

ENVIRONMENTAL, SOCIAL AND GOVERNANCE POLICY

I. Background

At Brookfield¹, our business philosophy is based on our conviction that acting responsibly toward our stakeholders is foundational to operating a productive, profitable and sustainable business, and that value creation and sustainable development are complementary goals. This view has been underpinned by what we have learned throughout our 100+ year heritage as an owner and operator of long-term assets, many of which form the backbone of the global economy. Our long-term focus lends itself to implementing robust ESG programs throughout our asset management business and underlying operations, which has always been a key priority for us. Building on our history and commitment to strong ESG practices, we continue to seek to evolve and enhance our ESG processes and performance. We are a member, signatory or supporter of a number of organizations and frameworks, including the United Nations-supported Principles for Responsible Investment (“PRI”), which underscores our commitment to responsible investment and ESG best practices.

We define material ESG considerations as those that have the potential to have a direct, substantial impact on an organization’s ability to create, preserve or mitigate erosion of economic value, environmental or social value for itself and its stakeholders². The elements on which we focus may differ across certain industries, activities, geographic locations and types of business (i.e., control, joint control, minority, public equity or debt).

Our approach to ESG incorporates leading ESG frameworks and standards, including Sustainability Accounting Standards Board (“SASB”) standards and the Taskforce for Climate-related Financial Disclosures (“TCFD”).

II. Scope and Application

The purpose of this ESG Policy (“Policy”) is to codify Brookfield’s approach to ESG management. This Policy applies to all directors, officers, employees and temporary workers³ of Brookfield. Where Brookfield is an investor in an entity that it does not manage or control (including, for instance, a joint venture or partnership), it will make commercially reasonable efforts (as determined by Brookfield) to encourage management of the assets and operations of that entity in a manner aligned with this Policy. Brookfield expects that its publicly traded controlled affiliates will implement this Policy or an ESG policy aligned with the provisions of this Policy with such modifications as are appropriate based on their respective investment strategies.

¹ Brookfield means Brookfield Asset Management Ltd., Brookfield Asset Management ULC and their wholly owned subsidiaries (“Brookfield Subsidiary”) excluding operating and portfolio companies or entities that do not trade under the name Brookfield. Portfolio company senior leadership has responsibility for overseeing ESG within their business, and for implementing their own tailored and proportionate risk management measures. Where risk is assessed to be low, portfolio companies may determine that there is no need to establish specific ESG policies and procedures. For clarity, where a Brookfield Subsidiary has adopted its own ESG policy (or similar policy) that is consistent with the provisions of this Policy, such policy will govern.

² The word “material” should not be equated to or taken as a representation concerning the “materiality” of any particular ESG factor under the US federal securities laws or any similar legal or regulatory regime globally.

³ For the purposes of this Policy, “temporary workers” include non-full-time employees and consultants and contractors.

III. Guiding Principles

The following guiding principles form the basis of our ESG approach:

Mitigate the impact of our operations on the environment:

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

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 zero serious³ 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:

- 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.

IV. ESG Investment Process

We embed material ESG considerations and evaluate risks and value creation opportunities throughout our investment process. We actively look to advance ESG initiatives and improve ESG performance in driving long-term value creation throughout the lifecycle of our investments. Our investment processes align with the PRI’s six Principles.

Due Diligence

During the initial due diligence phase, we proactively identify material ESG risks and opportunities relevant to the particular investment. Guided by Brookfield’s ESG Due Diligence Protocol, we leverage our investment and operating expertise and utilize industry-specific principles, which may include the incorporation of SASB guidance and, where applicable, a human rights and modern slavery risk assessment as supported by the related policy. Where warranted, Brookfield performs deeper due diligence, working with internal experts and third-party consultants as needed.

Investment Committee Approval

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

Ongoing Management

As part of each acquisition⁴, investment teams create a tailored integration plan that includes, among other things, material ESG-related matters for review or execution. We have witnessed and continue to see a strong correlation between managing these considerations and enhancing investment returns.

It is the responsibility of the management teams within each portfolio company to manage ESG risks and opportunities through the investment's life cycle, supported by the applicable investment team. The combination of having local accountability and expertise in tandem with our investment and operating capabilities is important when managing a wide range of asset types across jurisdictions. We leverage these capabilities in collaborating on ESG initiatives, where appropriate, to drive best practices and assist with any remediation. As it relates to ESG, where appropriate, we encourage our portfolio companies to organize training for relevant staff. To mitigate risks and to execute on opportunities, we seek to support the implementation of best practices and development of internal capabilities at our portfolio companies. We aim to achieve this in several ways, including by encouraging training, providing technical expertise on certain ESG related matters, facilitating connections to experts on ESG issues in relevant sectors, sharing of institutional knowledge of best practices, and leveraging other firm resources including cross-portfolio collaboration.

Management teams regularly report to their respective boards of directors both from financial and operating perspectives, including key performance indicators that incorporate material ESG 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, 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 will actively monitor the performance of its investments and, where appropriate, utilize its stewardship practices (refer to Section V) to encourage ESG outcomes that are aligned with Brookfield's ESG approach. Where applicable, certain strategies may have Strategic Implementation Guidelines articulating Brookfield's stewardship and engagement process.

Exit

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

⁴ Refers to investments where Brookfield has economic control, or influence through Board representation, which refers to over 70% of its AUM as of December 31, 2022.

V. Stewardship

Stewardship is an important element of our ESG strategy, and we have defined it in alignment with the PRI. We seek to do this through engagement with our portfolio companies and collaboration with industry peers to help inform and improve our ESG strategies and practices. We also use our Proxy Voting Guidelines, where applicable, and ensure our disclosures address how we incorporate ESG factors into our investment process.

Brookfield is one of the largest owners and operators of real assets globally. In managing our assets, we utilize our significant influence and investing and operating capabilities in collaborating with our portfolio companies to encourage sound ESG practices that are essential for resilient businesses, while creating long-term value for our investors and stakeholders. See Section IV above 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 influencing industry standards or practices that are aligned with our ESG principles.

Brookfield's public securities holdings are generally modest relative to our assets under management. Nevertheless, we utilize our Proxy Voting Guidelines to ensure that we are voting proxies in our investors' best interests, in accordance with any applicable proxy voting agreements and consistent with the investment mandate. We assess a variety of ESG factors in determining whether voting a proxy is in a client's best interests, including, but not limited to, gender equality, board of directors' diversity, ecology and sustainability, climate change, ethics, human rights and data security and privacy. Our guidelines cover information about our Proxy Voting Committee and conflicts of interest, as well as key voting issues. These guidelines also uphold our strong commitment to ESG practices, and our positions concerning climate risk, human rights, and diversity, equity, and inclusion.

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 Section VIII, or directly through Brookfield or by our business groups.

VI. Roles and Responsibilities

Brookfield's Board of Directors, through its Governance, Nominating and Compensation Committee, has ultimate oversight of Brookfield's ESG strategy and receives regular updates on the organization's ESG initiatives throughout the year. Each aspect of ESG is overseen by select senior executives from Brookfield and the CEO and COO of each of its business groups, who are charged with driving ESG initiatives based on its business imperatives, industry developments and best practices, in each case supported by asset management professionals from each of these constituencies. The management teams of portfolio companies have primary responsibility for the management of ESG considerations within their operations.

VII. Related Policies and Procedures

This ESG Policy is supplemented by several other governance documents that apply to our business and operations.

- [Anti-Bribery and Corruption Program](#)
- [Anti-Money Laundering and Trade Sanctions Policy](#)
- [Code of Business Conduct and Ethics](#)
- [Modern Slavery Statement](#)
- [Positive Work Environment Policy](#)
- [Proxy Voting Guidelines](#)
- [Vendor Code of Conduct](#)
- [Whistleblowing Policy](#)

Further detail can be found on our website here: www.brookfield.com/responsibility.

VIII. Frameworks, Memberships and Commitments

We continue to align our business practices with leading frameworks for responsible investing and are an active participant in industry forums and other organizations. We are committed to ongoing engagement and stewardship and the promotion of leading ESG practices—both with our portfolio companies and with the broader asset management industry—that are designed to enhance the value of our assets and businesses. In addition, through our membership in these organizations and other industry forums, we remain actively involved in discussions aimed at advancing ESG awareness across private and public markets and enhancing our reporting and protocols in line with evolving best practices.

Below are some of the frameworks and sustainability organizations with which we are affiliated.

We are a signatory to the PRI, which demonstrates our ongoing commitment to responsible investment and ESG best practices. In addition, as an Alliance Member of IFRS, we integrate the SASB Engagement Guide into our ESG due diligence protocols.

Brookfield supports the goal of net-zero GHG emissions by 2050 or sooner and is a signatory to the Net Zero Asset Managers (“NZAM”) initiative. As part of joining this initiative, we (i) will progress decarbonization goals, consistent with an ambition to reach net-zero emissions by 2050 or sooner across all assets under management; (ii) have set an interim target of a specific proportion of our assets to be managed in line with net zero, with targeted emissions reduction by 2030; and (iii) will review this interim target at least every five years, with a view to increasing the proportion of AUM covered until 100% of assets are included.

Further, we are determined to support climate change mitigation and adaptation throughout our operations, as a formal supporter of the TCFD, and continue to align our reporting with the TCFD’s recommendations.

We are committed to respecting human rights by conducting business in an ethical and responsible manner. This includes carrying out activities in a manner that respects and supports the protection of human rights.

Additionally, we are a signatory to the ILPA Diversity in Action (“DIA”) initiative which brings together limited partners and general partners who share a commitment to advancing diversity and inclusion in the private

equity industry. Joining the DIA initiative underscores our commitment to advance diversity and inclusion, both within the organization and the asset management industry more broadly.

IX. Changes to this Policy

This Policy has been prepared under the supervision of the Chief Administrative Officer and General Counsel. The Policy will be reviewed and updated periodically and more frequently when appropriate.