TABLE 1. Summary of private equity net zero best practices and Brookfield's performance.
Note: Sources and specifics of best practices are provided in Appendix I, and for Brookfield are available throughout the report.

	PRIVATE EQUITY NET ZERO BEST PRACTICES	BROOKFIELD
CLIMATE TRANSITION RISK REPORTING	Scope: Financed emissions, scope 1, 2, and 3 (where 3 represents at least 40% of overall emissions) Years: Base year (2015 or later) & proceeding years Metrics: Absolute financed emissions & complementary metrics	Reports scope 1 and 2 absolute financed emissions (tCO_2e) for assets under "operational control," other than Oaktree • Base year (2020) and 2022 data reported • Reports share of AUM invested in fossil fuels, other than Oaktree Oaktree: No financed emissions reporting
INTERIM & LONG-TERM TARGETS	Scope 1-3 inclusive Aligned with fair share of 50% absolute GHG reductions by 2030 from 2019 base year Ambitious timelines for full portfolio coverage	50% reduction of scope 1 and 2 emissions of in-scope portfolio companies by 2030 • Currently only applies to 24% of AUM; vague plans to increase coverage over time • Does not include downstream scope 3 emissions 100% scope 1 and 2 AUM coverage (where Brookfield has operational control) by 2050 Oaktree has not set any interim or long-term emissions targets.
ACQUISITION	Requirement for practical net zero trajectory Investing in coal only if being phased out by 2030 in OECD and by 2040 everywhere; no investment in oil and gas expansion	Vague commitment to consider climate risk in acquisitions No mention of net zero viability as a requisite for acquisition No timeline for exclusion of thermal coal; no mention of oil and gas expansion Oaktree: Conducts ESG assessment, no exclusion policy

	PRIVATE EQUITY NET ZERO BEST PRACTICES	BROOKFIELD
ACTIVE OWNERSHIP	Within 12 months work with acquired companies to develop a net zero target and associated plan Annual reporting on portfolio company net zero progress Consequences for failure to progress	Develops decarbonization plans for each company (except Oaktree) No disclosure of portfolio company transition plans, and no reporting of progress Company management executes decarbonization plan No timelines or consequences for failure to progress on transition plans, but ongoing monitoring Oaktree: will divest or reduce its position where climate risks go unaddressed. No timeline.
EXIT	Report on exits and how they contribute to net zero	Considers — but does not report on — how ESG may contribute to company valuation upon exit Oaktree: no stated sustainability-oriented exit policy
CLIMATE SOLUTIONS	Clearly defined climate solutions targets Quantitative metrics for assessing impact of climate solution investments	$15 billion transition fund, aspiring to $200 billion transition business (no timeline). $7 billion in green bonds, debt, & securities issued in 2022 No impact metrics related to green investments since 2021 Oaktree: no targets
LOBBYING	Lobbying industry and government in support of net zero	Some financial industry advocacy and climate group memberships; some publications of articles and white papers. Fails to publicly lobby in support of key public policy climate measures