

BROOKFIELD'S COMMITMENT TO CORPORATE SOCIAL RESPONSIBILITY

Across Brookfield, we recognize that our success depends on the long-term health of the communities in which we conduct business and the environment in which we operate. Around the world, we invest in real assets that are essential to the global economy, and we operate these assets with the view that we will own them forever. That long-term approach dictates both our investment strategy and our commitment to corporate social responsibility. We believe that the pursuit of shareholder value and sustainable development are complementary goals.

Brookfield's Board of Directors, management and operating employees strive for excellence in all our operations. We seek to ensure the well-being and safety of our employees and the public by meeting or exceeding all applicable labour laws and standards of the jurisdictions in which we operate by offering competitive wages to employees, providing safe work environments, and implementing non-discriminatory hiring practices. Furthermore, we aim to mitigate the impact of our operations on the environment, to be actively engaged in the communities in which we operate and always work to be good corporate citizens. Finally, we conduct our business according to the highest ethical and regulatory standards. Below are some examples of the different initiatives across our organization.

Employee Well-being

Because our employees are integral to our success, our management teams maintain high standards with respect to employee welfare. Safety training and protocols are constantly refined, and health and safety metrics are reviewed regularly. Our goal is to have zero serious safety incidents by following a robust set of health and safety principles that are applied across our organization.

For example, in our office property portfolio, we foster a safe environment by offering our security and fire and life safety teams as a resource to tenants as they develop their individual security and preparedness plans, organizing and managing not only the required fire and shelter-in-place drills, but being able to create and facilitate other safety drills at tenant requests.

Within our infrastructure business, we have worked with our operating businesses on a number of initiatives to improve the health and safety of our operating professionals. In an attempt to decrease roadside incidents of our roadside workers and tollbooth operators, our Brazilian toll roads business has installed concrete barriers, constructed pedestrian overpasses, and installed speed radars at job sites. This business also introduced electro-mechanical 'flagmen robots' to stand in place of road workers, an industry first.

Environmental Stewardship

Across our portfolio of long-life, high quality assets, we are committed to improving energy efficiency and minimizing any environmental impact of our operations.

For example, in our office property portfolio, we judge our performance against standards that include the Global Real Estate Sustainability Benchmark (GRESB), an independently run assessment of the environmental performance of commercial properties. In 2016, we have been identified as a GRESB Survey Green Star for the fourth straight year, ranking in the 87th percentile of all GRESB respondents. This survey rates our operations on seven sustainability standards, and we have ranked well above both our peer group and the global GRESB average.

Within our renewable power business, 53 of Brookfield Renewable's North American hydro facilities are now certified by the Low Impact Hydropower Institute (LIHI). LIHI is a non-profit organization dedicated to reducing the impact of hydropower generation through the certification of hydropower projects that have avoided or reduced their environmental impacts, such as water quality protection, upstream and downstream fish passages, and threatened and endangered species protection.

Our Canadian District Energy operator, which is part of our infrastructure business, offers the world's largest lake-source cooling system, a \$250 million project that resulted in a 90% reduction in energy usage for the Toronto heat exchange system.

Lastly, our private equity group operates a global construction business that received the 2016 Most Sustainable Construction and Demolition Project award for adopting innovative environmental practices throughout the demolition and construction phases of a commercial office project in the U.K. A key initiative ensured that more than 340 tonnes of glass façade was processed and recycled into new glass products, preventing 227,000 kg of CO₂ being released into the atmosphere – the equivalent of energy needed to power 133 homes for a year.

Community Engagement

We believe that building strong partnerships with local and national stakeholders is good business. To ensure our interests are aligned, we continually look to involve our local communities and other stakeholders in both our existing businesses and our new investments.

In 2016, our arts and events program, Arts Brookfield, staged more than 500 free cultural events, attracting thousands of visitors. One such event, *I Never Saw Another Butterfly*, was presented in partnership with the Holocaust Museum of Houston. For over 20 years, the Museum has collected 1.5 million handmade butterfly artworks as part of its Butterfly Project, each representing the 1.5 million children who perished in the Holocaust. The Arts Brookfield-sponsored exhibit at the Allen Center gathered more than 200 additional butterflies from the community to expand upon the display.

In addition, we regularly engage with the communities in which we operate to ensure their interests are appropriately integrated into our business decisions. For example, sourcing both labour and materials locally is important to us. In the case of our Australian regulated terminal operator, one of the largest employers in the region, policies are in place to help award significant contracts to local businesses where appropriate. Furthermore, our Colombian Regulated Electricity Distribution business regularly engages in community outreach programs and advertising campaigns to educate the community on the public safety risks associated with electricity infrastructure.

Corporate Citizenship

We encourage and support a culture of philanthropy and volunteerism among our employees around the world. Through our people, we are a leader in communities, and our commitment shows in everyday activities – that are both in support of charities and in exceptional contributions we make during times of need.

All of our employees are encouraged to participate in community activities and fundraising, and our executives hold leadership positions on the boards and capital campaigns at major charities and public institutions, such as hospitals and universities. Many of our philanthropic and volunteer initiatives are global in scope, but local in focus. For example, we are long-time sponsors of a program that provides education assistance to gifted students from low income neighbourhoods in Rio de Janeiro. And we stage charity stair climbing challenges at our office buildings in major financial centres, for causes such as the United Way.

Brookfield's Commitment to Corporate Governance

On behalf of all shareholders, the Board of Directors and management of Brookfield are committed to excellence in corporate governance at all levels of the organization. We believe Brookfield's directors are well equipped to represent the interests of the Corporation and its shareholders, with an independent chair leading a Board that features global business experience, diversity and proven governance skills. We continually strive to ensure that we have sound governance practices to maintain investor confidence. We constantly review our approach to governance in relation to evolving legislation, guidelines and best practices. Our Board of Directors is of the view that our corporate governance policies and practices, and our disclosure in this regard are appropriate, effective and consistent with the guidelines established by Canadian and U.S. securities regulators.

Our Board of Directors believes that communication with shareholders is a critical element of good governance and the Board encourages all shareholders to express their views, including by way of an advisory shareholder resolution on executive compensation which is voted on annually by holders of Class A shares.

Brookfield outlines its commitment to good governance in the Statement of Corporate Governance Practices (the Statement), published each year in the Corporation's Management Information Circular and mailed to shareholders who request it. The Statement is also available on our website, www.brookfield.com, at "Shareholders / Brookfield Asset Management / Corporate Governance / Governance Documents."

Shareholders can also access the following documents that outline our approach to governance on our website: the Board of Directors Charter, the Charter of Expectations for Directors, the Charters of the Board's four Standing Committees (Audit, Governance and Nominating, Management Resources and Compensation and Risk Management), Board Position Descriptions, our Code of Business Conduct and Ethics and our Corporate Disclosure Policy.

An Ongoing Commitment

We are proud of our track record of leadership in corporate social responsibility, but we recognize that we can always do more, and are committed to continuous improvement in this regard.