Brookfield Asset Management

Tax Governance Framework Summary

Brookfield Asset Management’s (“Brookfield”) tax governance framework is documented in its Tax Risk Management Policy (the “Policy”). The Policy outlines Brookfield’s approach to managing its tax function and provides a framework within which tax risks are assessed and managed in a controlled and effective manner.

Brookfield’s Risk Management Committee (“RMC”), which is comprised of members of Brookfield’s Board of Directors, has oversight responsibility for risk management throughout the organization, including those related to taxation. The RMC approves the Policy annually and reviews material tax risks quarterly. The RMC reports material tax matters to the Board of Directors, where appropriate. Consistent with Brookfield’s overall risk management approach, tax risks are managed on a decentralized basis with senior management of each business group and portfolio company having ultimate responsibility for adhering to the Policy. The Chief Financial Officer and Managing Partner responsible for taxation at Brookfield have oversight of tax risks across the organization and are authorized to manage the tax risks and approve tax positions, tax settlements and payments, in accordance with the Policy.

Under the Policy, Brookfield seeks to comply with tax laws and filing deadlines in all jurisdictions in which Brookfield operates based on the legal and administrative practices in each jurisdiction. Brookfield may utilize available tax incentives, reliefs and exemptions, provided these are aligned with the associated tax legislation.

Brookfield actively seeks to identify, evaluate, monitor and manage tax risks to ensure that they are consistent with Brookfield’s objectives. In reviewing the tax risks associated with the business operations, Brookfield will consider the following:

- legal duties of directors and employees;
- compliance with internal policies and procedures;
- impact on Brookfield’s relationships with tax authorities; and
- maintenance of Brookfield’s reputation as a world class asset manager.

In situations where tax law is unclear, subject to interpretation or where Brookfield does not have the internal expertise to assess a particular tax position, tax advice is obtained from external advisors who have the appropriate technical expertise. Brookfield is committed to maintaining a cooperative and open working relationship with tax authorities globally and ensuring that any tax audits are managed effectively. Brookfield seeks to make fair, accurate and timely disclosures in correspondence and tax returns and respond to queries in a timely manner.