

# BROOKFIELD ASSET MANAGEMENT

## 2023 UK TCFD ENTITY REPORT

The disclosures in this report are prepared on behalf of the following Brookfield Asset Management group entities: (i) Brookfield Global Business Advisor Limited, a private limited company registered in England and Wales with registered company number 09814435 and authorised and regulated in the UK by the UK Financial Conduct Authority ("**FCA**") (FRN: 768271); (ii) Brookfield Global Renewable Energy Advisor Limited, a private limited company registered in England and Wales with registered company number 08762711 and authorised and regulated in the UK by the FCA (FRN: 768273); (iii) Brookfield Global Property Advisor Limited, a private limited company registered in England and Wales with registered company number 08367059 and authorised and regulated in the UK by the FCA (FRN: 768204); and (iv) Brookfield Global Infrastructure Advisor Limited, a private limited company registered in England and Wales with registered company number 04527558 and authorised and regulated in the UK by the FCA (FRN: 768174) (together, the "**UK Managers**").

This report has been prepared to comply with the UK Managers' obligations under Chapter 2 of the FCA's Handbook's Environment, Social and Governance Sourcebook ("**FCA ESG**"). As part of the wider Brookfield Asset Management Group, the UK Managers' approach to the management of climate-related financial risks is determined at the group level. Therefore, this report cross-refers to information that can be found in the [Brookfield Asset Management Group 2023 Sustainability Report](#) (the "**BAM Ltd. 2023 Sustainability Report**").

The UK Managers act as investment managers, sub-investment managers and advisors to their non-UK Brookfield Asset Management group affiliates in relation to funds managed by those affiliates. The UK Managers may also arrange transactions in relation to such funds. The UK Managers' TCFD in-scope business therefore covers the provision of "portfolio management services" (as defined in FCA ESG) to Brookfield affiliates. As investment managers, sub-investment managers and advisors to their non-UK Brookfield Asset Management Group affiliates, the climate related financial risks and opportunities to which the UK Managers are exposed, principally concern the climate related financial risks and opportunities which relate to the portfolios managed by the UK Managers' Brookfield Asset Management Group affiliates. The UK Managers' TCFD in-scope business is covered by the BAM Ltd. 2023 Sustainability Report.

In this report, references to "Brookfield", "we", "us", "our" refers to Brookfield Asset Management Ltd. together with its asset management business, being Brookfield Asset Management ULC and its subsidiaries, including the UK Managers.

The reference period for this report and the BAM Ltd. 2023 Sustainability Report is 1 January 2023 – 31 December 2023.

**Disclaimer**

This report has been prepared to satisfy the UK Managers' requirements set out in Chapter 2 of FCA ESG. This report is not required to be prepared or filed by Brookfield under Canadian or U.S. securities laws, and the information contained herein should not be read as necessarily rising to the level of materiality of disclosure required in Brookfield's securities law filings. Brookfield does not generally pursue a sustainability-based investment strategy or limit its investments to those that meet specific sustainability criteria or standards. Any decision to invest in a Brookfield product – including those expressly designated as "promoting environmental and/or social characteristics" or having a "sustainable investment objective" (as those terms are defined for the purposes of Regulation (EU) 2019/2088)) should be based solely on the full terms of that product. Brookfield expects that its sustainability policies and procedures will continue to evolve and could as a consequence change materially over time.

**Compliance Statement**

**The disclosures in this report, including any third party or group disclosures cross-referenced in it, comply with the relevant requirements set out in Chapter 2 of FCA ESG.**

Signature: *Philippa Elder*

Name: Philippa Elder

Title: Director

Signature: *Philippa Elder*

Name: Philippa Elder

Title: Director

**Brookfield Global Business Advisor Limited**

**Brookfield Global Property Advisor Limited**

Signature: *Philippa Elder*

Name: Philippa Elder

Title: Director

Signature: *Philippa Elder*

Name: Philippa Elder

Title: Director

**Brookfield Global Renewable Energy Advisor Limited**

**Brookfield Global Infrastructure Advisor Limited**

**Date: 27/06/2024**

## TCFD Disclosure Pillar I: Governance

### **TCFD Recommended Disclosure (a)**

Describe the board's oversight of climate-related risks and opportunities.

As part of the asset management business, the UK Managers adopt its approach to climate-related financial risks and opportunities. These are set, overseen, and calibrated at the group level, including by representatives of the UK Managers. Further details are set out in the sections headed 'Sustainability Governance and Oversight' and 'Climate Governance' on pages 14 and 25 of the BAM Ltd. 2023 Sustainability Report.

The boards of the UK Managers will be briefed on the FCA's TCFD rules and how these are met by the UK Managers (including by way of this report and the BAM Ltd. 2023 Sustainability Report). A copy of the BAM Ltd. 2023 Sustainability Report has been noted by the boards of the UK Managers.

### **Recommended Disclosure (b)**

Describe management's role in assessing and managing climate-related risks and opportunities.

As part of the asset management business, the UK Managers adopt its approach to assessing and managing climate-related risks and opportunities. The approach is set at the group level, including by representatives of the UK Managers. Further details are set out in the section headed 'Climate Governance' on pages 25 and 26 of the BAM Ltd. 2023 Sustainability Report.

The boards of the UK Managers will be briefed on the FCA's TCFD rules and how these are met by the UK Managers (including by way of this report and the BAM Ltd. 2023 Sustainability Report). A copy of the BAM Ltd. 2023 Sustainability Report has been noted by the boards of the UK Managers.

## TCFD Disclosure Pillar II: Strategy

### **Recommended Disclosure a)**

Describe the climate-related risks and opportunities the organisation has identified over the short, medium and long term

The climate related financial risks and opportunities identified by the UK Managers over the short, medium and long term are consistent with those set out in 'Climate Related Risk Management' on pages 27– 44 of

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|  | the BAM Ltd. 2023 Sustainability Report and in particular pages 27 – 32.   |
| <p><b><u>Recommended Disclosure b)</u></b></p> <p>Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.</p> | <p>For more information on the asset management business' strategy, please refer to 'Our Climate Strategy' on pages 45 – 62 of the BAM Ltd. 2023 Sustainability Report which describes the asset management business' strategic response to the identified climate-related risks and opportunities. Please also refer to the sections headed 'Pre-mitigation Transition Opportunity and Risk Screening' on page 31 and 'Physical Risks' on pages 38 – 43.</p> <p>The UK Managers may from time-to-time appoint sub-advisors to carry out certain investment advisory functions. These sub-advisors are also part of the asset management business and adopt its approach to identifying climate related risks and opportunities.</p> |
| <p><b><u>Recommended Disclosure c)</u></b></p> <p>Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios</p>              | <p>Brookfield incorporates the use of physical and transition scenarios into its risk management processes. For further information on Brookfield's use of scenario analysis please refer to pages 29 – 30 of the BAM Ltd. 2023 Sustainability Report.</p> <p>As part of the asset management business, the resilience of the UK Managers' strategy and approach is as described in the section headed 'Climate-Related Risk Management' on pages 27 – 44 of the BAM Ltd. 2023 Sustainability Report.</p>  |
| <b>TCFD Disclosure Pillar III: Risk Management</b>   |  |
| <p><b><u>Recommended Disclosure a)</u></b></p> <p>Describe the organisation's processes for identifying and assessing climate-related risks.</p>   | <p>As part of the asset management business, the UK Managers' approach to identifying and assessing climate-related risks and opportunities is determined at the group level, including by representatives from the UK Managers.</p> <p>For more information, please refer to 'Climate-Related Risk Management' on pages 27 – 44 of the BAM Ltd. 2023 Sustainability Report which</p>  |

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|   | <p>discusses Brookfield's approach to identifying and assessing climate-related risks and opportunities through the investment lifecycle. Please also refer to 'Integrating Sustainability into our Investment Process' on pages 18 – 19 of the BAM Ltd. 2023 Sustainability Report.</p>  |
| <p><b><u>Recommended Disclosure b)</u></b></p> <p>Describe the organisation's processes for managing climate-related risks.</p>   | <p>As part of the asset management business, the UK Managers' approach to managing climate-related risks and opportunities is determined at the group level, including by representatives from the UK Managers.</p> <p>For more information, please refer to 'Climate-Related Risk Management' on pages 27 – 44 of the BAM Ltd. 2023 Sustainability Report which describes the group-wide processes for managing climate-related risks. This section discusses the asset management business' approach to managing climate-related risks and opportunities including at the portfolio level where Brookfield has control or significant influence across Brookfield's renewable power and transition, infrastructure, private equity and real estate investment strategies.</p> |
| <p><b><u>Recommended Disclosure c)</u></b></p> <p>Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.</p> | <p>As part of the asset management business, the UK Managers' approach to identifying, assessing, and managing climate-related risks opportunities is determined at the group level, including by representatives from the UK Managers, and is as described in the section entitled 'Climate-Related Risk Management' on pages 27 – 44 of the BAM Ltd. 2023 Sustainability Report.</p>  |

**TCFD Disclosure Pillar IV: Metrics and Targets**

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| <p><b><u>Recommended Disclosure a)</u></b></p> <p>Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.</p> | <p>For more information, please refer to 'Metrics and Targets' on pages 63 – 77 of the BAM Ltd. 2023 Sustainability Report.</p> <p>These metrics cover the UK Managers' TCFD in-scope business.</p> <p>The asset management business has not set an internal carbon price.</p> <p>Please see the section 'Metrics and Targets' on pages 76 – 77 of the BAM Ltd. 2023 Sustainability Report for relevant contextual information on data gaps, limitations and methodologies.</p> <p>Brookfield is a signatory to NZAM and has aligned itself with the ambition to reach net zero by 2050 or sooner, which would contribute to the UK's goal of achieving net zero by 2050. For further information see the sections headed 'Our Climate Strategy' and 'Metrics and Targets' on pages 45 – 77 of the BAM Ltd. 2023 Sustainability Report. For further information on Brookfield's progress towards supporting the ambition of net-zero GHG emissions by 2050 or sooner, please refer to the <a href="#">January 2024 NZAM Interim Progress Report</a>.</p> <p>At present, certain of the assets managed or advised by the UK Entities are within scope of the NZAM target.</p> |
| <p><b><u>Recommended Disclosure b)</u></b></p> <p>Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.</p>   | <p>Please refer to the section headed 'Metrics and Targets' on pages 63 – 77 of the BAM Ltd. 2023 Sustainability Report for information regarding scope 1, scope 2 and partial scope 3 (categories 5, 6 and 15) emissions and related risks on pages 126-127.</p> <p>Please also refer to the section 'Brookfield Corporate Operations KPIs' on pages 117 – 118 of the BAM Ltd. 2023 Sustainability Report.</p>  |

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| <p><b><u>Recommended Disclosure c)</u></b></p> <p>Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets</p> | <p>For more information, please refer to 'Metrics and Targets' on pages 63 – 77 of the BAM Ltd. 2023 Sustainability Report for information on the targets used by Brookfield Asset Management to manage climate-related risks and opportunities.</p> <p>As noted above, Brookfield is a signatory to the NZAM as described in more detail on page 67 of the BAM Ltd. 2023 Sustainability Report.</p> |
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