

APPENDIX II. EMISSIONS DATA METHODOLOGY

The Brookfield financed emissions data collected by the [Private Equity Climate Risks](#) ('PECR') is:

- Based on the fossil fuels assets of Brookfield's energy portfolio companies as of Q3 2023;
- Relates to upstream (i.e. oil exploration and production), midstream (i.e. oil & gas distribution, transportation, storage, refineries, and processing), and downstream (i.e. power generation) energy infrastructure; and
- Results from stationary combustion, fugitive, and process emissions.

These emissions are attributed to Brookfield if it is invested at any level.

For midstream fossil fuel companies, the data only includes the emissions from the process of and fugitive emissions associated with transporting, storing, and processing the fuels (i.e. not end-use combustion).

To avoid double counting, downstream (i.e. power generation) emissions were only added into the total when downstream values exceeded the upstream emissions values (and vice versa).

A more detailed description of the data collection methodology enlisted for the PECR emissions data referenced in the body of this report is available at peclimaterisks.org/brookfield-emissions/.

Upon review of the methodology and data inputs enlisted by the PECR to develop their financed emissions estimates, Brookfield provided the following statement:

"Brookfield has reviewed the report and notes that it cites emissions data that are based on unclear inputs and deploys an opaque methodology that appears to run counter to standard global reporting requirements. It also substantially misconstrues our corporate structure and presents emissions data in a manner that lacks context, making it susceptible to significant inaccuracies."

While Brookfield objects to PECR's estimation, it does not provide an alternative accounting of the downstream emissions associated with its energy portfolio. This has resulted in a substantial undercounting of emissions. As such, we encourage Brookfield to offer more robust emissions disclosures in order to ensure shareholders are able to accurately assess the transition risk associated with their holdings.

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