estimates may not have the required input for a data quality score of 5. Our Listed Equity and Corporate Bond investments reference data quality scores generated by our third-party data providers. For this category our scores generally correspond to a data quality score of 2, meaning higher quality data scores.

FINANCED EMISSIONS	2023 DATA QUALITY SCORE	CRITERIA
High-quality data	Score 1	**Verified emissions data from primary sources**
	Score 2	Our Listed Equity and Corporate Bonds correspond to a higher data quality score of 2.
	Score 3	
	Score 4	Our Business Loans & Unlisted Equity correspond to lower data quality scores (3-5 or below).
Low-quality data	Score 5	**Economic activity-based emissions estimate**

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Encouraging the Conservation of Nature

Encouraging the conservation of nature and its associated living organisms and ecosystem services is an important component in achieving decarbonization goals and managing physical risks related to climate change. We recognize that biodiversity and other nature considerations will become an increasing area of focus for our stakeholders.

Our Approach to Biodiversity

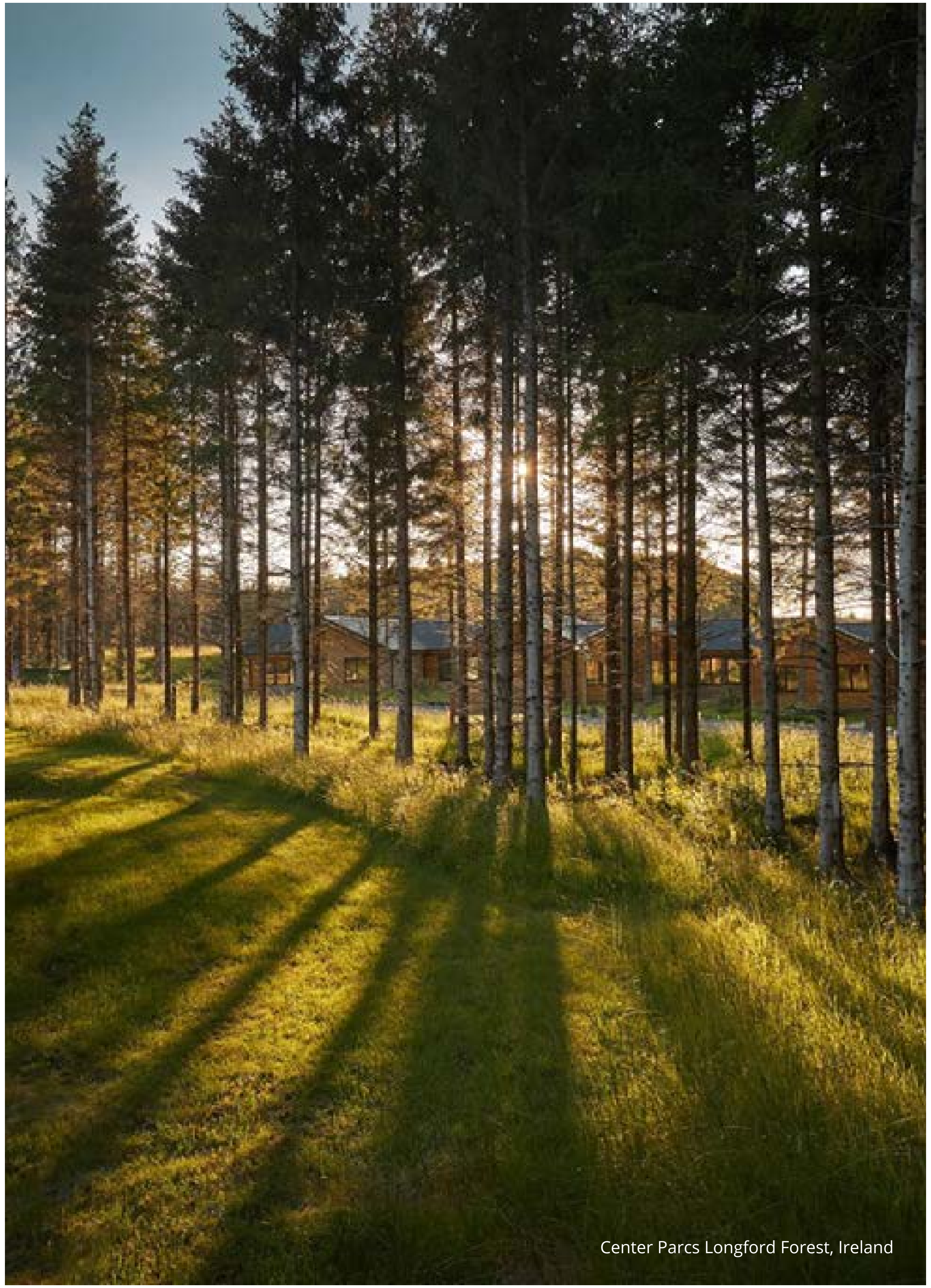
We view the protection of the biodiversity and ecosystems surrounding the operations of our portfolio companies as a priority and are working to understand our nature-related dependencies, impacts, risks and opportunities. Our portfolio companies operate critical infrastructure and enterprises on which surrounding economies and communities depend. We strive to protect nature near our assets, and we acknowledge that factors such as habitat degradation and loss, pollution and climate change contribute to decreasing global biodiversity and compromised ecosystems.

We aim to protect biodiversity throughout the life cycle of our investments, including by encouraging the consideration of nature when evaluating new investments. With the development of greenfield assets—while there is a critical need for infrastructure to facilitate an increase in renewable energy to mitigate climate change—we recognize that our activities could have a negative effect on biodiversity and ecosystems if not addressed. For example, in our Renewable Power & Transition, Infrastructure and Real Estate businesses, where we have a meaningful greenfield development pipeline, we conduct environmental assessments prior to beginning a project to understand baseline conditions and, where applicable, key biodiversity and ecosystem sensitivities. These environmental assessments, in some cases, consider proximity to protected areas and the presence of sensitive, threatened or endangered species.

In 2023, our Renewable Power & Transition business developed a Biodiversity Management Framework, which provides a consistent approach to managing biodiversity across its assets, outlining biodiversity considerations across the life cycle of those assets. As part of the framework, the locations of operating assets[1] are mapped against biodiversity-sensitive areas using the Integrated Biodiversity Assessment Tool. The supporting Biodiversity Management Guidelines provide guidance on assessing the level of current and potential risk for the site as well as the steps the portfolio companies could take to avoid and mitigate impacts on local biodiversity and develop management plans, as applicable.

The Biodiversity Management Framework is informed by developing regulatory and global standards, including the Taskforce on Nature-related Financial Disclosures (TNFD) and the EU Taxonomy, and is being incorporated throughout Renewable Power & Transition's governance. For example, in 2023 biodiversity management guidelines were integrated into the HSS&E system and associated Environmental Protection Standard.

[1] Represents Brookfield Renewable Power & Transition's portfolio as of Q2 2023. It will integrate new assets into its Biodiversity Management Systems as part of its overall integration program.



Center Parcs Longford Forest, Ireland

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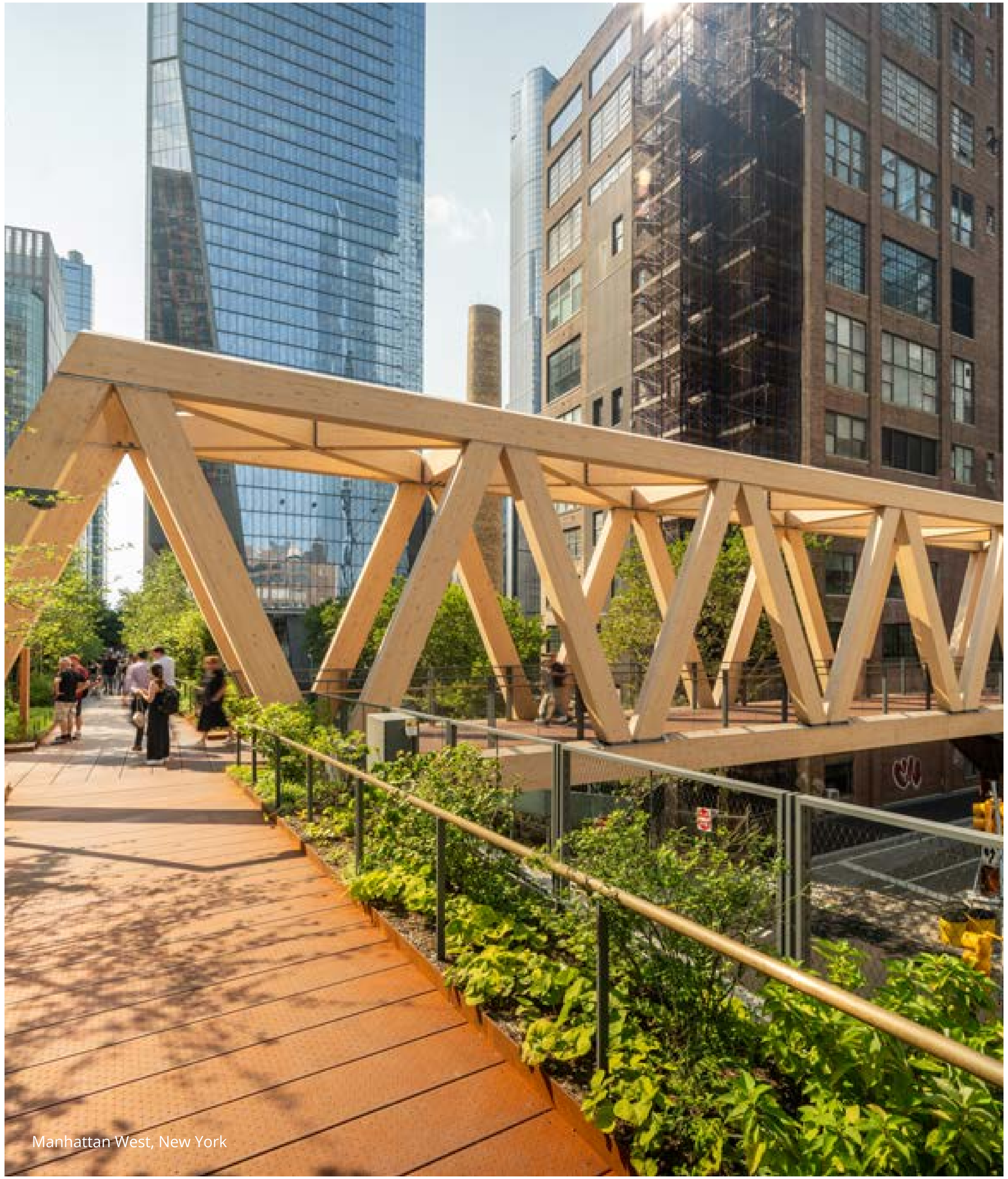

Manhattan West, New York

We aim to protect biodiversity throughout the life cycle of our investments, including by encouraging the consideration of nature when evaluating new investments.

During the first phase of the framework's implementation, a pilot project with a small number of portfolio companies was included to assess whether management plans should be developed or updated. Training was also conducted for portfolio companies on biodiversity tools, frameworks and emerging trends. In 2024, Renewable Power & Transition will implement its Biodiversity Management Framework across all its development and operational assets, prioritizing sites in ecologically sensitive areas.

As well, in 2023, Brookfield Real Estate began a portfolio-wide assessment of its nature risks and opportunities, working toward developing a nature management framework to align with the TNFD recommendations.

We understand that managing nature-related risks requires location-specific data, as well as its assessment and management. In 2023, we enhanced our nature-related KPIs collected from our Operationally Managed Investments to include an assessment of our assets' locations relative to biodiversity-sensitive areas, assets leased and/or operated near endangered species' habitats and impacts from operating assets in their habitats. We collaborate with our portfolio companies as we seek to provide training and resources to enable data collection, and where appropriate, we engage local community members, Indigenous groups and experts to monitor nature impacts and conduct studies to further our conservation efforts. We aim to make continuous improvements to our nature-related disclosures over time.

Looking ahead, we continue to evaluate how we can enhance our strategy, share key learnings and continue to incorporate nature-related considerations throughout the investment process, including by identifying opportunities complementary to our value creation model. Several of our business groups are considering the recommendations of the Taskforce on Nature-related Financial Disclosures (TNFD) to inform their screening, monitoring and reporting processes.

CASE STUDY

Using Biodiversity Management Plans to Minimize Impact

For decarbonization initiatives to be sustainable, we need to consider opportunities and risks for nature. From the development, operations and maintenance to the end-of-life of clean energy assets, many of Brookfield Renewable Power & Transition's business activities benefit from, and have the potential to impact, the natural environment.

Brookfield Renewable Power & Transition actively manage biodiversity throughout the life cycle of its projects. In 2023, through its pilot program for biodiversity management, it worked with three sites in its portfolio to better understand its biodiversity process and gaps, how they align with Brookfield Renewable Power & Transition's management guidelines and how it can support the development of these plans across its global portfolio.

Managing Biodiversity During Repowering at Mesa Wind

Brookfield Renewable Power & Transition's Mesa Wind site and surrounding lands located in California contain habitat for several sensitive plant and wildlife species, including special status wildlife, such as the state and federally protected desert tortoise.

Mesa Wind has considered biodiversity in the evaluation and planning process to replace wind turbines as part of repowering activities. To minimize the adverse impacts to these sensitive species during construction, Mesa Wind instituted avoidance measures including the use of onsite environmental monitors and signage alerting construction workers and staff to the presence of the desert tortoise. Mesa Wind has also ensured access and availability of offsite habitat protection areas if relocation is required and aims to minimize further disturbance to the habitat throughout the life cycle of the project. In addition to managing the potential impact on the tortoise, the repowering design utilized the latest advances in wind turbine technology, reducing the number of turbines on the site from 460 to eight while generating an equivalent amount of power, minimizing potential further and ongoing disturbance to biodiversity in the area.

The measures ensure that the approach to managing biodiversity on the site reflects Brookfield Renewable Power & Transition's following of the hierarchy of avoiding, minimizing and restoring habitat from impacts. These principles support its biodiversity management goals, particularly in biodiversity-sensitive areas.

Brazil and India: Screening for Biodiversity Sensitive Areas Across Assets

Brookfield Renewable Power & Transition also conducted pilots at a hydroelectric site in Brazil, located near the Campos de Cima da Serra key biodiversity area, and a utility-scale solar site in India, adjacent to a wild donkey sanctuary.

Through this process, these sites reviewed regional definitions of sensitive areas using the International Biodiversity Assessment Tool (IBAT) to pilot the screening process to identify sensitive areas. Through the screening pilot, it confirmed that the solar site in India had no interaction with the Priority Biodiversity present on the reserve, and confirmed that local studies and sensitive area mapping aligned with the IBAT screening results. As a result of the successful pilot, Brookfield Renewable Power & Transition expanded the screening process to include all of its globally operated assets.[1]

[1] Included Brookfield Renewable Power & Transition's financially controlled assets as of Q2 2023.

Tortoise at Mesa Wind, California

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CASE STUDY

Canary Wharf: Responding to the Biodiversity Crisis and Supporting Nature Within an Urban Environment

Brookfield Real Estate's Canary Wharf, our mixed-use office, residential and retail district in London is working with its partners at the Eden Project and have developed a program for enhancing its public realm, to improve access to outdoor spaces, help people access the waterways, support and enhance biodiversity by providing new habitats for local species, and increasing the number and variety of plant species in the area.

The first phase of the public realm transformation started with the Middle Dock. A key aim of this project is to increase the biodiversity in the area. In order to understand how it could have the greatest impact, Canary Wharf undertook detailed ecological baselining of the area, including an assessment of the biological, chemical and physical conditions in the dock. From this baseline, it developed a program of works designed to provide additional habitat. The design of the development includes floating aquatic islands, freshwater planting, submerged fish habitats and bird and bat boxes, all designed to support the species in the area and improve the ecosystem value of the dock.

In November 2021, Canary Wharf installed three floating ecology islands in Graving Dock in Wood Wharf, supporting the new primary school, which opened in 2023. These floating aquatic habitats not only house a variety of plants, but also support fish and bird species in the area by providing a habitat for nesting and breeding.

As a developer, we have a key role to play in enhancing the biodiversity of our urban areas. Canary Wharf is a historic brownfield site, which makes it the ideal location for enhancing biodiversity. The strategy for supporting biodiversity in Canary Wharf is laid out in its 2018-2028 Biodiversity Action Plan (BAP). Developed in partnership with Greengage, Canary Wharf use the BAP to govern its actions in supporting biodiversity.

As a developer, we have a key role to play in enhancing the biodiversity of our urban areas.

Canary Wharf, United Kingdom

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CASE STUDY

Biodiversity Enhancement Initiatives

Brookfield Infrastructure's U.K. Regulated Utility business, SGN, has committed land across its company portfolio to biodiversity enhancement projects to reverse species decline and create green spaces. In 2023, 114 biodiversity baseline studies were carried out and seven improvement projects were implemented, which achieved the following:

180
trees planted

550
meters of native hedging planted

6,000
m^2 of wildflower seeds sown

12
bird boxes and bat boxes installed

7
reptile habitats built

SGN have a further nine improvement projects underway, which are expected to be completed in 2024. Data is being gathered to report on biodiversity improvement and the aim is to achieve a biodiversity net gain on land managed by SGN.

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Managing Water and Waste

Reducing the impact of our overall water consumption and waste generation helps build efficient systems, resiliency in our businesses and contributes to a sustainable future. We seek to utilize best practices to efficiently monitor water usage and for certain portfolio companies, manage performance, with the objective to seek opportunities for water consumption reduction. We continue to collect metrics related to water use and scarcity, as well as hazardous and non-hazardous waste generation.

We work with our portfolio companies to consider climate-related physical and transition risks, including flooding and droughts, and how to evaluate water risks through the lens of quality and scarcity. We engage our portfolio companies and strive to responsibly manage water resources and protect the surrounding environment and local communities.

In addition to water considerations, many of our portfolio companies are seeking ways to reduce and divert their waste from landfills to avoid negative impacts on our local ecosystems and communities. We seek to adhere to all applicable local and regional waste regulations and track waste and recycling metrics. We work toward a circular economy by reducing, reusing and recycling our waste, where possible. Each business understands the importance of measuring these metrics, and we continue to support their efforts for continual improvement in this area.

CASE STUDY

Water Management Planning

Brookfield Renewable Power & Transition's Chilean solar distributed energy (DE) business, Solarity's operations are in areas of high water stress including the Atacama desert. This means that they need water management plans that consider water in the design, construction, and operation of their projects. These plans consider, among other things, how to manage dust while being mindful of water use. Additionally, their customers can benefit from Solarity's creative solutions to conserve water by strategically locating their panels.

Solarity's Verfrut solar project is installed on an irrigation reservoir in the Las Cabras province in the central valleys of Chile and provides power to their customer's operating fruit farm. In the case of Verfrut, by installing a floating solar panel farm on the reservoir, it provides the site with renewable electricity while simultaneously reducing evaporation from the irrigation reservoir by 60%. This initiative reduced the client's dependency on withdrawing from water-stressed aquifers, as well as their dependency on grid-supplied electricity.

In the case of Verfrut, by installing a floating solar panel farm on the reservoir, it provides the site with renewable electricity while simultaneously reducing evaporation from the irrigation reservoir by 60%.

Solarity, Chile

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CASE STUDY

Conserving Water Using Technology

Brookfield Real Estate aims to conserve water by focusing on efficient design, new technologies and retrofits that result in reductions in both outdoor and indoor water consumption. Across Brookfield Real Estate's portfolio of properties in India, various water conservation initiatives to address water security have been undertaken.

To minimize water withdrawals and consumption, Brookfield Real Estate have invested in robust leak detection programs across its assets and installed efficient faucet aerators and low-flow fixtures. To treat water onsite, it installed a sewage treatment facility. Brookfield Real Estate uses the treated water for landscaping across all its buildings, for flushing, and in some cooling towers. Advanced irrigation techniques have been implemented to optimize water usage through automation, and it's in the process of installing rain, moisture, and evapotranspiration sensors at its assets.

To create a better microclimate and apply passive irrigation, it's increasing the usage of sprinklers, sprayers, and foggers. Brookfield Real Estate strives to optimize rainwater retention by installing permanent infiltration or collection features like vegetated swales, rain gardens, and rainwater cisterns.

OUTCOMES

38%
water consumption reduction since FY 2019-20

1.5B
water consumption reduction since base year

200M
liters conserved per year at Ecoworld Bangalore

2M
reduction in liters of daily freshwater consumption due to sewage treatment plant investment

Ecoworld, India

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CASE STUDY

Clarios wins "Circular Economy Award" at the World Sustainability Awards 2023

Brookfield Private Equity's Clarios, the global leader in low-voltage battery technologies essential for the future of transportation, is the 2023 winner of the World Sustainability Awards' "Circular Economy Award." The award recognizes businesses that rethink their operations and value chains to bring about a more sustainable future, with the creation of 'loops' in which materials and products are continuously reused, recycled and retained.

Every day across its global system, Clarios collects and turns around 8,000 used batteries into new units with the goal of ensuring all vehicle batteries are not only responsibly designed but can be economically and responsibly recovered and repurposed. The batteries are designed such that up to 99% of the materials can be responsibly recovered, recycled, and reused to make new batteries or other products. By using recycled materials in batteries, Clarios uses 90% less energy and generates 90% less greenhouse gas emissions than batteries made with virgin materials.

By using recycled materials in batteries, Clarios uses 90 percent less energy and generates 90 percent less greenhouse gas emissions than batteries made with virgin materials.

Clarios, Wisconsin

CASE STUDY

Closing the Waste Generation Loop at Ecoworld

Brookfield Real Estate's Ecoworld is an office campus development designed to offer a next-generation work-leisure district in Bangalore's bustling metropolis. Central to Ecoworld's offering is an integration of sustainability, including an optimized energy footprint, robust water conservation features, and a strong social infrastructure including education institutes, leading malls, hospitals, and developed residential catchments.

To minimize waste generation, the Ecoworld team created a holistic waste management strategy with a three-tier classification for waste from operations by type. At the time of the project's commencement, 60% of the building's waste profile was classified as waste rejects, designated as landfilled waste. The Ecoworld team had a goal to reduce waste rejects from 60% to below 5%, and to increase recycled waste from 40% to over 95%.

Ecoworld's waste management strategy completely changed the building's waste profile. It reduced landfilled waste from 60% to 3%, and recycled waste increased from 40% in 2015 to 97% in 2021. The waste management strategy diverts nearly 70 metric tons of waste from landfill each month, reducing GHG emissions by 245 metric tons each year, and reduces our waste-related expenses by over 30%. Designing and implementing a program to close Ecoworld's waste generation loop resulted in the property being awarded the Indian Green Building Council Net Zero Waste Platinum Certification. Ecoworld is the first commercial office property in India to obtain this certification.

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Ecoworld, India

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Our People

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50 Carrington, Australia

Culture Matters: Human Capital Development

Culture is what defines Brookfield, and our culture has been critical to our success. It reinforces strong succession and an engaged workforce. Our employees drive our success and ensure that we deliver on our commitments to investors and other stakeholders. We seek to maintain a positive, open and inclusive work environment that enables employees to develop. The experiences our people receive at Brookfield keep them engaged and developing professionally.

Inclusive leadership and disciplined talent management processes are foundational to our business. Inclusive leadership starts with a strong tone at the top. Our Code of Business Conduct and Ethics and Positive Work Environment Policy set a consistently high standard for how we are expected to interact and collaborate with one another and reinforce a work environment conducive to learning and development.

Three attributes—collaboration, entrepreneurship and discipline—form the foundation of Brookfield's culture. By hiring talented people who align with the attributes of a Brookfield leader, and by giving them opportunities to move into different businesses, roles and regions where they can learn from a variety of leaders, Brookfield has been able to create a broad ecosystem of collaborative and disciplined professionals who think and act like owners and who can be successful across the firm.

Collaboration, Entrepreneurship and Discipline

Our people are our most important asset. Brookfield invests in our people with a focus on each achieving their potential. Everything Brookfield does, from our dealings with clients to the interactions among employees and executives, is governed by a sense of integrity and fairness. From Brookfield's earliest days, the principle of sharing rewards relative to contributions was emphasized. This has been critical in building relationships that are long-lasting and mutually rewarding. Brookfield's firmwide culture is defined by mutual respect, teamwork and passion, and revolves around our core values:

Collaboration: Leaders work side by side with colleagues of all levels and are committed to achieving shared success. One of the key attributes that Brookfield screens carefully for in new hires is their aptitude to collaborate with others. The firm wants people to share information across groups and take an interest in all of our businesses, not just the one they serve at any given time. Brookfield does not hire people for one specific job only; we hire based on an individual's potential to contribute to the larger success of the firm over the long term. Brookfield actively looks for people who want to learn, grow and develop—and demonstrate a willingness to be stretched outside their comfort zone.

Entrepreneurship: Our flat organization is results-oriented—responsibility is earned based on initiative and hard work, rather than job title—and decisions are made close to the action. At Brookfield, we have been focused on maintaining our entrepreneurial spirit throughout our growth over many decades. Brookfield looks for employees who are curious and have a passion not only for what they do but also for what the firm does. Everyone is invited to contribute to discussions and share ideas. For instance, monthly, a junior executive is invited to present an investment idea to the rest of the investment professionals globally. This provides encouragement to employees at a very early stage in their careers to continuously think creatively and act like an owner.

Discipline: Our team shares an awareness of, and commitment to, our goal of generating superior long-term returns for investors. Discipline also requires that each person is expected to have an appreciation of their own abilities and limits. Brookfield expects employees to understand their strengths, recognize their weaknesses, be willing to stretch outside their comfort zones, and be willing to ask for help when necessary. In turn, Brookfield leaders provide mentorship and support employees in realizing their potential.

Foundational Building Blocks: Approach to Recruitment

Our focus on the long term is more than just an investment strategy: it is also central to our hiring philosophy. We put as much care into the growth and development of our people as we do our investments—because together, they shape our reputation and our business.

We proactively recruit people who align with the attributes of a Brookfield leader and have the potential to develop within the Brookfield organization. This includes a focus on diverse representation of candidates in our recruitment process. Brookfield is committed to a hiring process that is objective, nondiscriminatory and in compliance with all applicable legislation and good governance. The following are key activities that have been instrumental in our progress:

- Taking the time to ensure that our candidate slates include a diverse pool of qualified candidates. This approach is embedded in how our internal and external recruitment teams conduct their searches.
- Developing objective criteria for each role by which to evaluate all candidates.
- Ensuring diverse representation within the Brookfield teams that interview candidates and ultimately make the hiring decisions.

We offer a uniform global internship program to ensure we are developing a strong talent pool, including summer interns and MBA Associates. The internships and opportunities described below represent only a portion of the 129 internships that participated globally in 2023.

CPA Internship	From understanding financial planning and analysis to learning the ins and outs of corporate finance or treasury, our CPA interns get a jump start on their CPA qualification through an internship with our finance teams. Our internship program offers participants a wide range of interesting projects, mentors and development opportunities to help grow professional experience.
Rotational Accounting Program	This program provides a comprehensive look at accounting, auditing and finance across the firm with plenty of support along the way, from mentorships to internal networking events to help fulfill potential, with opportunities to apply for a full-time role.
Girls Who Invest & Women in Asset Management (WAM) Program	Brookfield developed a partnership with Girls Who Invest, which provides paid internship opportunities to female and primarily ethnically diverse college sophomores at leading investment firms. For the past two summers, Brookfield hosted four interns each year on our investment teams. Brookfield also has partnered with leading Canadian business schools to provide a paid summer internship through the Women in Asset Management program. This program is geared toward investing in a future pipeline of young female professionals in the asset management industry in Canada. The summer program includes a four-week classroom experience to provide interns with opportunities to learn technical and soft skills that can be incorporated in the work environment.
The All-Stars Project (ASP) Development School for Youth	Brookfield has partnered over the past few summers with ASP, a 40-year-old national nonprofit organization whose mission is to transform the lives of youth and poor communities, using the developmental power of performance, in partnership with caring adults. ASP reaches over 50,000 inner-city youth and their families with free development programs every year. Brookfield helps to facilitate ASP's Development School for Youth, where young people ages 16-21 partner with corporate leaders and learn to perform as business professionals through paid summer internships.
SEO Alternative Investments & SEO Career Alum	Our partnership with SEO began in 2018 and provides us with access to a diverse pipeline. Program participants are provided mentorship, intern and career opportunities. Over the past five years, Brookfield has hired ten SEO alums, 50% of whom remain full-time hires with the firm.
MBA Associate Program	Brookfield has partnered with leading business schools to host MBA summer associates through our MBA Associate Program. We engage with the diversity resource groups within the universities to promote our program and encourage a diverse slate of candidates. Brookfield started by hosting two associate MBAs in Infrastructure in 2019 and has grown the program to 11 associates in 2023 across Infrastructure, Private Equity and Real Estate and in various regions, including Toronto, New York, Houston and London. Of the 11 associates we hosted this year, more than 50% are women or part of an ethnically diverse group, of whom 4 (36%) have become full-time hires.

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People Development: Training

We seek to provide a working environment that fosters collaboration and continuous development for our people. All our offices globally are intentionally designed as "open concept" to allow for discussions between all levels of employees. We pride ourselves on a working environment that allows our people to learn every day.

We provide formal training on a wide range of topics, depending on function and level of development. Training topics include manager and leadership training, compliance topics, anti-bribery and corruption, cybersecurity, harassment prevention, positive work environment policy and more. We also provide job-related technical training to maintain or "up-skill" our employees' knowledge. Some examples of these trainings include presentation and business writing skills, negotiation workshops, and Excel and PowerPoint workshops, to name a few.

Another important element of our organization's culture is a strong team environment. Each business group and function facilitates periodic team retreats, offering the opportunity for employees to network with team members, attend educational sessions, and participate in team-building activities. While we place importance on formal training and leveraging external vendors, as required, we pride ourselves on creating stretch opportunities for our employees, giving them hands-on experience and driving an increased sense of responsibility. We support and develop our leaders in these key areas:

- Ensuring the mandate of a leader is clear: We aim to provide a work environment that is conducive to learning and development and one in which people feel supported when stepping outside their comfort zone. This is critical to our success in developing our people.
- Offering training that clarifies the leader's role in creating an environment that supports the continued progression of their team members.
- Providing feedback to our leaders to enhance their development.
- Disciplined talent management processes support our leaders and ensure these processes focus on developing our people.

People Development: Internal Mobility Opportunities

Our grow-from-within talent strategy prioritizes internal mobility to provide opportunities to expand professional experience and enhance collaboration across the business. This includes transfers between geographies, business groups, functions and to or from portfolio companies.

Over the last five years, we have more than doubled our employee population, which means we have many people in new roles. An additional 7% of the average employee headcount has taken on new opportunities under our internal mobility program and approximately 50% of those opportunities were provided to female employees in 2023. In recent years, we launched several new businesses, including the Insurance Solutions channel and Transition businesses, which has led to a large number of opportunities for our people among business groups.

Our grow-from-within talent strategy prioritizes internal mobility to provide opportunities to expand professional experience and enhance collaboration across the business. This includes transfers between geographies, business groups, functions and to or from portfolio companies.

2023 INTERNAL MOBILITY OPPORTUNITIES:

15%	25%	31%	29%
Between Functions	Between Business Groups	To or From Portfolio Companies	Geographic Relocations

Brookfield Place Sydney, Australia

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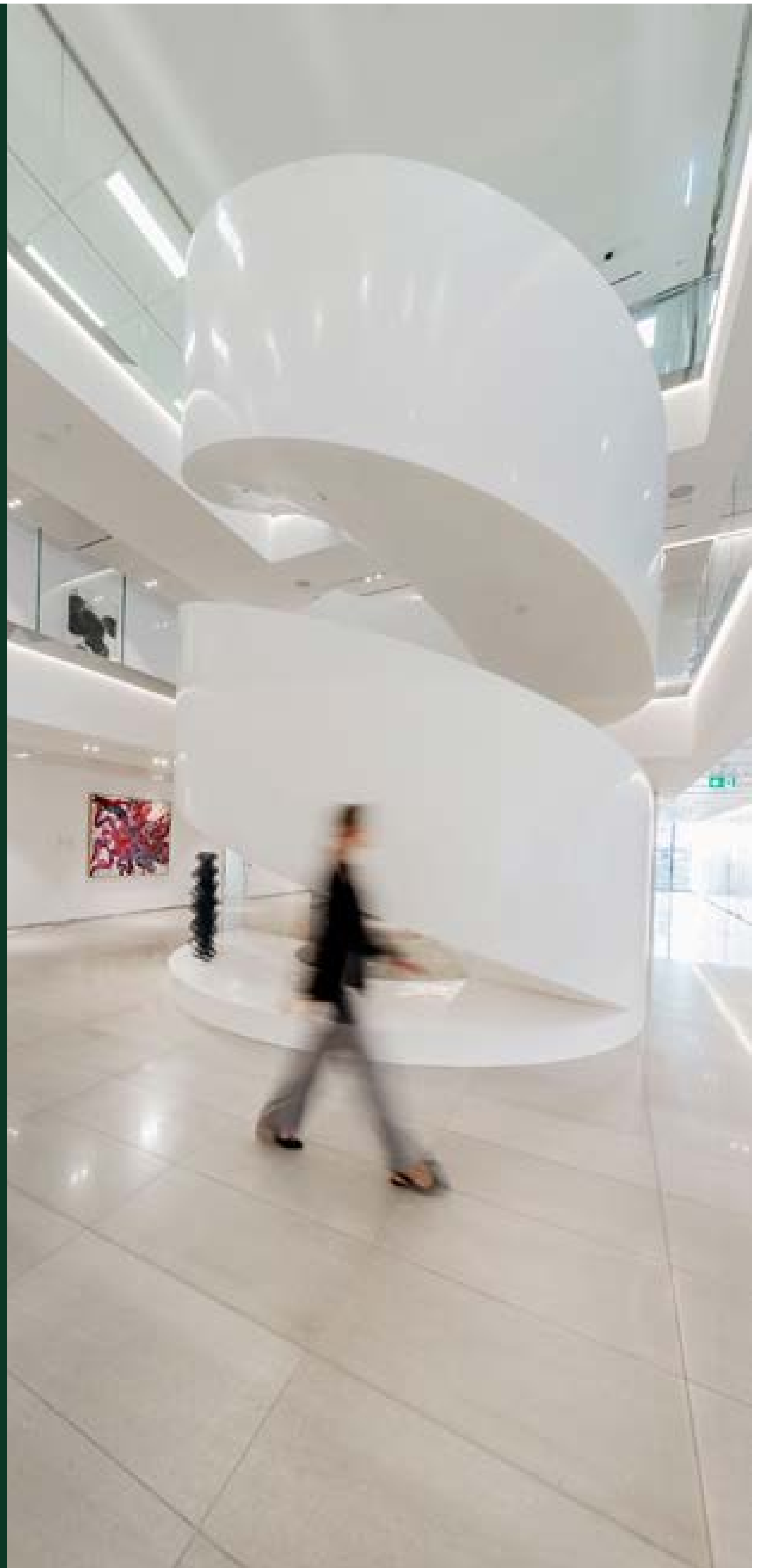
CASE STUDY

Get to Know Our People

One of the ways in which we aim to develop and grow our employees' perspective is through informal interviews with senior leaders of the firm. We have developed several programs including "Get to Know Our People," "If I Could Just Tell You One Thing" and the Board of Directors speaker series. These programs are open to all employees, with interviews taking place in our New York, London and Toronto offices.

The purpose of these series are to showcase how senior leaders have developed their careers at Brookfield, many of whom having held roles in various functions and business groups. Here are a few examples of how some of our employees have moved through the Brookfield Ecosystem.


Brookfield Place Sydney, Australia

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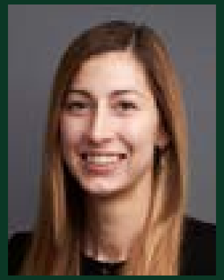


Natalie Adomait

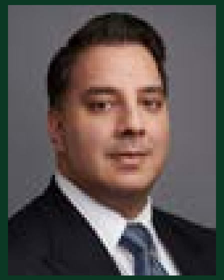
Managing Partner, Brookfield Renewable Power & Transition

Natalie began her career at Brookfield in 2011 as an Associate focused on origination and investment execution for renewable power assets in North America and Europe. She moved to London and into the real estate group in 2016 where she served in a number of roles, including Head of European Portfolio Management, where she oversaw the strategy and growth of Brookfield's real estate business in Europe. In 2021, she moved back to the renewable power & transition group to help establish Brookfield's first flagship transition investing fund and now acts as Chief Investment Officer for the fund.

Connor Teskey

President, Brookfield Asset Management;
Chief Executive Officer, Renewable Power & Transition

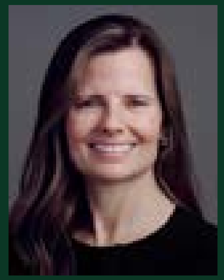
Connor joined Brookfield in 2012 as an Associate in the private equity group in Toronto and went on to hold a variety of investment and management roles. He moved into the renewable power & transition group in London in 2016, helping establish the group's footprint in Europe. After serving as Chief Investment Officer in the renewable power & transition group, in 2020, Connor was appointed CEO of Renewable Power & Transition and launched the flagship Brookfield Global Transition Fund. In 2022, Connor was appointed President of the separately listed Brookfield Asset Management, where he is responsible for strategy and delivery across Brookfield's investment activities.



Anuj Ranjan

Chief Executive Officer, Brookfield Private Equity

Anuj joined Brookfield in 2006 as an analyst on the Toronto M&A team, working on deals across the different Brookfield groups, and spent some time in Brookfield's New York office. He then moved to Mumbai where he established and then led Brookfield's operations in India, before establishing and leading Brookfield's business in the Middle East from our office in Dubai. In 2021, Anuj moved to London responsible for growing Brookfield's private equity group east of the Atlantic, before being named President of the global private equity group in 2022. In early 2024, Anuj was appointed as CEO of the private equity business responsible for the investments, operations and expansion of the group globally, in addition to managing Brookfield's external strategic partnerships.



Hadley Peer Marshall

Chief Financial Officer, Brookfield Asset Management;
Co-Head, Brookfield Infrastructure Debt

Hadley joined Brookfield in 2015 as a Senior Vice President in the infrastructure group where she co-led the establishment of Brookfield's now approximately $9 billion infrastructure debt strategy and was focused on the origination, execution and asset management of Brookfield's Infrastructure debt platform in the Americas. Hadley is now a Managing Partner in Brookfield's infrastructure group and the global co-Head of Brookfield's infrastructure debt and structured solutions businesses. In May 2024, Hadley was appointed Chief Financial Officer of Brookfield Asset Management.

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People Development: Assessing Performance and Potential and Providing Feedback

We continue to add discipline to our process for assessing performance and potential. Brookfield seeks to provide performance criteria for virtually all roles. These criteria clearly define what good performance entails and enable objective and consistent assessments across Brookfield. They also clarify the key indicators required for promotion to the next level.

We provide annual training for leaders on how to assess their team members, mitigate the impact of bias in their assessments and provide constructive feedback that is clear and focused on development. Within certain businesses, and where we feel it is appropriate, an impartial observer may sit in to challenge any blind spots in their assessment of performance.

All leaders conduct annual performance reviews with their team members, providing an opportunity to discuss feedback on prior-year performance, while allowing the opportunity to set priorities for the upcoming year.

The success of Brookfield's apprenticeship model requires continuous on-the-job training and feedback—a key focus area for us.

Strong Alignment of Interest

We believe that strong sustainability management is inextricably linked to the success of a business. We actively look to advance sustainability initiatives and improve sustainability performance in driving long-term value creation throughout the life cycle of our investments. The foundation of Brookfield's business was built from the commitment of our partnership structure, which was carefully created to foster growth and a strong sense of alignment with our clients, shareholders and other stakeholders, and facilitate the firm to share expertise across teams and identify value. Executives of Brookfield hold a substantial portion of their individual investments in Class A Shares of BAM and BN in partnership with one another, as well as stewardship of Class B shares of each. We refer to this as the "Partnership". The Partnership's members include both current and former senior executives and directors of Brookfield and its predecessors. This ownership framework among the Partners has been an important tradition underpinning the culture of BAM and BN for over 50 years.

The Partnership is instrumental in ensuring the orderly management succession of Brookfield, while fostering a culture of strong governance and mutual respect, a commitment to collective excellence and achievement, and a focus on long-term value creation for all stakeholders. We believe that the Partnership promotes decision-making that is entrepreneurial, collaborative and aligned with the long-term interests of Brookfield. The financial strength and sustainability of the Partnership is characterized by a consistent focus on renewal—longstanding members mentoring new generations of leaders and financially supporting their admission as partners. This is a critical component to preserving our culture and vision.

Among solely the current directors and executive officers of Brookfield, collectively, approximately 9% of issued and outstanding Class A shares were owned, controlled, or directed (directly or indirectly) as at March 4, 2024.[1]

In order to foster the long-term stability and continuity of Brookfield, we have established a balanced voting structure, creating a 50/50 voting split between our Class A and Class B shareholders. This structure has been a key factor in our success. Class A shareholders comprise any public shareholder wishing to invest in Brookfield and Class B shareholders consist of Brookfield executives only. Class B shares are held in a trust governed by current and former Brookfield executives. No individual partner can pass on control of the Class B shares to his or her own heirs. This ensures preservation of the stewardship by entrusting it to long-standing and respected leaders who know Brookfield well and believe in its long-term success. Brookfield senior management is expected to increase their personal ownership positions in the Class A shares, exercise restraint in management compensation and continue to create meaningful value for all Brookfield shareholders. The partners impose this arrangement on themselves as part of their ownership responsibilities. Over the years, this ownership structure provided shareholders, institutional clients and debtholders with confidence in the company's consistency of ownership. This structure has been instrumental in creating the company that Brookfield is today.

Our approach to compensation emphasizes an "ownership-like" approach where compensation is weighted to the long term, fostering collaboration among the firm's investment professionals. Employees are encouraged to align their interests with the long-term interests of both Brookfield and our investors, which alignment is then reinforced by Brookfield's substantial commitment to each of our investment funds, ensuring that executives at Brookfield recognize and enact sustainable, productive initiatives that best serve our stakeholders. This forms the basis of our internal understanding of sustainability as a continuous practice supporting the long-term objective of creating value rather than "check-the-box" labels.

We believe that strong sustainability management is inextricably linked to the success of a business. We actively look to advance sustainability initiatives and improve sustainability performance in driving long-term value creation throughout the life cycle of our investments.

[1] This includes shares held by current directors and executive officers of Brookfield pursuant to their proportionate beneficial interests in Class A Shares held by Partners Value Investments L.P. (PVI), Brookfield's escrowed share program and any other securities that are exchangeable into Class A Shares of BN or BAM.

Executive Compensation

Brookfield's approach to executive compensation is designed to reinforce long-term stewardship of the business in line with our goal of creating exceptional value for our shareholders and investors.

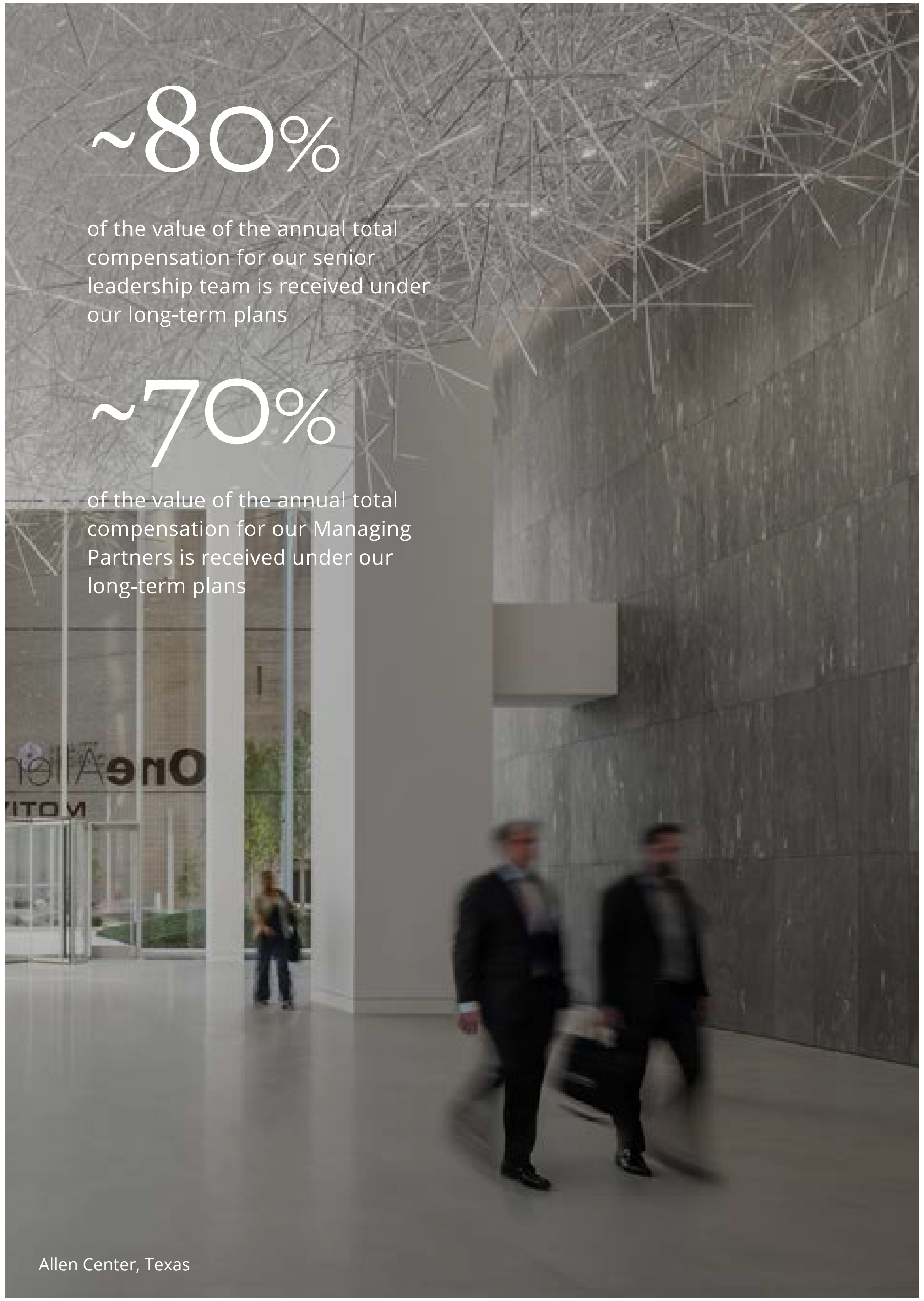
The majority of our executives' total compensation is awarded in the form of long-term compensation, which vests over a five-year period in arrears. This practice supports a strong alignment of interests between management and investors. The Board's Governance, Nominating and Compensation Committee oversees risks related to Brookfield's management resource planning. Consistent with Brookfield Corporation's practices, Brookfield has asked shareholders to cast an advisory vote on the firm's approach to executive compensation on an annual basis (a "Say-on-Pay" resolution), the results of which the Governance, Nominating and Compensation Committee consider when reviewing compensation policies and procedures, and when making decisions. Our executive compensation program is designed to reward only consistent performance over the long term.

ADDITIONAL INFORMATION

Statement of Corporate Governance Practices

Pay Equity

Brookfield believes that all employees should be treated fairly and seeks to ensure that the appropriate processes are in place to support this priority as it relates to the compensation of our people. Brookfield prohibits pay discrimination based on gender or any other classification protected under federal, state or local law. This applies to employees in the same work location who perform substantially equal work that requires a substantially equal skill set, effort, and responsibility performed under similar working conditions. Brookfield ensures that any differences in pay in these cases are based only on legitimate business factors, including but not limited to seniority, merit and past work experience, and never based on employee's gender or status within a protected classification. During our compensation decision-making process, we conduct detailed reviews of compensation decisions to ensure that any differences between level, region and function are justified and supported by legitimate non-discriminatory business factors.



~80%

of the value of the annual total compensation for our senior leadership team is received under our long-term plans

~70%

of the value of the annual total compensation for our Managing Partners is received under our long-term plans

Allen Center, Texas

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Support for Our People: Employee Engagement

We encourage and welcome employee feedback. We connect with our employees in a variety of ways, including direct engagement, events and employee satisfaction surveys. The purpose of these engagements is to share context, receive constructive feedback from employees and identify measures to improve our employees' experiences. Employees also have the opportunity to engage with leadership through several town halls, which we hold in each region.

Brookfield conducted employee surveys in 2018, 2020 and the spring of 2024. Brookfield's employee engagement survey focuses on the following:

- **Overall Employee Engagement:** the extent to which employees are motivated to contribute to organizational success.
- **Job Enablement:** to gauge if employees feel adequately supported to perform their roles effectively.
- **Manager Effectiveness:** feedback on how the manager is perceived to manage both people and their work and the impact this has on engagement.
- **Inclusion:** how much people feel that their ideas, opinions and perspectives are valued and that they are treated with respect.

All employees that have been with Brookfield for over six months are invited to participate in this survey, with our last survey having a response rate of over 90%. Survey results are disseminated by business group, function and geography, and action plans are developed as appropriate.

Employee Benefits and Well-Being

The health and well-being of employees is vital to our success. Brookfield provides a comprehensive benefits package for all our employees. The benefits vary based on local market practice for each location in which we operate. The plans are broadly consistent across all employees, as there is no separate executive plan. These benefits include health benefits, life and disability insurance, retirement savings contribution, parental leave and an employee wellness program, to name a few.

Employee Resource Groups

Brookfield's Employee Resource Groups reinforce an inclusive workplace and sense of community, provide volunteer and networking opportunities, and share best practices globally. These groups are ground-up initiatives—organized regionally by employees based on their shared interests, characteristics or experiences in each office, and represent perspectives of a globally diversified employee base. Each group has a mandate that is clear, aligned with our values, appropriately supported by the organization, and provides opportunities to demonstrate leadership, develop relationships and collaborate.

All employees, whether they identify with a specific resource group or not, are welcome to join any group of their interest. We have a few Employee Resource Groups that are consistent across the globe, including the Brookfield Women's Network, Brookfield Cares and Brookfield (bNext). Where it relates to other elements of diversity, some offices have organized groups that promote diversity in different ways that best support the employee composition of the region. As an example, our larger U.S. offices have groups to support our diverse employee base, including Brookfield Pride and Brookfield Asian Professionals, to name a few, while offices in other regions have chosen to combine interests under broader diversity groups. Please refer to our website for details of our Employee Resource Group offering.

Employee Composition

Our people are Brookfield's most valuable assets. The composition and makeup of our employee base is indicative of the efforts we've placed in ensuring that, as we grow, our people reflect the communities in which we operate.

We recognize that a workforce encompassing a variety of backgrounds is critical to our success and vital to our culture. A diverse workforce not only reinforces Brookfield's core principles, which include a long-term focus, alignment of interests, and collaboration, but also provides for a more dynamic and interesting work environment and supports our efforts to provide equal employment opportunity continuing to attract and retain top talent.

Please refer to Key Performance Metrics for our latest employee composition statistics.

Retention

We continue to benefit from strong retention. Our Managing Partners have worked together for 12 years on average and our senior leadership team has more than 18 years of experience working together. The combination of recruiting the right people and the discipline in our performance assessment process is a key factor in our ability to develop our people and retain strong performers.

Diversity and Inclusion

Our approach to diversity and inclusion is deliberate and integrated into our human capital development processes and initiatives.

Over the past five years, our primary focus has been on gender diversity. Our efforts led to a significant increase in female representation at the senior levels. We have more than doubled our employee population and significantly increased our female representation at the most senior level of the organization during this period—Managing Partner/Managing Director female representation increased from 12% to 22%. In addition, Senior Vice President representation increased from 26% to 35% during this time. The discipline embedded into our recruiting and performance management processes has been instrumental in this progress.

Human capital processes and development activities reinforce the importance of diversity and inclusion in our business. Our succession process includes identifying a diverse slate of candidates and focuses on the development of early career candidates through stretch roles and exposure. Please refer to previous sections on Employee Resource Groups and our Approach to Recruitment for further detail.

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Our People by the Numbers

AS OF APRIL 1, 2024

AT BROOKFIELD, WOMEN COMPRISE:

57% of our independent board directors

33% of all board directors

46% of our overall workforce

29% of Managing Partners, Managing Directors and Senior Vice Presidents

AT OUR PORTFOLIO COMPANIES, WOMEN COMPRISE:

19% of Board of Directors

17% CEOs/heads of businesses

WOMEN REPRESENTED IN PROMOTIONS IN 2023:

41% of all promotions

32% of promotions in investment/finance

55% of promotions in all other functions

17% of our Managing Partner/Managing Director promotions

WOMEN REPRESENTED IN NEW HIRES IN 2023:

49% of all hires

40% of hires in investment/finance

56% of hires in all other functions

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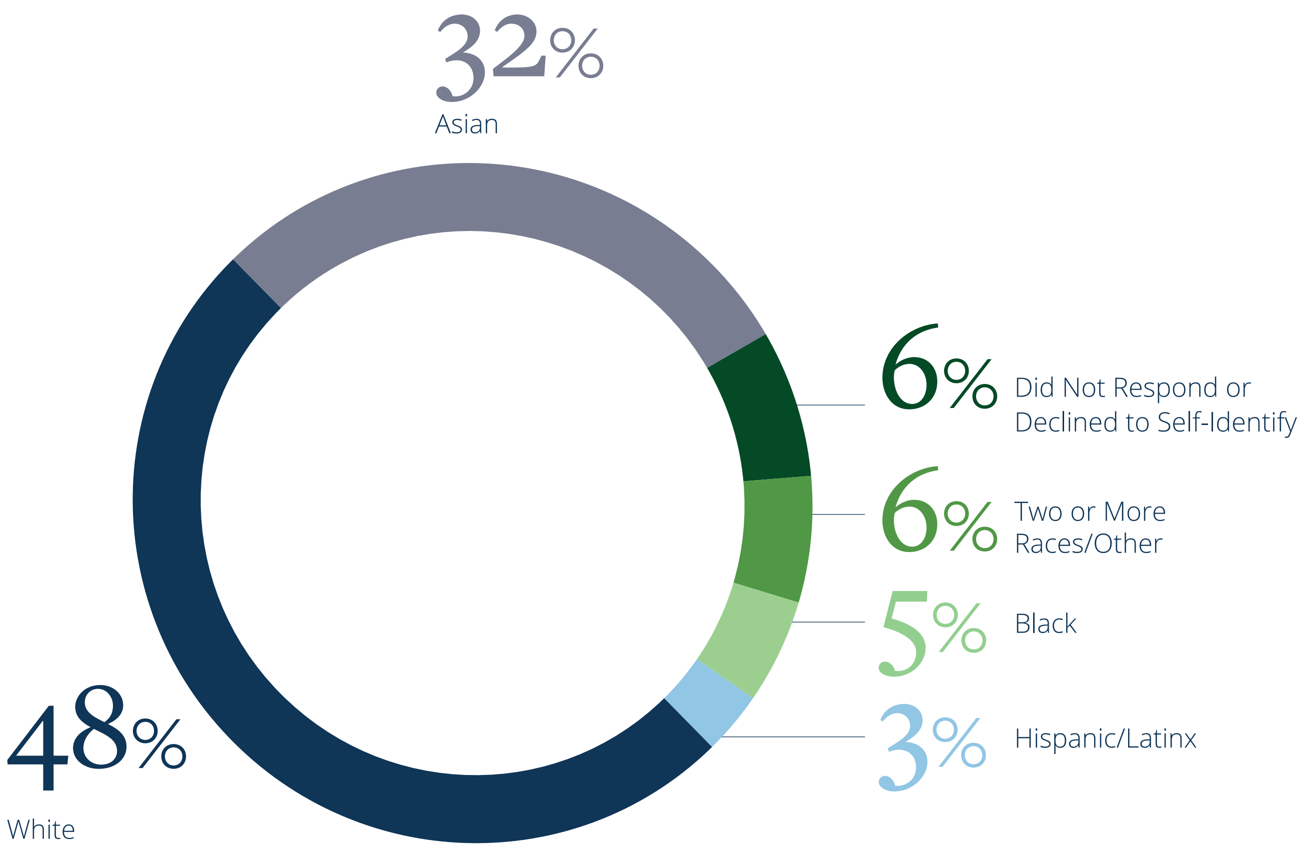
Our People by the Numbers

AS OF APRIL 1, 2024

OVERALL GLOBAL ETHNIC DIVERSITY



IN THE U.S., CANADA, AUSTRALIA AND THE U.K., ETHNIC DIVERSITY REPRESENTS:

41% of our employee population

23% of Senior Vice Presidents and above

33% of the investment team

45% of the operations team

ETHNIC DIVERSITY REPRESENTED IN PROMOTIONS IN 2023:

46% of all promotions

46% of promotions in investment finance

46% of promotions in all other functions

28% of Managing Partner/ Managing Director promotions

CASE STUDY

Jump Starting Female Trade Careers

Our portfolio companies support the development, advancement and inclusion of women in traditionally male-dominated roles within trade industries. Several of our portfolio companies have developed programs that help to support women in pursuing a trade career.

Our Private Equity's construction operation, Multiplex, is jump starting female trade careers through its Multiplex Jump Start program, which was developed to educate female high school students about careers in the construction trade. The program was designed by female employees at Multiplex and intends to inform and inspire young women to start a trade career.

The program, which is available to female students in their last two years of high school, is delivered through a range of workshops, career events and site walks. The program offers opportunities to learn about multiple trade careers, including electrical, plumbing, carpentry and site supervision. Multiplex offers career and work experience opportunities to the students who are interested in continuing their pursuit of a trade career with Multiplex or their subcontractors. This program has helped empower young females to have confidence in pursuing a trade career.

Brookfield Infrastructure's Global Data Center business, Compass, has produced a podcast series called, "Extending the Ladder," which is aimed at empowering the next generation of women leaders in science, technology, engineering and mathematics (STEM), a traditionally male-dominated space. Podcast discussions have included Women in Construction Management, Paving the Way for Women in Skilled Trades, Empowering Women in STEM and Bringing the Next Generation into Construction, to name a few. The podcast features women speakers who have built their careers in the STEM industry.

Through these programs, our portfolio companies are helping to close the gender gap in predominantly male fields and ensuring that diverse perspectives and ideas are heard.

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Multiplex, Australia

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Prioritizing Occupational Health and Safety

Managing health and safety risk is an integral part of the management of our business. Our goal is to have zero serious safety incidents.

We have implemented a health and safety governance initiative to propagate a strong health and safety culture, encourage the sharing of best practices, and support the continuous improvement of safety performance to help eliminate serious safety incidents. The initiative is overseen by the Safety Leadership Committee, which comprises senior operations executives from across our business groups and regions. Portfolio company management is responsible for ensuring that their company's health and safety policies and systems are developed, operationalized, and reviewed regularly to address their specific risk areas. Portfolio company CEOs report to their respective board of directors on safety performance, incidents, and the status of improvement initiatives. Reports on overall health and safety trends and key initiatives are also provided to the Brookfield Board as part of the quarterly operational risk update.

Health and Safety Principles

To achieve our goal of zero serious safety incidents, Brookfield has adopted a common set of health and safety principles, which guide the health and safety practices of our portfolio companies:

- Senior executives are accountable for the health and safety of their individual businesses.
- Systems are tailored to company-specific risks and integrated into the management of the business.
- Performance is measured and systems are reviewed regularly to identify areas for improvement.
- Policies and procedures apply to employees, contractors and subcontractors, and take into consideration the protection of the public in general.
- Training programs are implemented to ensure that employees have the necessary skills to conduct their work safely and efficiently.
- Senior leadership of each business is responsible for conducting an in-depth investigation of serious safety incidents to determine root causes and formulate remediation actions.
- Transparency and learning from experience and sharing best practices are promoted to continuously improve systems and performance.

~2.7M

hours of occupational health and safety training completed across Brookfield's portfolio companies

VLI, Brazil

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Smoky Mountain Santeetlah, Tennessee

Health and Safety at Our Portfolio Companies

Portfolio company management is responsible for ensuring that their company's health and safety policies and systems are developed, operationalized, and reviewed regularly to address their specific risk areas. Portfolio company CEOs report to their respective board of directors on safety performance, incidents, and the status of improvement initiatives.

Examples of portfolio company health and safety initiatives and key practices include:

- Workshops on hazard and risk identification and assessment processes.
- Training on job planning procedures and use of personal protective and other safety equipment.
- The ability of workers to "stop work" on a site, if there are any health and safety concerns.
- Reporting hotlines that allow for anonymous reporting of health and safety concerns.
- Joint health and safety committees, where workers provide input on health and safety programs.
- Access to resources and assistance related to mental health.
- Leveraging technology to improve safety.

CASE STUDY

Leveraging Technology to Improve Health and Safety Risks

Several of our portfolio companies are leveraging the use of technology to improve health and safety risks at their companies.

Brookfield Infrastructure's Australian Rail business, Arc Infrastructure (Arc), has built a sophisticated virtual representation of Western Australia's 5,500 km freight rail network infrastructure and assets, called "Digital Twin." By using data analytics and visualization to make operational data more accessible to Arc, Digital Twin has improved Arc's ability to:

- Perform critical risk assessments on its assets and allocate investment accordingly
- Determine what maintenance and renewals are required across the network
- Forecast the work and residual risk profiles of asset health

The tool has also significantly reduced the workload for field inspection, which in turn has reduced employees' risk exposure in the field. The Digital Twin was short-listed for multiple awards at the Australasian Rail Industry Awards in both 2022 and 2023.


ARC Infrastructure, Australia

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Canary Wharf, United Kingdom

Local Community Engagement

We are dedicated to engaging with and providing value to the communities in which we operate. We believe having transparent and well-established relationships with communities and other local stakeholders is key to successfully developing and operating our facilities. Stakeholders can include communities, landowners, business owners, municipalities, NGOs or others potentially affected by or interested in our operations. We seek to work with local stakeholders to ensure that their interests and safety are appropriately integrated into our decision-making, developments and operations.

Our approach to community engagement is bottom-up. Our portfolio companies implement engagement plans that suit their individual communities' needs. We help support local communities in key areas, such as economic development, education and health and well-being. We foster open dialogue, striving to create an environment where community members feel comfortable expressing their needs and expectations, working to incorporate community feedback into our business practices. We recognize the importance of developing and maintaining strong relationships with Indigenous communities and respect that each Indigenous community has its own distinctive culture, traditions, values and aspirations. We value consultation and communication with Indigenous peoples regarding project development and operations. This approach leads to bespoke, impactful and successful initiatives that will have positive impacts for each community.

Employees serve local communities through volunteer work. These volunteering efforts reflect our employees' dedication to supporting positive, sustainable change in the communities in which we operate. In 2023, Brookfield contributed approximately 11,900 volunteer hours across its offices to support communities and encourage strong relationships with organizations around the world.

CASE STUDY

Local Solutions for Local Challenges

Each of our portfolio companies are empowered to develop community-related strategies and programs in collaboration with local businesses, bringing regionally specific experience and knowledge. One of Brookfield Renewable Power & Transition's portfolio companies, X-ELIO, its solar developer in Spain, has excelled in this, identifying and developing several programs with the aim of enhancing the local communities where they operate.

Improving Local Health

In Mexico, X-ELIO saw an opportunity to improve local health with renewable energy, reducing the reliance in the community to indoor wood and coal burning cooking stoves that present inhalation and pollution risks for the community. X-ELIO partnered with Instituto Tecnológico Superior de Perote (ITS Perote) to help residents build, implement and train locals in employing semi-fixed and portable low-cost solar cookers that use recycled materials, reducing reliance on solid fuels and minimizing indoor air pollution. X-ELIO and ITS Perote together created 33 semi-fixed parabolic cookers and 330 portable prototypes. Additionally, ITS Perote hosted three workshops on constructing fixed solar cookers. The project has helped an estimated 18,320 inhabitants, with an indirect impact on 115,416 residents across three municipalities.

Filling the Skills Gap

As the global economy rapidly shifts into new technologies and sustainable solutions to support the global transition to net zero, there is a need for skilled, experienced workers to develop, construct and operate low-carbon assets and support the communities where these projects operate.

X-ELIO identified that local residents lacked the necessary training to work in solar photovoltaic (PV) plants, and there was an opportunity to work with the community. It offered four free certified courses on PV Projects Installation and Construction Works Risks and Preventive Measures. More than 40 local people took part and obtained the qualifications, which are necessary for employment in the solar PV industry—a key industry for the region.

By working closely with educational institutions, we can help to support healthier communities and build key skills for job opportunities for community members.

By working closely with educational institutions, we can help to support healthier communities and build key skills for job opportunities for community members.

X-ELIO, Chile

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Human Rights and Modern Slavery

We continue to raise awareness and commit to providing human rights training to new employees who participate in our investment advisory business and those in high-risk roles.

In relation to human rights, as part of our due diligence process and ongoing management, we give consideration to the Organization for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises and the United Nations Guiding Principles on Business and Human Rights. We are committed to conducting our business in an ethical and responsible manner, including by carrying out our activities in a manner that respects fundamental human rights and supports the prevention of human rights violations within our business, including but not limited to:

1. operating with leading health and safety practices to support the goal of zero serious safety incidents;
2. striving to ensure that the interests, safety and well-being of the communities in which we operate are integrated into our business decisions;
3. aimed at:
   a. the elimination of discrimination in employment;
   b. the prohibition of child and forced labor; and
   c. the eradication of harassment and physical or mental abuse in the workplace.

We strive to embed this into our core business activities, including training, communications, contracts and due diligence processes set out in our Human Rights and Anti-Modern Slavery Policy (Human Rights Policy), Sustainability Due Diligence Protocol and Vendor Management Program.

Integrity, fairness and respect are hallmarks of our culture, including carrying out our activities by respecting fundamental human rights and our efforts to identify and prevent human rights violations within our business and supply chain. We are committed to policies aimed at maintaining a workplace free of discrimination, violence and harassment, and we expect our staff to act in a way which promotes a positive working environment. Our Human Rights Policy aims to codify our approach to minimizing the risk of modern slavery within our business and supply chain. We also have specific processes aimed at identifying human rights and modern slavery as part of due diligence for new investments, which include risk assessments, remedies, training and governance. The human rights and modern slavery specific annex to our Sustainability Due Diligence Protocol is intended to support our investment teams in identifying the nature and extent of exposure to human rights violations. Investment teams are required to maintain records of assessed risks and, where appropriate, we perform deeper due diligence, working with internal experts and third-party consultants as needed.

In addition, our Human Rights Policy consolidates the relevant commitments set out in Brookfield's Code of Conduct, Sustainability Policy, financial crimes policies, and Whistleblowing Policy. We also have several additional policies and procedures that provide guidance on the identification of human rights and modern slavery risks and the steps to be taken to mitigate these risks.

We continue to raise awareness and commit to providing human rights training to new employees who participate in our investment advisory business and those in high-risk roles. We place importance on creating a culture that promotes high standards of ethical behavior as well as the protection of human rights.

We are cognizant of the fact that the risks of human rights violations, modern slavery and human trafficking are complex and evolving, and we will continue to work on addressing these risks in our business.

The U.K. Modern Slavery Act 2015, the Australian Modern Slavery Act 2018 and the Canadian Fighting Against Forced Labour and Child Labour in Supply Chains Act 2023 (together, the "MSA") require certain Brookfield entities to publish the steps taken to identify and mitigate the risks of slavery and trafficking in their business and supply chains in the U.K., Australia and Canada, as appropriate. In accordance with the MSA, an annual statement is made publicly available on our website.

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Vendor Code of Conduct

Modern Slavery Statement

Anti-Money Laundering and Trade Sanctions Policy

Whistleblowing Policy

Positive Work Environment Policy

CASE STUDY

Driving Change in Human Rights in the Supply Chain

In the renewable energy sector, supply chains involve multi-tiered international streams with precious and mined materials and manufacturing processes. There is growing concern over human rights risks within the supply chain and the challenge is how to assess, mitigate and remedy these risks in a large, complex, global supply chain. To address these risks, Brookfield Renewable Power & Transition has developed processes to support mitigation and is involved in industry-wide initiatives.

Brookfield Renewable Power & Transition includes guidance within its Supply Chain Sustainability Due Diligence Guidelines on the increased measures for vendors involved in high risk for forced and child labor supply chains, such as solar panel manufacturing. It also conducted an enhanced human rights-related assessment for this technology. Brookfield Renewable Power & Transition is part of several industry working groups looking at this topic and in 2023, participated in a cross-industry working group including the automotive and electronics sectors to facilitate learning from a geographically diverse group of businesses, identify and refine practices in the management of forced labor risks in high-risk geographies, and support innovation. This work has helped to build cross-industry understanding of approaches to effectively manage relationships with suppliers on the ground, applying promising approaches to map and trace supply chains. The outcomes from the assessment, which include understanding the mechanism required to support greater traceability as well as opportunities for improvement for businesses, have been shared across Brookfield Renewable Power & Transition operating businesses and incorporated into its processes as relevant.

It is also a member of Solar Power Europe and supports initiatives including the Solar Stewardship Initiative, which is working to develop a responsible, transparent and sustainable solar value chain. It also supported the adoption of an industry-wide traceability protocol to identify the source of primary raw materials and inputs and track their incorporation into finished solar panels.

Going forward, Brookfield Renewable Power & Transition will continue building on its human rights programs and work directly with its supply chain and industry associations to enhance traceability across its supply chain.

X-ELIO, Australia

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Corporate Governance and Business Ethics

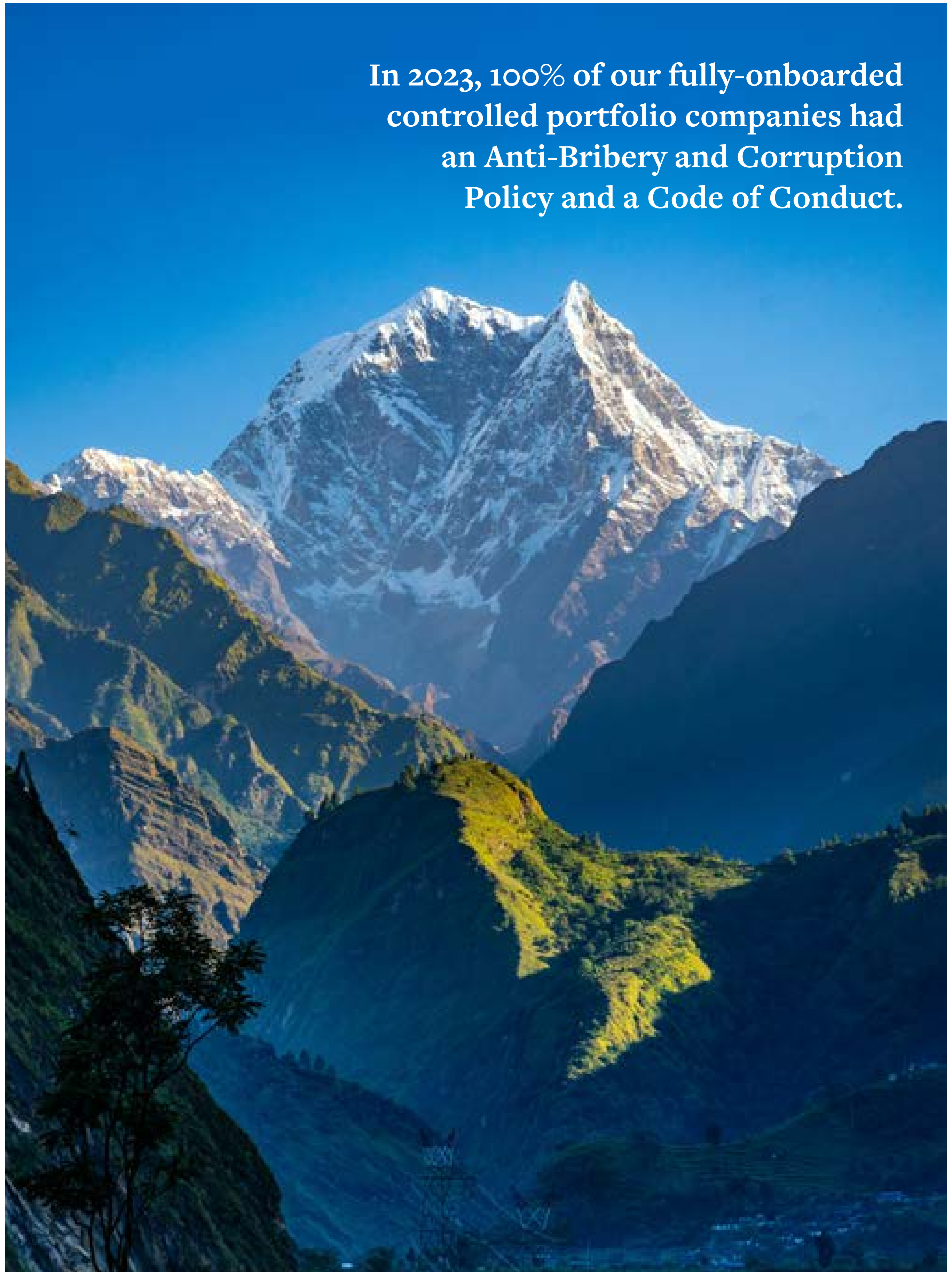
Strong governance is essential to sustainable business operations, and we aim to conduct our business according to the highest ethical and legal standards. Our governance practices are the foundation upon which we operate our business.

We continue to adapt and enhance our policies to meet evolving standards and regulations in our industry, including legislation, guidelines and practices in all jurisdictions in which we operate. Key regulations include the E.U. Sustainable Finance Disclosure Regulation, E.U. Taxonomy Regulation and the U.K. TCFD; and key reporting standards and frameworks include the International Sustainability Standards Board (ISSB) Sustainability Reporting Standards. We seek to continuously improve and refine our processes by actively participating in the development and implementation of new industry standards and best practices. Our corporate governance policies and practices are comprehensive and consistent with the guidelines for improved corporate governance in Canada adopted by the Canadian Securities Administrators and the Toronto Stock Exchange, as well as the requirements of the U.S. Securities and Exchange Commission, the New York Stock Exchange, and the applicable provisions under the U.S. Sarbanes-Oxley Act of 2002. We continuously assess our governance practices and disclosures with specific attention to evolving Canadian and U.S. guidelines, as well as developments in other jurisdictions in which we operate.

Brookfield is committed to conducting its business activities with honesty and integrity, and in compliance with applicable legal and regulatory requirements. Our Vendor Code of Conduct sets out our expectations of vendors that provide goods or services to Brookfield, including, where applicable, to have the necessary policies and procedures in place to support such commitments within their supply chain. The following policy areas provide guidance for vendor engagements, to the extent applicable:

- Anti-bribery and corruption,
- Data protection,
- Enterprise information security,
- Anti-money laundering and trade sanctions and
- Human rights and anti-modern slavery.

Strong ethical practices are core to our operating philosophy. Honesty, integrity and respect are important elements of our Code of Business Conduct and Ethics (Code of Conduct).



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In 2023, our portfolio companies completed ~215,000 hours of ABC training.

We conduct our activities to comply with all applicable legal and regulatory requirements, and in accordance with our Code of Conduct. Our Code of Conduct applies to all Brookfield directors, officers, employees and temporary workers, wholly owned subsidiaries, and certain publicly-traded controlled affiliates who have not adopted their own Code of Conduct or other policies that are consistent with the provisions of Brookfield's Code of Conduct.

Our Code of Conduct outlines expectations with respect to:

- Acting responsibly in our dealings with stakeholders;
- Protecting the firm's assets, resources and data;
- Managing conflicts of interest;
- Providing a positive work environment for our employees;
- Ensuring accuracy of books and records and public disclosures; and
- Complying with laws, rules, regulations and internal policies.

The Board annually reviews the Code of Conduct and considers any necessary changes in the firm's standards and practices.

Brookfield is committed to an environment where open and honest communications are the expectation, not the exception. A significant component of fostering a positive work environment is ensuring multiple means by which employees are able to raise concerns both informally (by fostering a culture of respect, openness and collaboration), and formally (through a reporting hotline that permits anonymous reporting). Our Whistleblowing Program encourages employees to raise concerns as soon as possible and to feel safe in doing so.

We have a zero-tolerance approach to bribery, including facilitation payments. We mandate that all Brookfield employees complete annual anti-bribery and corruption (ABC) training and certify their compliance with our ABC Policy. In addition, ABC considerations are integrated into our investment due diligence and onboarding processes, as outlined in our ABC Program.

Our reporting hotline, managed by an independent third party, is available 24 hours a day, seven days a week to facilitate the anonymous reporting of suspected unethical, illegal or unsafe behavior.

In addition to Brookfield's reporting hotline, we require all portfolio companies in which we have a controlling interest to adopt an appropriate Code of Conduct. We also require portfolio companies to implement a reporting hotline that is accessible to full-time employees, contractors and temporary workers, typically within six months of acquisition. In addition to the ongoing and timely independent review of employee reports, any significant hotline reports are reported to Brookfield's senior management and relevant committees of the Board on a quarterly basis at a minimum.

ADDITIONAL INFORMATION

- Code of Business Conduct and Ethics
- Anti-Bribery and Corruption Program
- Anti-Money Laundering and Trade Sanctions Program
- Personal Trading Policy
- Business Continuity and Crisis Management Plan
- Whistleblowing Policy
- Disclosure Policy
- Majority Voting Policy
- Tax Governance Framework
- Tax Risk Management Policy
- Clawback Policy
- Additional Governance Documents

Responsible Labor Practices

Brookfield is committed to conducting our business activities with honesty and integrity and in compliance with applicable legal and regulatory requirements. We continuously strive to achieve excellence with respect to our contracting practices because we believe that adequately compensated and trained workers, operating in fair working conditions deliver high-quality products and services.

We expect anyone that provides goods or services to Brookfield[1] ("Vendors") to adhere, at a minimum, to ethics and compliance commitments similar to those set out in Brookfield's Vendor Code of Conduct ("Code"), and to have the necessary policies and procedures in place to support such commitments within their supply chain. Brookfield expects its Vendors to:

- Provide a safe and secure workplace for employees, contractors, and representatives that complies with all applicable health and safety laws, regulations, and practices.
- Provide fair compensation, fair benefits, overtime pay, time off, breaks, leave, and holidays in the context of local market factors that, at a minimum, comply with applicable laws and regulations, including those pertaining to withholding taxes, minimum wage, labor relations, insurance, and health and occupational safety. Wage deductions will not be used as a disciplinary measure.
- Provide training as necessary to ensure personnel have the required skills and certifications to perform the assigned work.
- Adhere to age-related standards set by the International Labor Organization and not use child labor or any form of forced[2] or involuntary labor.
- Provide a workplace free from discrimination and harassment, whether on the basis of gender, age, disability, ethnicity or cultural affiliation, sexual orientation, belief, educational background or any other basis prohibited by applicable law.
- Respect the right for freedom of association unless restricted under local law, without fear of discrimination or reprisal.

Our business groups' policies, which include responsible contractor policies or vendor codes of conduct, outline the procedures for selecting contractors and subcontractors (collectively, "contractors") or vendors for required services.

[1] Brookfield means Brookfield Asset Management Ltd., Brookfield Asset Management ULC and their wholly owned subsidiaries (a "Brookfield Subsidiary") excluding operating and portfolio companies or entities that do not trade under the name Brookfield. The Code does not apply where a Brookfield Subsidiary has adopted its own vendor code and/ or other policies that are consistent with the provisions of the Code.

[2] Forced labor includes the transportation, harboring, recruitment, transfer, receipt, or employment of persons by means of threat, force, coercion, abduction, fraud, or payments to any person having control over another person for the purpose of their exploitation.

Wind Farm workers in Ireland

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X-ELIO, Japan

Data Privacy and Security

We have a responsibility to our stakeholders to protect their personal data.

Data Privacy

Brookfield's data protection program complies with applicable legal and regulatory requirements, including the European General Data Protection Regulation (GDPR) and the California Consumer Protection Act (CCPA).

Our data protection and cybersecurity due diligence checklist is designed to assess counterparties' data protection and cybersecurity maturity and compliance with applicable legal and regulatory requirements.

Employee Awareness

Employees are required to attend regular data protection awareness training, which covers:

• The type of information Brookfield possesses;

• The importance of using—and retaining—this information only for the business purpose intended; and

• How to secure this information.

Brookfield employees are required to comply with all applicable data protection and privacy laws. An incident of employee non-compliance with our policy or unauthorized use or disclosure of confidential information may result in disciplinary action, which can include termination of employment.

Cybersecurity

Our data security program, overseen by our Chief Information Security Officer and Audit Committee, seeks to protect the security of both Brookfield's data and that of our shareholders and other stakeholders. Our policies and procedures cover topics including security governance, security awareness, employee training, relevant access and end point security, vulnerability management, penetration testing, security monitoring and incident response.

Our IT Advisory Committee oversees our cybersecurity functions and ensures that our program aligns with industry best practices and meets a high standard across all our businesses. We use automated technologies to optimize our security risk detection and response capabilities, in addition to access controls and anti-malware protections.

Our auditing and cybersecurity practices align with the National Institute of Standards and Technology (NIST) Cybersecurity Framework. We review and update our cybersecurity program annually and conduct regular external-party assessments of our program maturity based on the NIST Cybersecurity Framework. We also regularly engage with third-party assessors to evaluate the strength of our program through penetration and/or ethical hacking exercises. All employees regularly undergo mandatory continuing cybersecurity training. Employees in higher-risk functions receive additional training and cybersecurity awareness education. Audits, cybersecurity simulations and employee testing results indicate that our program is effective in protecting our stakeholders' information.

In 2023, we undertook initiatives to further enhance our data protection and threat-intelligence capabilities, and to improve our processes for third-party risk management. Finally, in addition to continued mandatory cybersecurity education for all employees, we enhanced our phishing simulations to include more advanced simulations and social engineering.

~186,000

cybersecurity training hours provided across Brookfield's portfolio companies

ADDITIONAL INFORMATION

Website Data Protection Policy and Privacy Notice

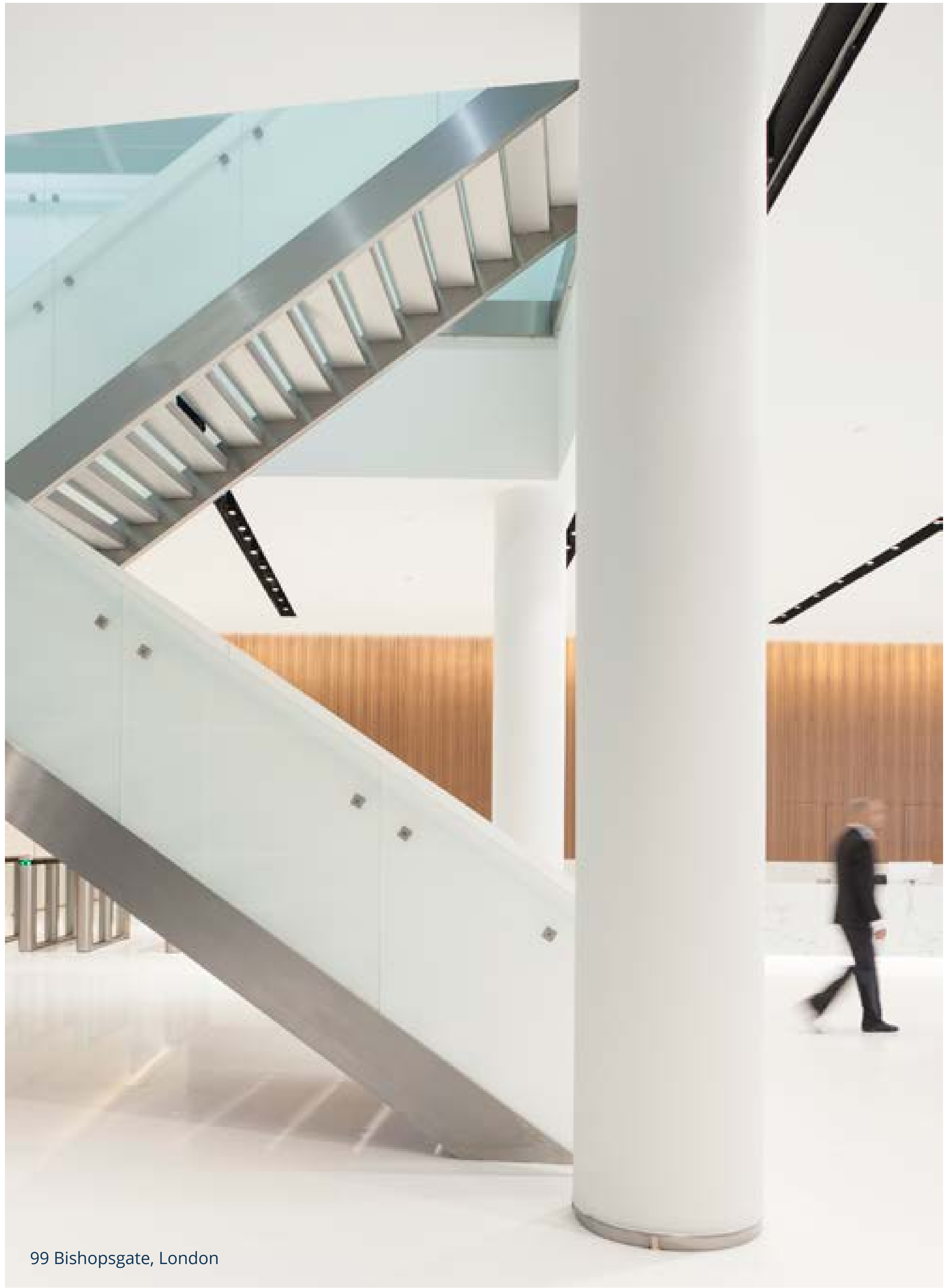
Responsible Product Marketing and Governance

Brookfield seeks to foster and maintain a reputation for honesty, openness, trust, integrity and professionalism. The confidence and trust placed in Brookfield by our clients and investors is something we value greatly and endeavor to protect. In many respects, our reputation is our most vital business asset. Accordingly, all our activities should be conducted with honesty and integrity and in compliance with applicable legal and regulatory requirements.

Brookfield is committed to preventing its business from being used for money laundering, terrorist financing and related financial crimes activities, and to complying fully with applicable anti-money laundering laws, regulations and related requirements, including economic and trade sanctions administered and enforced by governments and other bodies, such as the sanctions programs and designated sanctions lists administered by the U.S. Department of the Treasury's Office of Foreign Assets Control. To this end, Brookfield has adopted an anti-money laundering and trade sanctions program that must be strictly adhered to.

The Chief Executive Officer of our Global Client Group, in partnership with our Legal and Compliance teams, is responsible for ensuring that all client-facing activities under their supervision are carried out in accordance with our policies. Our team of approximately 200 client service professionals across 18 global offices facilitates the sharing of information and responding to queries regarding our investment strategies. We have also established the Brookfield Diligence and Investor Portals to securely share this information with qualified investor contacts. Client service professionals are required to comply with the policies and procedures outlined in the Brookfield Private Advisors LLC Compliance Policies and Procedures Manual and follow applicable regulatory requirements, which may include registration with the Financial Industry Regulatory Authority (FINRA).

Brookfield maintains Guidelines for the Preparation & Use of Advertisements and the Engagement of Promoters in connection with Marketing Activities. It outlines Brookfield's procedures for the preparation and use of marketing materials used in connection with our investment advisory services. In keeping with these Guidelines, we seek to ensure that any marketing materials shared with prospective investors regarding marketing Brookfield's funds adhere to applicable securities laws and regulations.



99 Bishopsgate, London

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Seridó Wind Farm, Brazil

Material Topics and Stakeholder Engagement

About This Report

This report covers Brookfield's sustainability-related activities between January 1, 2023 and December 31, 2023, unless noted otherwise. In determining the most important topics to our business, stakeholders and the industry, we utilize the Global Reporting Initiative (GRI) standards and the Sustainability Accounting Standards Board (SASB) standards for Asset Management & Custody Activities.

We believe GRI and SASB currently provide meaningful guidance for our business to communicate and demonstrate accountability for sustainability matters affecting Brookfield's operations and our potential positive and negative impacts on the economy, environment and people. This report also contains our disclosures consistent with the TCFD's recommendations. We continue to review our annual reporting and aim to enhance our disclosures in line with evolving best practices to offer greater transparency into our programs and performance. We have initiated materiality assessments in line with the latest disclosure regulation in the jurisdictions where we operate. Throughout this report, we may refer to the term "material" and define it as potentially having a direct, substantial impact on the ability to create or preserve economic, environmental and/or social value for our businesses and their stakeholders.[1]

Materiality Assessment Methodology

Brookfield operates globally across diverse industries and sectors. As a result, material topics vary in relevance across business groups. We conducted a materiality assessment leveraging feedback from our business groups, leaders across the organization, investors and other external experts. Our materiality assessment is reviewed annually by Senior Management. We recognize that the impacts of Brookfield's corporate operations are comparatively minimal relative to those of our portfolio companies within each business group. Therefore, we aim to include topics relevant to our corporate operations and across our portfolio companies.

Environmental

We value and assign resources toward measuring our environmental impacts, transparently reporting our progress and reducing any potential negative impacts over time. In working toward our net-zero ambition, we are increasingly focused on the measurement of climate-related indicators and evaluation of our progress against past performance. Measurement is integral to managing climate-related risks and opportunities across our businesses. Our established procedures include reporting our environmental impact data, and we are working to continuously improve the quality and level of detail in our disclosures.

As a global investment firm, the majority of our direct operations are office-based and, as a result, our environmental impacts from our corporate operations are relatively small. Therefore, the majority of our GHG emissions relate to our investments. Aligned with our net-zero ambition, the firm is focused on mitigating risks and seizing opportunities, where we have the ability to control or significantly influence outcomes, to facilitate a smooth transition to net zero. We believe the following environmental topics are most material across Brookfield:

- Emissions
- Energy
- Biodiversity*
- Water and Effluents*
- Waste*

**We have identified these topics to be most material within our business groups.*

Economic

Brookfield's history of owning and operating real assets and related businesses has taught us to leverage our operational expertise to enhance or preserve the value of our investments. Our business philosophy prioritizes a long-term perspective, which reinforces supporting our portfolio companies' ability to operate in a sustainable and ethical manner. We believe the following economic topics are most material to Brookfield:

- Economic Performance
- Anti-Corruption
- Tax

Social

Throughout our operations and asset management activities, we seek to support and treat with respect the communities in which we operate. Whether in our dealings with employees or investors, local community members or third-party vendors, the safety and well-being of those interacting with Brookfield's portfolio companies is a priority. Within our corporate operations, we seek to enact leading human capital development practices as we support our people's long-term success and professional development. As a result, we believe the following social topics are most material to Brookfield:

- Diversity and Equal Opportunity
- Employment
- Training and Education
- Customer Privacy
- Transparent Information & Fair Advice for Customers
- Occupational Health and Safety*
- Forced or Compulsory Labor*
- Local Communities*

**We have identified these topics to be most material within our business groups.*

[2] The word "material" should not be equated to or taken as a representation concerning "materiality" of any particular sustainability factor under U.S. federal securities laws or any similar legal or regulatory regime globally.

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Stakeholder Engagement

Brookfield is one of the largest owners and operators of real assets globally. Our businesses operate across asset classes, creating a global network that is the Brookfield Ecosystem. This provides us with insights into global trends, and we seek to use this information to guide our investment decisions, adding value to our assets and businesses over the long term.

We engage with various stakeholders to help inform and improve our sustainability strategy, encourage sound practices at our portfolio companies, maintain resiliency and create long-term value for our investors. See Integrating Sustainability into Our Investment Process for further detail.

Through our comprehensive communications program, our stakeholders receive regular updates on our performance and progress toward our goals. This includes meetings, webcasts, annual filings, press releases and published reports such as our annual report and quarterly interim reports. This information and more can be found on our website, as well as our investor portal. We strive for full transparency and make designated employees available to communicate with investment analysts, rating agencies, media and other stakeholders.

When collaborating with external stakeholders, including industry organizations, we encourage our business groups to participate in knowledge-sharing practices. This can be facilitated through our previously mentioned Sustainability Affiliations and Partnerships or directly through Brookfield-coordinated engagements.

BROOKFIELD'S STAKEHOLDERS AND METHODS OF ENGAGEMENT

Shareholders	• Investor Day • Earnings Calls	• One-on-one meetings • Annual shareholder meetings
Limited Partners	• Investor conferences and events • Quarterly and annual reporting	• Thematic webcasts and ad-hoc presentations
Employees	• Dedicated Sustainability Management employees • Sustainability training across functional teams	• Sustainability resources available on Brookfield's intranet • Employee resource groups
Communities and the public	• Annual Sustainability Report, including Task Force on Climate-related Financial Disclosures (TCFD) reporting • Principles for Responsible Investment (PRI) reporting	• Environmental thought leadership and Brookfield Perspectives podcasts • Relations with community stakeholders and government agencies
Portfolio Companies	• One-to-one engagement with business group sustainability professionals • Quarterly and annual KPI data collection and review	• Value creation plans • Board meetings

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Key Performance Metrics

BROOKFIELD METRICS	UNIT	TREND	2023	2022	2021	2020	2019
Full-Time Employees	FTE	↓	2,690	2,708	2,380	1,854	1,615
Female Full-Time Employees	%	↑	46%	45%	46%	45%	45%
Female SVPs and Above	%	↑	29%	28%	27%	22%	16%
Female Board Directors (Full)[1]	%	—	33%	33%			
Female Board Directors Independent[1]	%	—	57%	57%			

ETHNIC DIVERSITY GLOBALLY	UNIT	TREND	2023	2022	2021
White	%	↓	48%	50%	52%
Asian	%	↑	32%	29%	28%
Black	%	—	5%	5%	4%
Hispanic/Latinx	%	—	3%	3%	3%
Two or More Races/Other	%	—	6%	6%	7%
Did Not Respond or Declined to Self-Identify	%	↓	6%	7%	6%

ETHNIC DIVERSITY	UNIT	TREND	2023	2022	2021
Full-Time Employees	%	↑	41%[2]	40%[2]	39%
SVPs and Above	%	↓	23%[2]	27%	22%
Investment Team	%	↑	33%[2]	31%[2]	29%
Operations Team	%	↑	45%[2]	43%	44%

Note: Diversity metrics are as of 4/1/2024 and represent our asset management and investment professionals.

[1] The Brookfield Asset Management Ltd. Board of Directors was formed in 2022.

[2] In Australia, Canada, the U.K. and U.S.

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Brookfield Corporate Operations and Portfolio Company KPIs

BROOKFIELD METRICS[1]	UNIT	TREND (2022-2023)	2023	2022	2021	2020	2019
Environmental Metrics							
Organization							
Offices Reported	#	↑	56	50	51	54	55
Greenhouse Gas Emissions							
Brookfield Corporate Emissions							
Scope 1 Direct[2]	$mtCO_2e$	↓	363	454	365	377	358
Scope 2 Indirect							
Location-based	$mtCO_2e$	↑	2,334	2,184	2,109	1,779	1,805
Market-based	$mtCO_2e$	↑	2,048	1,978	1,987	1,740	1,914
Scope 3							
Category 5: Waste Generated in Operations[3]	$mtCO_2e$		63	-	-	-	-
Category 6: Business Air Travel[4]	$mtCO_2e$	↑	21,695	10,945	2,646	1,165	4,527
Total Location-Based Emissions	$mtCO_2e$	↑	24,455	13,583	5,120	3,321	6,690
Total Market-Based Emissions	$mtCO_2e$	↑	24,169	13,377	4,998	3,282	6,799
GHG Emissions of Controlled Portfolio Companies			**2023**	**2022**		**2020[5]**	
Scope 1 & 2[6]	$mtCO_2e$	↓	9,382,697	9,586,335	N/A	9,782,536	N/A
Emissions Coverage of Operationally Managed Investments	%		94%	-	-	-	-
Emissions Coverage of Invested AUM	%		76%	-	-	-	-
Water							
Water Consumption	m^3	↓	40,588[7]	45,648	30,435	26,561	35,781
Waste							
Business Waste	mt	↑	296[7]	238	151	125	329
Recycled Material	%	↑	63%[7]	49%	50%	50%	46%
Recycled E-waste[3]	%	↓	97%[7]	100%	100%	100%	100%

[1] Our emissions inventory has not been independently verified at this time.

[2] Historically fugitive emissions from leased facilities were reported in scope 2. In 2023, using guidance from the GHG Protocol, we started reporting fugitive emissions from all facilities (owned & leased) under scope 1. To ensure consistent year-over-year comparison, we restated scope 1 and scope 2 for the periods 2019 to 2022 to align with 2023 fugitive emissions reporting.

[3] No comparative information is available for the category - 'Waste Generated in Operations' as 2023 is the first year we calculated emissions.

[4] Air travel emissions include both direct (CO_2, CH_4 and N_2O) and indirect (non-CO_2 emissions e.g. water vapor, contrails, NOx) climate change effects. It also includes emissions associated with extraction, refining and transportation of the aviation fuel to the plane before take-off.

[5] Base year figures disclosed represent 2020 with the exception of Real Estate for which the base year is 2019. Base year emissions are recalculated where there are significant changes to the data, inventory boundary, methods, or any other relevant factors, which could be triggered by structural changes, changes in methodology and new or additional data.

[6] In line with the GHG protocol, emissions for 2020 and 2022 have been restated to reflect material acquisitions and dispositions. Values are estimations and subject to change upon acquisitions, new or additional data or upon verification of the GHG inventory.

[7] Reported for offices only where we have actual consumption data.

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Brookfield Portfolio Companies' GHG Emissions

EMISSIONS OF NON-CONTROLLED PORTFOLIO COMPANIES[1]

GREENHOUSE GAS EMISSIONS	UNIT	2023
Scope 3 Category 15: Financed Emissions	$mtCO_2e$	12,925,432

[1] Represents financed emissions attributable to Brookfield Asset Management ULC and Brookfield Corporation from investments that are not financially controlled by us; this includes investments across our associates, Insurance Solutions channel, Renewable Power & Transition, Infrastructure, Private Equity, Real Estate and other entities. The investment-level emissions, which are related to scope 1 and 2 emissions, are attributed to Brookfield Asset Management ULC in proportion to our exposure to the total or equity value of the investment by way of an attribution factor. The emissions of our associates are also attributed to Brookfield Asset Management ULC in proportion to our investment in those associates by way of an attribution factor. Where financial or emissions data for the period ended December 31, 2023 is not available, the most recently available financial data and emissions data reported by investees are used. For the 12 months ended December 31, 2023, over 40% of non-controlled investments have been covered and deemed in-scope for financed emissions, as determined with reference to the GHG Protocol and PCAF. AUM is provided for context only and is not reflective of AUM weighted for intensity calculations – every dollar of AUM is not an accurate metric of emissions emitting potential per unit of measure. Our emissions coverage is impacted by a number of factors that limit data availability, including investments a) in a new technology where emissions estimates cannot be accurately calculated due to limited market guidance on global methodology to quantify the emissions, b) where insufficient financial or non-financial data is available to calculate emissions, c) where based on the underlying nature of the investment type there are no associated emissions (e.g., cash and cash equivalents) or d) where our investment is in a product type where emissions estimates cannot be accurately calculated due to limited market guidance on global methodology to quantify the emissions. Brookfield selected the 2023 reporting year as the initial year of reporting for its non-controlled investments' financed emissions.

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Global Reporting Initiative (GRI) Index

Statement of Use: Brookfield has reported in accordance with the GRI Standards for the period January 1, 2023 to December 31, 2023.

GRI 1 Used: GRI 1: Foundation 2021

Applicable GRI Sector Standard(s): N/A

GENERAL DISCLOSURES 2021

Disclosure Number	Disclosure Title	Location or Omission Reason/Explanation
2-1	Organizational details	Legal Name: Brookfield Asset Management Ltd. Ownership and legal form: Brookfield Asset Management Ltd. 2023 Annual Information Form pages 1 and 5; Brookfield Asset Management Ltd. 2023 Annual Report page 29. Location of headquarters: Toronto, Ontario, Canada Please refer to the back cover of the Brookfield Asset Management Ltd. 2023 Annual Information Form and Brookfield Asset Management Ltd. 2023 Annual Report for a list of our corporate and regional office locations.
2-2	Entities included in the organization's sustainability reporting	Entities included in our sustainability reporting: This Sustainability Report has been prepared for Brookfield Asset Management Ltd. and our asset management business, which is invested in Renewable Power & Transition, Infrastructure, Private Equity, Real Estate, and Credit. For the purposes of this report, we have not considered the sustainability practices of Oaktree. Please refer to Oaktree's website for a description of its sustainability practices. Brookfield Asset Management Ltd.'s audited consolidated financial statements include investments across Renewable Power & Transition, Infrastructure, Private Equity, Real Estate and Credit. Please refer to pages 29-30 of the Brookfield Asset Management Ltd. 2023 Annual Report for additional information. Our Sustainability Report, in certain instances, consolidates information across assets where we have control or significant influence. Our material topics take into consideration the activities of Brookfield Asset Management Ltd. and its portfolio companies.
2-3	Reporting period, frequency and contact point	Reporting period: January 1, 2023 through December 31, 2023 Reporting cycle: Annual Brookfield's annual sustainability reporting period aligns with its financial reporting period. Publication date of this report: June 2024 Contact point for questions about the report or reported information: Melissa Low, Senior Vice President, Sustainability Management; sustainability@brookfield.com
2-4	Restatements of information	For our corporate operation emissions, historically fugitive emissions from leased facilities were reported in scope 2. In 2023, using guidance from the GHG Protocol, we started reporting fugitive emissions from all facilities (owned & leased) under scope 1. To ensure consistent year-over-year comparison, we restated scope 1 and scope 2 for the periods 2019 to 2022 to align with 2023 fugitive emissions reporting. For our controlled portfolio company emissions, restatements to previous reporting periods were primarily driven by acquisition and divestment activity, and partially due to data improvement initiatives. This practice is consistent with previous years.
2-5	External assurance	Brookfield has not obtained external assurance for this year's report.

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Disclosure Number	Disclosure Title	Location or Omission Reason/Explanation
2-6	Activities, value chain and other business relationships	Sector in which Brookfield is active: GRI Sector: Capital Markets (Asset Owners and Managers) For a more detailed description of our value chain, please see the Brookfield Asset Management Ltd. 2023 Annual Report - Value Creation, pages 15-16 and 30. Activities: We are one of the world's leading alternative asset managers, with $916 billion of AUM as of December 31, 2023 across Renewable Power & Transition, Infrastructure, Private Equity, Real Estate and Credit. We invest client capital for the long term with a focus on real assets and essential service businesses that form the backbone of the global economy. We draw on our heritage as an owner and operator to invest for value and generate strong returns for our clients, across economic cycles. Products & Services: Our products broadly fall into one of three categories: (i) long-term private funds, (ii) permanent capital vehicles and perpetual strategies and (iii) liquid strategies. These are invested across five principal strategies: (i) Renewable Power and Transition, (ii) Infrastructure, (iii) Private Equity, (iv) Real Estate, (v) Credit. Markets Served: We invest on behalf of our clients in more than 30 countries on five continents around the world. We have over 2,300 clients, with some of our clients being among the world's largest institutional investors, including sovereign wealth funds, pension plans, endowments, foundations, financial institutions, insurance companies and individual investors. Supply Chain: Brookfield works with a number of third-party service providers to support our business operations. Downstream Entities: When deploying our clients' capital, we seek to leverage our competitive advantages to acquire high-quality real assets and essential service businesses that form the backbone of the global economy. We use our global reach and access to scale capital to source attractive investment opportunities and leverage our deep operating expertise to underwrite investments and create value throughout our ownership. Other Relevant Business Relationships: Please refer to our Sustainability Affiliations and Partnerships for a description of our sustainability-focused business relationships. In addition, we believe our network of relationships drives proprietary information flow that helps guide our approach and adds value to our investments. There were no material, significant changes in Brookfield's sector, value chain or business relationships in 2023.
2-7	Employees	Total investment and asset management employees as of 4/1/2024: 2,690 (46% female, 54% male) Total investment and asset management employees as of 4/1/2023: 2,708 (45% female, 55% male) Percent change in number of employees between 4/1/2023 and 4/1/2024: -1%
2-8	Workers who are not employees	Information unavailable/incomplete; we do not currently track this data. We retain the services of consultants or contract workers from time to time to support our businesses. Generally, they provide specialized knowledge and/or skills that are not readily available within the organization, or allow specific tasks to be completed on an accelerated basis.
2-9	Governance structure and composition	For a description of our governance structure, including committees of the highest governance body, please refer to the Brookfield Asset Management Ltd. 2024 Management Information Circular - Statement of Corporate Governance Practices, pages 23-31. For a list of the committees of the highest governance body that are responsible for decision making on and overseeing the management of the organization's impacts on the economy, environment and people, please refer to page 27 of the Brookfield Asset Management Ltd. 2024 Management Information Circular and the Sustainability Governance and Oversight section in this report. For a detailed description of the composition of our highest governance body and its committees, please refer to the Brookfield Asset Management Ltd. 2024 Management Information Circular - Director Nominees, pages 11-17, Statement of Corporate Governance Practices, pages 23-31.
2-10	Nomination and selection of the highest governance body	Governance, Nominating and Compensation Committee Charter, pages 1-7, Brookfield Asset Management Ltd. 2023 Management Information Circular, pages 23-31.
2-11	Chair of the highest governance body	Mark Carney is the Chair of the Board and Head of Transition Investing. In his role as Head of Transition Investing, Mr. Carney is focused on the development of products for investors that will combine positive social and environmental outcomes with strong risk-adjusted returns. The Lead Independent Director (Marcel R. Coutu) is generally responsible for facilitating the functioning of the Board independent of management and the non-independent Chair. The responsibilities of the Lead Independent Director include providing leadership to the Board if circumstances arise in which the Chair may be, or may be perceived to be, in conflict, in responding to any reported conflicts of interest, or potential conflicts of interest, arising for any director.
2-12	Role of the highest governance body in overseeing the management of impacts	Brookfield Asset Management Ltd. 2024 Management Information Circular pages 29-31 & Sustainability Governance and Oversight

Disclosure Number	Disclosure Title	Location or Omission Reason/Explanation
2-13	Delegation of responsibility for managing impacts	Brookfield Asset Management Ltd. 2023 Management Information Circular pages 29-31 & Sustainability Governance and Oversight
2-14	Role of the highest governance body in sustainability reporting	Brookfield Asset Management Ltd. 2023 Management Information Circular pages 29-31 & Sustainability Governance and Oversight
2-15	Conflicts of interest	The Brookfield Asset Management Ltd. Board of Directors Governance, Nominating and Compensation Committee reviews and recommends the implementation of structures and procedures to facilitate the Board's independence from management and to avoid conflicts of interest; reviews and conducts oversight of all significant proposed related party transactions and situations involving a potential conflict of interest that are not required to be dealt with by an "independent special committee" pursuant to applicable securities law rules (where appropriate under applicable laws, the Committee may sit as an independent special committee), and will ensure that no such transaction is inconsistent with the interests of Brookfield and its shareholders; and review and assess Brookfield's Code of Business Conduct and Ethics for directors, officers and employees (the "Code") to confirm that it addresses, among other things, conflicts of interest, confidentiality, fair dealing, protection and proper use of Brookfield's assets and opportunities, compliance with applicable laws, rules and regulations (including insider trading laws) and the reporting of illegal or unethical behavior, and establishes mechanisms to facilitate the effective operation of the Code and the granting of waivers of the Code. Please refer to pages 7, 24, 27 and 31 of the Brookfield Asset Management Ltd. 2024 Management Information Circular for details on cross-board memberships and the existence of controlling shareholders. Please refer to pages 44, 71, 115, 122, 141-142, and 153 -154 of the Brookfield Asset Management Ltd. 2023 Annual Report for related parties, their relationships, transactions, and outstanding balances. Please note that cross-shareholding with suppliers is not applicable to our business.
2-16	Communication of critical concerns	Please refer to pages 1-2 of the Brookfield Asset Management Ltd. Board of Directors Charter. The Board meets regularly to review reports by management on Brookfield's performance and other relevant matters of interest. In addition to the general supervision of management, the Board, in conjunction with the Audit Committee of the Board, establish whistleblower policies for Brookfield providing employees, officers, directors and other stakeholders, including the public, with the opportunity to raise, anonymously or not, questions, complaints or concerns regarding Brookfield's practices, including fraud, policy violations, any illegal or unethical conduct, and any accounting, auditing or internal control matters. The Board or a committee thereof will provide oversight over Brookfield's whistleblower policies and practices to ensure that any questions, complaints or concerns are adequately received, reviewed, investigated, documented and resolved.
2-17	Collective knowledge of the highest governance body	Please refer to pages 1-2 of the Brookfield Asset Management Ltd. Board of Directors Charter for a description of measures taken to advance the knowledge, skills and experience of the board on sustainable development. Director Education and Orientation – Brookfield's management team is responsible for providing an orientation program for new directors in respect of Brookfield and the role and responsibilities of directors. In addition, directors will, as required, receive continuing education about Brookfield to maintain a current understanding of Brookfield's business and operations, industries and sectors in which we operate globally, material developments and trends in asset management and Brookfield's strategic initiatives. The Board meets regularly to review reports by management on Brookfield's performance and other relevant matters of interest. In addition to the general supervision of management, the Board oversees Brookfield's approach to sustainability matters within its corporate and asset management activities as reported to the Board by the Governance, Nominating and Compensation Committee.
2-18	Evaluation of the performance of the highest governance body	Brookfield Asset Management Ltd. Board of Directors Charter, page 3, Brookfield Asset Management Ltd. 2024 Management Information Circular, pages 29.
2-19	Remuneration policies	The Governance, Nominating and Compensation Committee recommends to the Board the compensation for non-management directors (it is the policy of Brookfield that management directors do not receive compensation for their service on the Board). In reviewing the adequacy and form of compensation, the Governance, Nominating and Compensation Committee seeks to ensure that director compensation reflects the responsibilities and risks involved in being a director of Brookfield and aligns the interests of the directors with the best interests of Brookfield. Please refer to the Board of Directors Charter, page 3 and Brookfield Asset Management Ltd. 2024 Management Information Circular pages 47-71.
2-20	Process to determine remuneration	Please refer to a description of the Board of Director's processes for determining remuneration in the Governance, Nominating and Compensation Committee Charter and Brookfield Asset Management Ltd. 2024 Management Information Circular pages 22 and 47-71. As noted in the charter, a Board of Directors committee of independent directors (the Governance, Nominating and Compensation Committee) oversees the process. The Committee has sole authority to retain and terminate any independent consulting firm to be used to evaluate the CEO or the compensation of the CEO or other senior management.

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2-21	Annual total compensation ratio	Confidentiality constraints; This information is not currently part of our public reporting.
2-22	Statement on sustainable development strategy	Letter to Stakeholders
2-23	Policy commitments	We recognize that strong governance is essential to sustainable business operations, and we aim to conduct our business according to the highest ethical and legal standards. Brookfield has an established framework comprising corporate policies covering all areas of the business. For a full list of our policies, please refer to our website. Please refer to the Human Rights and Modern Slavery section. Please refer to our Risk Management and Climate-Related Risk Management sections for our approach to applying the precautionary principle. These policy commitments were approved by Brookfield's highest governing body, apply to Brookfield's activities, and are communicated publicly through the responsibility section of our website. Please also refer to Sustainability Affiliations and Partnerships and Climate Group Memberships. Brookfield operates under a Code of Business Conduct and Ethics, Positive Work Environment Policy and Human Rights and Anti-Modern Slavery Policy.
2-24	Embedding policy commitments	Please refer to our response to GRI 2-23 above and Our People
2-25	Processes to remediate negative impacts	Sustainability Policy Corporate Governance and Business Ethics Stakeholder Engagement
2-26	Mechanisms for seeking advice and raising concerns	Corporate Governance and Business Ethics Our People
2-27	Compliance with laws and regulations	Please refer to the Brookfield Asset Management Ltd. 2023 Annual Report Contingencies, Litigation section on pages 123 and 155-156. The Company may from time to time be involved in litigation and claims incidental to the conduct of its business. The Company's businesses are also subject to extensive regulation, which may result in regulatory proceedings against the Company. As of December 31, 2023 there is no outstanding litigation. The Company accrues a liability for legal proceedings only when those matters present loss contingencies that are both probable and reasonably estimable. In such cases, there may be exposure to loss in excess of any amounts accrued. Although there can be no assurance of the outcome of such legal actions, based on information known by management, Brookfield does not have a potential liability related to any current legal proceeding or claim that would individually or in the aggregate materially affect its results of operations, financial condition or cash flows. It is our belief that none of these claims would result in a material impact to us or our clients.
2-28	Membership associations	Sustainability Affiliations and Partnerships Climate Group Memberships
2-29	Approach to stakeholder engagement	Material Topics and Stakeholder Engagement
2-30	Collective bargaining agreements	We do not have collective bargaining agreements at the firm level, and it's not typical that employees of our corporate entity be covered under a collective bargaining agreement, therefore this is not applicable.
3-1	Process to determine material topics	Material Topics and Stakeholder Engagement
3-2	List of material topics	Our material topics include Economic Performance, Anti-Corruption, Tax, Emissions, Energy, Water and Effluents, Biodiversity, Waste, Employment, Occupational Health and Safety, Training & Education, Diversity and Equal Opportunity, Forced or Compulsory Labor, Local Communities and Customer Privacy. We have added a new material topic, Transparent Information & Fair Advice for Customers.

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201: ECONOMIC PERFORMANCE

Disclosure Number	Disclosure Title	Location or Omission Reason/Explanation
3-3	Management of material topics	Brookfield Asset Management Ltd.'s management of economic performance is detailed in the Business Overview & Value Creation section of the Brookfield Asset Management Ltd. 2023 Annual Report (pages 29-30). Additional information on Brookfield's actions taken to manage this material topic and its impacts can be found in Business Environment and Risk Disclosures (pages 75-100), Liquidity and Capital Resources (pages 69-72), Our People (page 31), and Financial Statements (pages 104-156) report sections. Further information on financial risk mitigation can be found in our Climate-Related Risk Management report section.
201-1	Direct economic value generated and distributed	Direct Economic Value Generated: Brookfield Asset Management ULC (the Asset Management Company as defined on page 101 of the Brookfield Asset Management Ltd. 2023 Annual Report) Revenues = $4,062 million, Other income = ($129) million, Share of income from equity accounted investments = $167 million. Total = $4,100 million. Refer to the Brookfield Asset Management Ltd. 2023 Annual Report – Consolidated and Combined Statement of Operations (page 39). Direct Economic Value Distributed: Compensation, operating, and general and administrative expenses = $1,446 million, Realized carried interest compensation = $26 million, Interest expense = $14 million, Income tax expense = $417 million. Total = $1,903 million. Direct Economic Value Generated - Direct Economic Value Distributed = $2,197 million. Reporting this information at the country, region, or market level is not significant to describe Brookfield's global operations.
201-2	Financial implications and other risks and opportunities due to climate change	For a description of financial implications and other risks and opportunities due to climate change, please refer to the Climate-related Disclosures report section, pages 22-87.
201-3	Defined benefit plan obligations and other retirement plans	Not applicable; This question is not applicable to Brookfield Asset Management Ltd.
201-4	Financial assistance received from government	Information unavailable / incomplete; Brookfield operates in sectors such as renewable energy, where various tax credits and incentives are offered by governments in the ordinary course of business and in accordance with local tax legislation. The availability and utilization of these credits is uncertain in many cases and is difficult to quantify.

205: ANTI-CORRUPTION

Disclosure Number	Disclosure Title	Location or Omission Reason/Explanation
3-3	Management of material topics	Corporate Governance and Business Ethics Anti-Bribery and Corruption Program Summary
205-1	Operations assessed for risks related to corruption	Anti-Bribery and Corruption Program Summary
205-2	Communication and training about anti-corruption policies and procedures	Anti-Bribery and Corruption Program Summary Corporate Governance and Business Ethics
205-3	Confirmed incidents of corruption and actions taken	Confidentiality constraints; As a multinational organization with offices and operations around the world, Brookfield, its affiliates or its employees are privy to civil, administrative and/or regulatory proceedings in various jurisdictions from time to time in the normal course of operations. Brookfield is contingently liable with respect to litigation and claims that arise in the normal course of business. It is not reasonably possible that any of the ongoing litigation as at December 31, 2023 could result in a material settlement liability. Please refer to our Anti-Bribery and Corruption Program Summary for additional information.

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207: TAX

Disclosure Number	Disclosure Title	Location or Omission Reason/Explanation
3-3	Management of material topics	For a description of Brookfield's management of tax, please refer to the Brookfield Asset Management Ltd. Tax Governance Framework (the "Framework") and the Brookfield Asset Management Ltd. Tax Risk Management Policy (the "Policy"). The Policy and Framework outline Brookfield's approach to managing its tax function and how tax risks are assessed and managed in a controlled and effective manner. We do not believe that Brookfield has any material tax-related negative impacts on the economy, environment, and people, including negative impacts on their human rights.
207-1	Approach to tax	Please refer to section 3-3 above.
207-2	Tax governance, control, and risk management	With regard to Brookfield's tax governance, control, and risk management, please refer to the Policy, Framework, and page 74 of the Brookfield Asset Management Ltd. 2023 Annual Report (description of internal control over and assurance regarding the reliability of financial reporting). For a description of mechanisms to raise concerns about the organization's business conduct and integrity related to tax, please refer to the Framework and Brookfield's Whistleblowing Policy, available on Brookfield's website.
207-3	Stakeholder engagement and management of concerns related to tax	With regard to stakeholder engagement and management of concerns related to tax, Brookfield is committed to maintaining a cooperative and open working relationship with tax authorities globally and ensuring that any tax audits are managed effectively. We seek to make fair, accurate and timely disclosures in correspondence and tax returns and respond to queries in a timely manner. Brookfield regularly collaborates with government bodies in several countries regarding new tax legislation with a view to helping shape fair, effective and efficient regulatory frameworks. Brookfield regularly receives input, questions, and requests from various stakeholders regarding tax matters, including public shareholders and private fund investors. All requests are addressed on a timely basis, subject to any confidentiality constraints. The input from stakeholders is taken into account when developing tax strategies within the organization.
207-4	Country-by-country reporting	Confidentiality constraints; Please note that due to confidentiality constraints, we are not in a position to publicly disclose country-by-country reporting. Brookfield prepares and files a country-by-country (CbC) report each year with the Canada Revenue Agency (CRA) as required by tax law. The CbC report includes thousands of legal entities that are consolidated in our financial statements across multiple business groups and sectors. Further, the GRI Standard for CbC reporting includes information that is not prepared in the CbC report filed by Brookfield with the CRA and is not readily available. Lastly, Brookfield will fully comply with the E.U. and Australia public country-by-country reporting requirements once they become effective.

302: ENERGY

Disclosure Number	Disclosure Title	Location or Omission Reason/Explanation
3-3	Management of material topics	Metrics and Targets
302-1	Energy consumption within the organization	Total electricity consumption: 4,615 MWh Total heating and steam consumption: 1,602 MWh Total cooling consumption: 4,625 MWh Total energy consumption within the organization: 10,842 MWh Our energy consumption within the organization is calculated by gathering facility level data on fuel consumption, fugitive leaks, purchased energy, heating and cooling. Data is reported only for offices where we have actual consumption data available.
302-2	Energy consumption outside of the organization	Information unavailable/incomplete; Where energy consumption is a material risk to any single portfolio company, it is the responsibility of the portfolio company management to manage these risks directly and ensure compliance with any relevant laws and regulations. Given the diversity and scale of our business, it is generally not meaningful to consolidate and report on this data at the parent level. We continue to monitor industry standards and, where relevant, will aim to make improvements to our data collection process over time.
302-3	Energy intensity	Information unavailable/incomplete; See Management of material topics for additional detail. We are in early stages of collecting this information from our portfolio companies and do not yet have sufficient data to provide meaningful reporting and, where relevant, will aim to make improvements to our data collection process over time.

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Disclosure Number	Disclosure Title	Location or Omission Reason/Explanation
302-4	Reduction of energy consumption	We have identified reduction in energy consumption at our office properties as a priority and are continuing to assess and develop capabilities to quantify, measure and disclose emissions reduction efforts.
302-5	Reductions in energy requirements of products and services	We have identified reduction in energy consumption at our portfolio companies as a priority and are continuing to assess and develop capabilities to quantify, measure and disclose emissions reduction efforts. Please refer to Metrics and Targets for more information.
303: WATER AND EFFLUENTS		
3-3	Management of material topics	Encouraging the Conservation of Nature and Key Performance Metrics While we do not believe that we have any material water-related negative impacts on the economy, environment, and people, including negative impacts on their human rights, we are continuing to collect data on our water and waste-related impacts to help us better understand where we may make improvements. We believe understanding our water-related impacts is key to operating successful businesses and we understand the importance of measuring our impacts and we collect a number of water-related KPIs from our portfolio companies. We continue to adhere to industry best practices and will aim to enhance our collection of metrics, with the goal of continually improving our reporting and reducing our impacts over time. Brookfield continues to operate to the highest ethical standards by conducting business activities in accordance with our Code of Business Conduct and Ethics. We engage with our portfolio companies and help to inform their procedures as they relate to water impacts as well as water-related metrics and reporting. Several of our portfolio companies have set water-related targets, please refer to the business group's respective sustainability report for more information. Where water and effluents are material risks to any single portfolio company, it is the responsibility of the portfolio company management to mange these risks directly and ensure compliance with any relevant laws and regulations. Given the diversity and scale of our business, it is generally not meaningful to consolidate and report on this data at the parent level. We will continue to collect water-related KPIs to help us assess the progress we have made to reduce any water-related impacts over time and will incorporate any relevant lessons learned into our procedures. While Brookfield has not set any firm-level water-related targets, we will continue to report on our efforts.
303-1	Interactions with water as a shared resource	Encouraging the Conservation of Nature Please refer to each business group's respective sustainability report for further information on material water-related impacts.
303-2	Management of water discharge-related impacts	Information unavailable/incomplete; See Management of material topics for additional detail. We continue to monitor industry standards and, where relevant, will aim to make improvements to our data collection process over time.
303-3	Water withdrawal	Information unavailable/incomplete; See Management of material topics for additional detail. We are in early stages of collecting this information from our portfolio companies and do not yet have sufficient data to provide meaningful reporting and, where relevant, will aim to make improvements to our data collection process over time.
303-4	Water discharge	Information unavailable/incomplete; See Management of material topics for additional detail. We continue to monitor industry standards and, where relevant, will aim to make improvements to our data collection process over time.
303-5	Water consumption	Information unavailable/incomplete; See Management of material topics for additional detail. We are in early stages of collecting this information from our portfolio companies and do not yet have sufficient data to provide meaningful reporting and, where relevant, will aim to make improvements to our data collection process over time.

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304: BIODIVERSITY

Disclosure Number	Disclosure Title	Location or Omission Reason/Explanation
3-3	Management of material topics	Encouraging the Conservation of Nature We believe understanding our biodiversity impacts is key to operating successful businesses. We understand the importance of measuring our impacts and are beginning to collect a number of biodiversity-related KPIs from our portfolio companies. We continue to adhere to industry best practices and will aim to enhance our collection of metrics, with the goal of continually improving our reporting and reducing our impacts over time. Brookfield continues to operate to the highest ethical standards by conducting business activities in accordance with our Code of Business Conduct and Ethics. Where biodiversity is a material risk to any single portfolio company, it is the responsibility of the portfolio company management to mange these risks directly and ensure compliance with any relevant laws and regulations. Given the diversity and scale of our business, it is generally not meaningful to consolidate and report on this data at the parent level. We will continue to engage with our portfolio companies and help to inform their procedures as they relate to biodiversity impacts as well as biodiversity-related metrics and reporting. For more information on how each of our business groups is addressing biodiversity impacts, please refer to each business group's respective sustainability report.
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Information unavailable/incomplete; See Management of material topics for additional detail. We are in early stages of collecting this information from our portfolio companies and do not yet have sufficient data to provide meaningful reporting and, where relevant, will aim to make improvements to our data collection process over time.
304-2	Significant impacts of activities, products and services on biodiversity	Information unavailable/incomplete; See Management of material topics for additional detail. We are in early stages of collecting this information from our portfolio companies and do not yet have sufficient data to provide meaningful reporting and, where relevant, will aim to make improvements to our data collection process over time.
304-3	Habitats protected or restored	Information unavailable/incomplete; See Management of material topics for additional detail. We are in early stages of collecting this information from our portfolio companies and do not yet have sufficient data to provide meaningful reporting and, where relevant, will aim to make improvements to our data collection process over time.
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	Information unavailable/incomplete; See Management of material topics for additional detail. We are in early stages of collecting this information from our portfolio companies and do not yet have sufficient data to provide meaningful reporting and, where relevant, will aim to make improvements to our data collection process over time.

305: EMISSIONS

3-3	Management of material topics	TCFD
305-1	Direct (Scope 1) GHG emissions	Gross direct (scope 1) GHG emissions: 363 $mtCO_2e$ Gases (CO_2, CH_4, N_2O, HFCs), where applicable, are included in the calculation. Base year: Key Performance Metrics. Our Direct (Scope 1) GHG emissions are calculated following our internal methodology based on the GHG Protocol Corporate Accounting and Reporting Standard. Emissions from the combustion of natural gas and diesel are calculated by obtaining activity data on fuel consumption for facilities where data is available. Geographic-specific emission factors are utilized where available, including NIR, NGER, USEPA, and DEFRA. GWP factors may differ depending on emission factor source. Emissions from the use of refrigeration are calculated by obtaining activity data on refrigerant leaks for facilities where data is available. For the facilities where activity data is not available, emissions are estimated based on: (1) the total 2023 employee headcount, and (2) the calculated emissions intensity per employee.

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Disclosure Number	Disclosure Title	Location or Omission Reason/Explanation
305-2	Energy indirect (Scope 2) GHG emissions	Gross location-based indirect (scope 2) GHG emissions: 2,048 mtCO_2e Gross market-based indirect (scope 2) GHG emissions: 2,334 mtCO_2e Gases (CO_2, CH_4, N_2O), where applicable, are included in the calculation. Base year: Key Performance Metrics. Our indirect (Scope 2) GHG emissions are calculated following our internal methodology based on the (1) GHG Protocol Corporate Accounting and Reporting Standard and (2) GHG Protocol - Scope 2 Guidance. This includes emissions from purchased electricity, heating, cooling and landlord paid heating in leased office space. Emissions from purchased electricity consumption are calculated by obtaining activity data for facilities where data is available. When data is not available, consumption is estimated based on: (1) the total 2023 employee headcount, and (2) the calculated electricity consumption intensity per office floor area, and (3) location-specific electricity mix emission factors. Geographic-specific emission factors are utilized where available, including NIR, NGER, USEPA, DEFRA, the Government of India Ministry of Power Central Electricity Authority, Singapore's Energy Market Authority, EEA and the IEA. GWP factors may differ depending on emission factor source. Emissions from purchased heat & steam consumption are calculated by obtaining activity data for facilities where data is available. When data is not available, consumption is estimated based on: (1) the total 2023 employee headcount, and (2) the calculated emissions intensity per employee. Geographic-specific emission factors are utilized where available, including USEPA, DEFRA and NIR. Emissions from purchased cooling energy consumption are calculated by obtaining activity data for facilities where data is available. Emission factors are sourced from Energy Star. For market-based emissions, we utilize supplier-specific emission factors where available and incorporate the procurement of renewable energy through renewable energy certificates and green heat & cooling certificates.
305-3	Other indirect (Scope 3) GHG emissions	Gross other indirect (scope 3) GHG emissions: 63 mtCO_2e (waste generated in operations), 21,695 mtCO_2e (business air travel), 9,382,697 mtCO_2e (scope 1 and 2 emissions of controlled portfolio companies), 12,925,432 (scope 1 and 2 emissions of non-controlled portfolio companies) Gases (CO_2, CH_4, N_2O), where applicable, are included in the calculation. Our scope 3 emissions include category 5 (waste generated in operations), category 6 (business air travel) and category 15 financed emissions. Base year: Key Performance Metrics, Metrics and Targets Our indirect (Scope 3) GHG emissions are calculated following our internal methodology based on the (1) GHG Protocol Corporate Accounting and Reporting Standard, (2) GHG Protocol - The Corporate Value Chain (Scope 3) Accounting and Reporting Standard and (3) GHG Protocol - Technical Guidance for Calculating Scope 3 Emissions. Emissions from waste generated in Brookfield operations (Scope 3, Category 5) are calculated by obtaining the amount of waste generated annually, categorized by waste type and disposal method (recycled, landfilled, combusted, composted), where data is available. Emission factors are sourced from DEFRA and the USEPA. GWP factors may differ depending on emission factor source. Emissions from air-related business travel (Scope 3, Category 6) are calculated by obtaining employee air travel mileage data, which was further categorized by passenger class and haul type. Based on this categorization, DEFRA emission factors were applied, which included both the direct (CO_2, CH_4, N_2O) the indirect effects of non-CO_2 emissions (with radiative forces). In addition, air-related business travel includes emissions associated with extraction, refining and transportation of the aviation fuel to the plane before take-off. For our controlled and non-controlled portfolio company emissions, please refer to the Metrics and Targets section for details on methodology.
305-4	GHG emissions intensity	Metrics and Targets, page 75
305-5	Reduction of GHG emissions	Metrics and Targets, pages 74, 75 and 117
305-6	Emissions of ozone-depleting substances (ODS)	Information unavailable / incomplete; See Management of material topics for additional detail. We are in early stages of collecting this information from our portfolio companies and do not yet have sufficient data to provide meaningful reporting and, where relevant, will aim to make improvements to our data collection process over time.
305-7	Nitrogen oxides (NOx), sulphur oxides (SOx), and other significant emissions	Information unavailable / incomplete; See Management of material topics for additional detail. We are in early stages of collecting this information from our portfolio companies and do not yet have sufficient data to provide meaningful reporting and, where relevant, will aim to make improvements to our data collection process over time.

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306: WASTE

Disclosure Number	Disclosure Title	Location or Omission Reason/Explanation
3-3	Management of material topics	Encouraging the Conservation of Nature and Key Performance Metrics While we do not believe that we have any material waste-related negative impacts on the economy, environment, and people, including negative impacts on their human rights, we are continuing to collect data on our water and waste-related impacts to help us better understand where we may make improvements. We believe understanding our waste-related impacts is key to operating successful businesses. We understand the importance of measuring our impacts, and we collect a number of waste-related KPIs from our portfolio companies. We continue to adhere to industry best practices and will aim to enhance our collection of metrics, with the goal of continually improving our reporting and reducing our impacts over time. Brookfield continues to operate to the highest ethical standards by conducting business activities in accordance with our Code of Business Conduct and Ethics. We engage with our portfolio companies and help to inform their procedures as they relate to waste impacts as well as waste-related metrics and reporting. Please refer each business group's respective sustainability report for more information. Where waste is a material risk to any single portfolio company, it is the responsibility of the portfolio company management to mange these risks directly and ensure compliance with any relevant laws and regulations. Given the diversity and scale of our business, it is generally not meaningful to consolidate and report on this data at the parent level. We will continue to collect waste-related KPIs to help us assess the progress we have made to reduce any waste-related impacts over time and will incorporate any relevant lessons learned into our procedures. While Brookfield has not set any Firm-level waste-related targets, we will continue to report on our efforts.
306-1	Waste generation and significant waste-related impacts	Encouraging the Conservation of Nature Please refer to each business group's respective sustainability report for further information on material waste-related impacts.
306-2	Management of significant waste-related impact	Information unavailable/incomplete; See Management of material topics for additional detail. We continue to monitor industry standards and, where relevant, will aim to make improvements to our data collection process over time.
306-3	Waste generated	Information unavailable/incomplete; See Management of material topics for additional detail. We are in early stages of collecting this information from our portfolio companies and do not yet have sufficient data to provide meaningful reporting and, where relevant, will aim to make improvements to our data collection process over time.
306-4	Waste diverted from disposal	Information unavailable/incomplete; See Management of material topics for additional detail. We are in early stages of collecting this information from our portfolio companies and do not yet have sufficient data to provide meaningful reporting and, where relevant, will aim to make improvements to our data collection process over time.
306-5	Waste directed to disposal	Information unavailable/incomplete; See Management of material topics for additional detail. We are in early stages of collecting this information from our portfolio companies and do not yet have sufficient data to provide meaningful reporting and, where relevant, will aim to make improvements to our data collection process over time.

401: EMPLOYMENT

3-3	Management of material topics	Culture Matters: Human Capital Development Brookfield is committed to maintaining an environment that is safe and respectful and conducts business activities in accordance with our Positive Work Environment Policy. We track a number of metrics, including hiring rates, promotions and retention numbers and review these metrics as part of our overall strategy to see which areas need additional focus. We will continue to collect these metrics to help us assess and report on our progress and will incorporate any relevant lessons learned into our procedures.
401-1	New employee hires and employee turnover	New employee hires (female) in 2023: 49% New employee hires (male) in 2023: 51% Total turnover (%): Overall, over the past five years, on average, our voluntary turnover is in single digits and the average has consistently been even lower as it relates to departures on our investment team.

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Disclosure Number	Disclosure Title	Location or Omission Reason/Explanation
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	All regions offer comprehensive benefits packages to full-time employees based on jurisdictional market standards.
401-3	Parental leave	Total number of employees that were entitled to parental leave: All employees Substantially, a large number of employees have returned from a maternity leave with very limited exceptions.
403: OCCUPATIONAL HEALTH AND SAFETY		
3-3	Management of material topics	Prioritizing Occupational Health and Safety Sustainability Governance and Oversight
403-1	Occupational health and safety management system	Prioritizing Occupational Health and Safety Corporate Governance and Business Ethics
403-2	Hazard identification, risk assessment, and incident investigation	Prioritizing Occupational Health and Safety Corporate Governance and Business Ethics
403-3	Occupational health services	In the context of our corporate operations, this is not applicable. Across our portfolio companies, we continue to support the health and safety of our employees. Appropriate measures are implemented at our portfolio companies to support occupational health services. For information on our approach to Occupational Health, please refer to our Prioritizing Occupational Health and Safety report section and GRI 401: Employment.
403-4	Worker participation, consultation, and communication on occupational health and safety	Prioritizing Occupational Health and Safety
403-5	Worker training on occupational health and safety	Prioritizing Occupational Health and Safety
403-6	Promotion of worker health	All regions offer comprehensive benefits packages to full-time employees based on jurisdictional market standards. Information unavailable/incomplete. We do not currently collect this information from our portfolio companies. We continue to monitor industry standards and will aim to make improvements to our data collection process over time.
403-7	Prevention and mitigation of occupational health and safety impacts	Prioritizing Occupational Health and Safety Risk Management Corporate Governance and Business Ethics
403-8	Workers covered by an occupational health and safety management system	Prioritizing Occupational Health and Safety
403-9	Work-related injuries	Confidentiality constraints; This information is not currently part of our public reporting.
403-10	Work-related ill health	Confidentiality constraints; This information is not currently part of our public reporting.

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404: TRAINING AND EDUCATION		
Disclosure Number	**Disclosure Title**	**Location or Omission Reason/Explanation**
3-3	Management of material topics	Our People We will continue to monitor the number of training hours provided to our employees and assess to continually improve the types and frequency of trainings provided.
404-1	Average hours of training per year per employee	Information unavailable / incomplete; We are in the early stages of collecting this information and do not yet have sufficient data to report on. We are working to gather the appropriate detail and will aim to make improvements to our disclosure over time.
404-2	Programs for upgrading employee skills and transition assistance programs	Our People Where appropriate, transition assistance programs are provided in particular situations when employees are terminated.
404-3	Percentage of employees receiving regular performance and career development reviews	100% of our employees receive annual performance reviews.
405: DIVERSITY AND EQUAL OPPORTUNITY		
3-3	Management of material topics	Culture Matters: Human Capital Development and Employee Composition Brookfield is committed to maintaining an environment that is safe and respectful and conducts business activities in accordance with our Positive Work Environment Policy. We track a number of diversity metrics which are reviewed as part of our overall diversity strategy to see which areas need additional focus. We will continue to collect diversity and inclusion metrics to help us assess and report on our progress and will incorporate any relevant lessons learned into our procedures.
405-1	Diversity of governance bodies and employees	Board of Directors (female): 4; Board of Directors (male): 8 Board of Directors (under 30 years old): 0%; Board of Directors (30-50 years old): 33%; Board of Directors (over 50 years old): 67% Managing Partners, Managing Directors and Senior Vice Presidents (female): 29%; Managing Partners, Managing Directors and Senior Vice Presidents (male): 71% Investment, Operations and Administrative Professionals (female): 46%; Investment, Operations and Administrative Professionals (male): 54% Global Ethnic Diversity: White: 48%; Asian: 32%; Black: 5%; Hispanic/Latinx: 3%; Two or More Races/Other: 6%; Did Not Respond or Declined to Self-Identify: 6%
405-2	Ratio of basic salary and remuneration of women to men	Pay Equity
409: FORCED OR COMPULSORY LABOR		
3-3	Management of material topics	Human Rights and Modern Slavery Corporate Governance and Business Ethics
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Modern Slavery Statement Vendor Code of Conduct
413: LOCAL COMMUNITIES		
3-3	Management of material topics	Local Community Engagement

Disclosure Number	Disclosure Title	Location or Omission Reason/Explanation
413-1	Operations with local community engagement, impact assessments, and development programs	Information unavailable / incomplete; We are in the early stages of collecting this information from our portfolio companies and do not yet have sufficient data to report on. We are working to gather the appropriate detail and will aim to make improvements to our disclosure over time.
413-2	Operations with significant actual and potential negative impacts on local communities	Confidentiality constraints; This information is not currently part of our public reporting.
417: MARKETING AND LABELING		
3-3	Management of material topics	Responsible Product Marketing and Governance
417-1	Requirements for product and service information and labeling	Responsible Product Marketing and Governance
417-2	Incidents of non-compliance concerning product and service information and labeling	During 2023, Brookfield had no covered employees with new disclosures of investment-related investigations, consumer-initiated complaints, private civil litigations, or other regulatory proceedings. Brookfield has policies and procedures reasonably designed to ensure the firm and its employees maintain accurate regulatory filings.
417-3	Incidents of non-compliance concerning marketing communications	During 2023, Brookfield had no covered employees with new disclosures of investment-related investigations, consumer-initiated complaints, private civil litigations, or other regulatory proceedings. Brookfield has policies and procedures reasonably designed to ensure the firm and its employees maintain accurate regulatory filings.
418: CUSTOMER PRIVACY		
3-3	Management of material topics	Data Privacy and Security
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Confidentiality constraints; This information is not currently part of our public reporting.

SASB Index

As part of our ongoing commitment to transparency, we have included the below disclosure under the Sustainability Accounting Standards Board (SASB) standards for the industries that are relevant to us: Asset Management and Custody Activities.[1]

Topic	Accounting Metric	Category	Unit Of Measure	Code	Disclosure
Transparent Information & Fair Advice for Customers	(1) Number and (2) percentage of covered employees with a record of investment-related investigations, consumer-initiated complaints, private civil litigations, or other regulatory proceedings	Quantitative	Number, Percentage (%)	FN-AC-270a.1	During 2023, Brookfield had no covered employees with new disclosures of investment-related investigations, consumer-initiated complaints, private civil litigations, or other regulatory proceedings. Brookfield has policies and procedures reasonably designed to ensure the firm and its employees maintain accurate regulatory filings.
	Total amount of monetary losses as a result of legal proceedings associated with marketing and communication of financial product related information to new and returning customers	Quantitative	Reporting currency	FN-AC-270a.2	Brookfield did not sustain any monetary losses in 2023 as a result of legal proceedings associated with our marketing and communications of financial product-related information to new and returning customers.
	Description of approach to informing customers about products and services	Discussion and Analysis	N/A	FN-AC-270a.3	Please refer to our Responsible Product Marketing and Governance report section and pages 82-83 of the Brookfield Asset Management Annual Report.
Employee Diversity & Inclusion	Percentage of gender and racial/ethnic group representation for (1) executive management, (2) non-executive management, (3) professionals, and (4) all other employees	Quantitative	Percentage (%)	FN-AC-330a.1	Please refer to our Culture Matters: Human Capital Development report section and GRI 405: Diversity and Equal Opportunity.
Incorporation of Environmental, Social, and Governance Factors in Investment Management & Advisory	Amount of assets under management, by asset class, that employ (1) integration of environmental, social, and governance (ESG) issues, (2) sustainability themed investing, and (3) screening	Quantitative	Reporting currency	FN-AC-410a.1	(1) $916 billion (2) $102 billion (3) $0
	Description of approach to incorporation of environmental, social, and governance (ESG) factors in investment and/or wealth management processes and strategies	Discussion and Analysis	N/A	FN-AC-410a.2	Please refer to Integrating Sustainability into Our Investment Process.
	Description of proxy voting and investee engagement policies and procedures	Discussion and Analysis	N/A	FN-AC-410a.3	Please refer to Stewardship and Engagement.
Business Ethics	Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behavior, market manipulation, malpractice, or other related financial industry laws or regulations	Quantitative	Reporting currency	FN-AC-510a.1	Brookfield did not sustain any monetary losses in 2023 as a result of legal proceedings associated with fraud, insider trading, anti-trust, anticompetitive behavior, market manipulation, malpractice, or other related financial industry laws or regulations.
	Description of whistleblower policies and procedures	Discussion and Analysis	N/A	FN-AC-510a.2	Please refer to our Whistleblowing Policy.

Activity Metric	Category	Unit Of Measure	Code	Disclosure
(1) Total registered and (2) total unregistered assets under management (AUM)	Quantitative	Reporting currency	FN-AC-000.A	(1) $3 billion (2) $913 billion
Total assets under custody and supervision	Quantitative	Reporting currency	FN-AC-000.B	$916 billion

[1] The SASB Index does not incorporate Oaktree, except for total AUM figure of $916 billion. AUM as of December 31, 2023.

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Pillar	Recommendations	Disclosure
GOVERNANCE		
	a. Describe the board's oversight of climate related risks and opportunities	Climate Governance
	b. Describe management's role in assessing and managing climate related risks and opportunities	Climate Governance
STRATEGY		
	a. Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term	Assessment Screens Using Scenario Analysis
	b. Describe the impact of climate related risks and opportunities on the organization's businesses, strategy, and financial planning	Our Climate Strategy
	c. Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario. Where relevant to the organization, include scenarios consistent with increased physical climate-related risks	Assessment Screens Using Scenario Analysis
RISK MANAGEMENT		
	a. Describe the organization's processes for **identifying** and **assessing** climate-related risks	Climate-Related Risk Management
	b. Describe the organization's processes for **managing** climate-related risks	Climate-Related Risk Management
	c. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management	Climate-Related Risk Management
METRICS		
	a. Disclose the metrics used by the organization to assess climate related risks and opportunities in line with its strategy and risk management process	Metrics and Targets
	b. Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 GHG emissions, and the related risks	Metrics and Targets
	c. Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets	Metrics and Targets

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GFANZ Appendix

The following table references the summary of recommendations set forth by the Glasgow Financial Alliance for Net Zero (“GFANZ”) in the Financial Institution Net-Zero Transition Plans—Fundamentals, Recommendations, and Guidance, published in November 2022. The disclosure column indicates where more information on the voluntary recommendations can be found.

Component	Recommendations	Disclosure
FOUNDATIONS		
Objectives and priorities	Define the organization’s objectives to reach net zero by 2050 or sooner, in line with science-based pathways to limit warming to 1.5 degrees C, stating clearly defined and measurable interim and long-term targets and strategic timelines, and identify the priority financing strategies of net-zero transition action to enable real economy emissions reduction.	Our Climate Strategy
IMPLEMENTATION STRATEGY		
Products and services	Use existing and new products and services to support and increase clients' and portfolio companies' efforts to transition in line with 1.5 degrees C net-zero pathways. Include accelerating and scaling the net-zero transition in the real economy, providing transition related education and advice, and supporting portfolio decarbonization in accordance with the institution's net-zero transition strategy.	Mobilizing Capital to Facilitate a Transition to a Lower-Carbon Economy
Activities and decision-making	Embed the financial institution's net-zero objectives and priorities in its core evaluation and decision-making tools and processes to support its net-zero commitment. This applies to both top-down/oversight structures and bottom-up tools and actions.	Integrating Sustainability into Our Investment Process Sustainability Governance and Oversight
Policies and conditions	Establish and apply policies and conditions on priority sectors and activities, such as thermal coal, oil and gas, and deforestation. Include other sectors and activities that are high-emitting, or otherwise harmful to the climate, to define business boundaries in line with the institution’s net-zero objectives and priorities.	Mobilizing Capital to Facilitate a Transition to a Lower-Carbon Economy

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Component	Recommendations	Disclosure
ENGAGEMENT STRATEGY		
Engagement with clients and portfolio companies	Proactively and constructively provide feedback and support to clients and portfolio companies to encourage net zero-aligned transition strategies, plans, and progress with an escalation framework with consequences when engagement is ineffective.	Developing Climate-Related Skills and Expertise Through Training, Engagement and Knowledge Sharing
Engagement with industry	Proactively engage with peers in the industry to 1) as appropriate, exchange transition expertise and collectively work on common challenges and 2) represent the financial sector's views cohesively to external stakeholders, such as clients and governments.	Developing Climate-Related Skills and Expertise Through Training, Engagement and Knowledge Sharing
Engagement with government and public sector	Direct and indirect lobbying and public-sector engagement should, in a consistent manner, support an orderly transition to net zero, and as appropriate, encourage consistency of clients' and portfolio companies' lobbying and advocacy efforts with the institution's own net-zero objectives.	Developing Climate-Related Skills and Expertise Through Training, Engagement and Knowledge Sharing
METRICS AND TARGETS		
Metrics and targets	Establish a suite of metrics and targets to drive execution of the net-zero transition plan and monitor progress of results in the near, medium, and long term. Include metrics and targets focused on aligning financial activity in support of the real-economy net-zero transition; on executing the transition plan; and on measuring changes in client and portfolio GHG emissions.	Metrics and Targets
GOVERNANCE		
Roles, responsibilities, and remuneration	Define roles for the Board or strategy oversight body and senior management ensuring they have ownership, oversight, and responsibility for the net-zero targets. Assign appropriate individuals and teams to all aspects of both design and delivery of the transition plan. Use remuneration incentives for all roles, where possible. Review the transition plan regularly to ensure material updates/developments are incorporated; challenges are reviewed as an opportunity to correct course; and implementation risks are properly managed.	Sustainability Governance and Oversight; Climate-Related Governance
Skills and culture	Provide training and development support to the teams and individuals designing, implementing, and overseeing the plan so that they have sufficient skills and knowledge to perform their roles (including at the Board and senior management level). Implement a change management program and foster open communications to embed the net-zero transition plan into the organization's culture and practices.	Climate Training

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[1] Referring to portfolio companies where Brookfield has a position of control, representing over 56% of AUM as of December 31, 2023.

[2] Much of the financed emissions data relies on estimates as provided by third-parties as well as emissions provided directly from companies, which have estimates incorporated, all of which we have limited ability to validate directly. As a result, while the data is available, the quality of such data, in certain cases, is of low quality and therefore should not be relied upon for precise measurement. It may be subject to errors and is likely subject to change as measurement processes improve over time.

[3] Represents a portion of total non-controlled investments. Remainder of non-controlled investments are made up of stewardship investments.

[4] AUM as of December 31, 2023. Operationally Managed investments represented $631 billion of AUM as of December 31, 2023.

[5] AUM as of December 31, 2023.

[6] Controlled portfolio companies' scope 1 and 2 emissions are reported on a standalone basis on page 75. Scope 1 and 2 emissions for non-controlled portfolio companies are included in Brookfield's scope 3 category 15 "financed emissions".

[7] AUM as of December 31, 2023. Comprised of portfolio companies defined as Operationally Managed.

[8] AUM as of December 31, 2020, excluding Oaktree. Base year for our real estate group is 2019.

[9] Expressed as a percentage of Operationally Managed AUM as of December 31, 2023, or 39% only excluding Oaktree and our Insurance Solutions channel.

[10] Represents initial assets included in Brookfield's NZAM interim target and the inclusion of additional assets. AUM is as of December 31, 2022.

[11] Represents assets included in Brookfield's NZAM interim target based on December 31, 2020 AUM. Base year figures disclosed represents 2020 with the exception of Real Estate for which the base year is 2019.

[12] Includes scope 1 and 2 emissions of a subset of portfolio companies in the Operationally Managed category.

[13] Applicable to Operationally Managed investments.

[14] For renewable and clean energy acquisitions made prior to December 31, 2025. For renewable and clean energy acquisitions made post-2025, we will set targets aligned with science-based pathways.

[15] Includes assets in the Operationally Managed category where Brookfield has economic control and significant influence, and some in investments where Brookfield does not have control.

[16] Assets included in this analysis comprise primarily Operationally Managed portfolio companies as of December 31, 2023.

[17] Assets included in this analysis comprise primarily Operationally Managed portfolio companies as of December 31, 2023.

[18] Referring to our highest-emitting assets in the Operationally Managed Investments category.

[19] Our emissions inventory is not independently verified at this time.

[20] Historically fugitive emissions from leased facilities were reported in scope 2. In 2023, using guidance from the GHG Protocol, we started reporting fugitive emissions from all facilities (owned & leased) under scope 1. To ensure consistent year-over-year comparison, we restated scope 1 and scope 2 for the periods 2019 and 2022 to align with 2023 fugitive emissions reporting.

[21] No comparative information is available for the category - 'Waste Generated in Operations' as 2023 is the first year we calculated emissions.

[22] Air travel emissions include both direct (CO_2, CH_4 and N_2O) and indirect (non-CO_2 emissions e.g. water vapor, contrails, NOx) climate change effects. It also includes emissions associated with extraction, refining and transportation of the aviation fuel to the plane before take-off.

[23] Base year figures disclosed represent 2020 with the exception of Real Estate for which the base year is 2019. Base year emissions are recalculated where there are significant changes to the data, inventory boundary, methods, or any other relevant factors, which could be triggered by structural changes, changes in methodology and new or additional data.

[24] In line with the GHG protocol, emissions for 2020 and 2022 have been restated to reflect material acquisitions and dispositions. Values are estimations and subject to change upon acquisitions, new or additional data or upon verification of the GHG inventory.

[25] Total emissions currently include scope 1 and 2. We intend to include material scope 3 emissions at a future time when we are able to gather sufficiently high-quality data. Refers to portfolio companies where Brookfield has a position of control, representing 58% of Invested AUM as of December 31, 2023. Our GHG emissions calculation is guided by the principles of the GHG Protocol Corporate Accounting and Reporting Standard issued by the World Business Council for Sustainable Development and the World Resource Institute. Scope 2 emissions are a combination of location-based and market-based emissions in 2020 and 2022. Scope 2 emissions are market-based in 2023. Intensity figures for the years ended December 31, 2019, 2020, and 2022 were calculated using emissions and AUM non-adjusted for acquisitions and dispositions.

[26] Our emissions calculation includes scope 2 market-based emissions and is guided by the principles of the GHG Protocol Corporate Accounting and Reporting Standard issued by the World Business Council for Sustainable Development and the World Resource Institute.

[27] Base year figures disclosed represent 2020 with the exception of Real Estate for which the base year is 2019. Base year emissions are recalculated where there are significant changes to the data, inventory boundary, methods, or any other relevant factors, which could be triggered by structural changes, changes in methodology and new or additional data.

[28] In line with the GHG protocol, emissions for 2020 and 2022 have been restated to reflect material acquisitions and dispositions. Values are estimations and subject to change upon acquisitions, new or additional data or upon verification of the GHG inventory.

[29] Intensity as of December 31, 2023 was calculated using scope 1 and 2 emissions from controlled AUM over Operationally Managed Investments AUM. Intensity values as of December 31, 2019, 2020 and 2022 were calculated using scope 1 and 2 emissions from controlled assets under management over assets under management within the Real Estate, Infrastructure, Private Equity and Renewable Power & Transition business groups.

[30] Intensity figures for the years ended December 31, 2019, 2020, and 2022 were calculated using emissions, AUM, revenue and power generation non-adjusted for acquisitions and dispositions.

[31] For renewable and clean energy acquisitions made prior to December 31, 2025. For renewable and clean energy acquisitions made post-2025, we will set targets aligned with science-based pathways.

[32] Represents financed emissions, with reference to the GHG Protocol and PCAF, attributable to Brookfield Asset Management ULC and Brookfield Corporation from investments that are not financially controlled by us; this includes investments across our associates, Insurance Solutions channel, Renewable Power & Transition, Infrastructure, Private Equity, Real Estate and other entities. The investment-level emissions, which are related to scope 1 and 2 emissions, are attributed to Brookfield Asset Management ULC in proportion to our exposure to the total or equity value of the investment by way of an attribution factor. The emissions of our associates are also attributed to Brookfield Asset Management ULC in proportion to our investment in those associates by way of an attribution factor. Where financial or emissions data for the period ended December 31, 2023 is not available, the most recently available financial data and emissions data reported by investees are used. AUM is provided for context only and is not reflective of AUM weighted for intensity calculations – every dollar of AUM is not an accurate metric of emissions emitting potential per unit of measure. Our emissions coverage is impacted by a number of factors that limit data availability, including investments a) in a new technology where emissions estimates cannot be accurately calculated due to limited market guidance on global methodology to quantify the emissions, b) where insufficient financial or non-financial data is available to calculate emissions, c) where based on the underlying nature of the investment type there are no associated emissions (e.g., cash and cash equivalents) or d) where our investment is in a product type where emissions estimates cannot be accurately calculated due to limited market guidance on global methodology to quantify the emissions. Brookfield selected the 2023 reporting year as the initial year of reporting for its non-controlled investments' financed emissions.

[33] Financed emissions are calculated by establishing an attribution factor (ownership ratio) and multiplying that by a company's scope 1 and 2 emissions. Where data was available, the ownership ratio was calculated as the market value of the investment over the company's enterprise value including cash (EVIC). Where EVIC was not available, percentage of equity value was used as the attribution factor. For investments managed by our associates, we have included our proportionate share of their financed emissions based on our ownership as of December 31, 2023. In certain circumstances, we have taken our proportionate share of emissions regardless of how AUM is calculated.

[34] Business loans and unlisted equity includes private credit and private equity investments.

[35] Company reported data includes data provided directly by the portfolio company or through third-party data sources such as MSCI. Emissions estimates include MSCI and internally prepared estimates. We make no guarantees to the accuracy of this data.

[36] The Global GHG Accounting & Reporting Standard Part A: Financed Emissions: https://carbonaccountingfinancials.com/files/downloads/PCAF-Global-GHG-Standard.pdf

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