



RESPONSIBLE INVESTING REQUEST FOR INFORMATION

Firm Name: Brookfield Asset Management

Completed By: Brookfield Transition Funds

Date Completed:

please refer to the Brookfield Renewable ESG Report:

<https://www.brookfield.com/responsibility>.

c) Indicate any other international standards, industry guidelines, reporting frameworks, or initiatives that guide your responsible investing practices.

See response to 3B.

4) Please describe how ESG oversight is implemented. 8 467 (a) 2-10 (a) 1-5 (t) qa2 -0 tw B15 (t) qa20 (t)-3

help identify quantitative impact targets and enable a strong understanding of an investment's potential impact performance. The criteria, as well as the IMP dimensions of impact that they capture, are as follows:

risk identified at a screening level does not consider mitigation or adaptation strategies that may be in place or are 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. Our latest assessment screens were based on our investments as at December 31, 2022 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 scenario (2015-2044), medium-term 2040 scenario (2025-2054), and long-term 2050 scenario (2035-2065). For our transition screens, we selected three divergent scenarios developed by the globally recognized Network for Greening the Economy (N-GEE).

staff. To mitigate risks and 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

DIVERSITY

18) Please provide the composition of your senior leadership team and board of directors, including women and visible minorities. How do you encourage diversity of perspectives and experience?

As of June 2023

- 28% of Senior Vice Presidents and above are Women
- 33% of the BOD is held by Women
- 57% of the Independent Director positions are held by Women
- 25% of Directors self-identify as ethnically diverse

Building a diverse, equitable and inclusive work environment reinforces our culture of collaboration and strengthens our ability to develop and promote all of our people to their potential. Our approach to diversity, equity 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 1 ((d)-4 (n15 (ioTJ-0.0022 (d)-6 (l)4 (e)10 (d)-2 (69EMC //002 Tc -0. (i)4 (t)) 0.0(M(o)T)M

MONITORING

19) After making the decision to invest in a fund/company, what is your process for monitoring the investment's ESG performance during your ownership period?

As part of each acquisition, where Brookfield has economic control, or influence through

- Reviews of key asset management programs, including ABC, top risks to the business and mitigation strategies, and legal and regulatory matters;
- Updates on major energy reduction initiatives or related capex projects that support GHG reduction;
- Environment, Health, Safety and Security metrics;
- Audit results of any serious safety incidents, identifying root causes and remediation plans;
- Detailed action plans to address management system deficiencies in order to continually reduce risks;
- Summary of compliance for the portfolio company's comprehensive employee and contractor training programs;
- Five-year business plans that incorporate forecasts for maintenance and capital project, ensuring asset integrity and the elimination of safety and environmental risks;
- Results of independent audit programs used to assess programs and ensure compliance. Our governance framework is provided by Brookfield for portfolio companies, and adherence to certain Brookfield governance policies is monitored by Brookfield's Corporate Audit Services Department.

The monitoring of ESG factors and the implementation of related programs varies by region and business unit within Brookfield. In addition, Brookfield collects annual ESG key performance indicators (KPIs) from all portfolio companies. We disclose a number of these portfolio company metrics in our annual ESG Report. Finally, a fundamental principle of our investment 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 business and tailoring a mitigation plan to each specific risk area. Brookfield, in its capacity as an asset manager, provides strategic direction and support through regular monitoring and reporting processes, and facilitating appropriate coordination and sharing of best practices, including through its representation on boards of directors and other governance structures. Brookfield places significant emphasis on ESG management and, as such, evaluates as part of its due diligence process for any investment that adequate ESG-related competence is in place at each portfolio company. In instances where our due diligence has shown any gaps in ESG-related competencies, post-acquisition, the asset management teams overseeing the investments will ensure that adeq (ea)2 itg0aj0.002aj0.002aj7urej1 (r)-4i ea oh htatings

detailed memorandum, outlining the merits of the transaction and material risks, mitigants and significant opportunities for improvement, including those related to ESG, including specific areas such as health and safety risks, anti-bribery and corruption risks, and other environmental and social risks. When Brookfield makes a control or a co-control investment, the portfolio company boards generally comprise more than one Brookfield member. As a result, Brookfield maintains a high degree of oversight and influence to ensure programs at our portfolio companies are up to Brookfield's standards. Where Brookfield has a controlling interest, Brookfield has a standing agenda item of ESG programs and related factors at each of our portfolio company's board meetings. Brookfield seeks to ensure ESG activities at each portfolio company are sufficiently managed and are aligned with the company's overall ESG policy and principles.

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23) Do you measure whether your approach to ESG affected the financial performance of your investments? If yes, please describe your approach.

As part of each acquisition, where Brookfield has a controlling stake, investment teams create a tailored integration plan that includes, among other things, material ESG-related matters for review or execution. We believe there is 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 lifecycle, supported by the applicable investment team within Brookfield. The combination of local accountability and expertise in tandem with Brookfield's 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 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 ("KPIs") 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 actively monitors the performance of its investments and, where appropriate, utilizes its stewardship practices 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. 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.