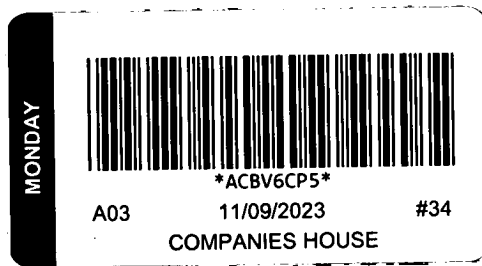


## **Brookfield Global Renewable Energy Advisor Limited**

Directors report and financial statements for the year  
ended 31 December 2022



**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**for the year ended 31 December 2022**

<b>TABLE OF CONTENTS</b>	<b>PAGE</b>
COMPANY INFORMATION	2
STRATEGIC REPORT	3
DIRECTORS' REPORT	12
DIRECTORS' RESPONSIBILITIES STATEMENT	16
INDEPENDENT AUDITOR'S REPORT	17
STATEMENT OF COMPREHENSIVE INCOME	21
STATEMENT OF FINANCIAL POSITION	22
STATEMENT OF CHANGES IN EQUITY	23
NOTES TO THE FINANCIAL STATEMENTS	24

**BROOKFIELD GLOBAL RENEWABLE ENERGY ADVISOR LIMITED**

---

**COMPANY INFORMATION**

DIRECTORS	R. Rank (Resigned 21 February 2023) J. Flatt (Resigned 31 October 2022) P. Elder C. Teskey S. Rashid (Appointed 12 January 2023)
SECRETARY	P. Elder
REGISTERED OFFICE	Level 25, 1 Canada Square, London, E14 5AA
REGISTERED NUMBER	08762711
AUDITOR	Ernst & Young, Chartered Accountants, City Quarter, Lapps Quay, Cork, Ireland

## BROOKFIELD GLOBAL RENEWABLE ENERGY ADVISOR LIMITED

---

### STRATEGIC REPORT

for the year ended 31 December 2022

The directors present their Strategic Report for the year ended 31 December 2022.

#### *PRINCIPAL ACTIVITY AND BUSINESS REVIEW*

The principal activity of the Company is to provide asset advisory services to other members of the Brookfield Group.

The Company is party to the master services agreement among Brookfield Asset Management, Brookfield Renewable Partners L.P. and certain affiliates pursuant to which the Company provides oversight of the business and the services of senior officers for an advisory fee.

The key financial and other performance indicators for the year ended 31 December 2022 were as follows:

	2022 \$'000	2021 \$'000
Revenue	124,004	93,899
Profit after tax	71,966	56,440
Net assets	88,588	82,439

Revenue for the year of \$124,004k (2021: \$93,899k) consists of the advisory fee. This is based on a cost-plus agreement, a fixed fee element as well as a variable fee which is driven by the total capitalisation value.

After incurring costs of \$35,502k (2021: \$23,846k), a profit before tax of \$88,504k (2021: \$70,053k) was recorded. Tax of \$16,538k (2021: \$13,613k) was deducted resulting in a profit after tax of \$71,966 (2021: \$56,440k). The directors consider the performance of the Company to be in line with expectations.

#### *PRINCIPAL RISKS AND UNCERTAINTIES*

The principal risk and uncertainty which could have a material impact on the Company's long-term performance is the inability to meet its cash flow requirements.

The impact of increasing interest rates and inflation has been considered by the Directors. The Company is well capitalised and has sufficient liquidity to enable all operations of the business to continue, and therefore the Directors do not expect there to be a material impact to the Company and its operations.

The Directors have considered the potential impact of the Russia/Ukraine conflict on the Company's long-term performance. The Directors consider that there is not expected to be a material risk to the Company but will continue to monitor the situation.

**STRATEGIC REPORT**  
**for the year ended 31 December 2022 (Continued)**

**SECTION 172(1) STATEMENT**

*Overview*

At the end of 2022, Brookfield Corporation (previously known as Brookfield Asset Management Inc.) (the "Corporation") completed the distribution and listing of a 25% interest in its asset management business, through Brookfield Asset Management Ltd (the "Manager" or "Brookfield Asset Management", the Corporation and Brookfield Asset Management being hereinafter referred to as "Brookfield").

Brookfield Asset Management was established as a company through which investors can directly access our leading, pure-play global alternative asset management business previously carried on by the Corporation and its subsidiaries and currently owned and operated through Brookfield Asset Management ULC ("Asset Management Company"), owned 75% by the Corporation and 25% by the Manager.

Brookfield Asset Management is one of the world's leading alternative asset managers, with approximately \$800 billion of assets under management (AUM) as of December 31, 2022 across Renewable Power and Transition, Infrastructure, Private Equity, Real Estate and Credit. We invest client capital for the long-term with a focus on real assets and essential service businesses that form the backbone of the global economy. We draw on our heritage as an owner and operator to invest for value and generate strong returns for our clients, across economic cycles. Brookfield Global Renewable Energy Advisor Limited (the "Company") is an indirect subsidiary of the Asset Management Company.

Section 172 of the Companies Act 2006 ("Act") requires the directors of a company to act in a way they consider, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole. In doing this, section 172 requires each director to have regard, among other matters, to:

- (a) the likely consequences of any decision in the long term;
- (b) the interest of the company's employees;
- (c) the need to foster the company's business relationship with suppliers, customers and others;
- (d) the impact of the company's operations on the community and the environment;
- (e) the desirability of the company maintaining a reputation for high standards of business conduct; and
- (f) the need to act fairly as between members of the company.

The Directors considered the factors set out above in discharging their duty under section 172(1) of the Act having regard to their principal obligation to the members as a whole.

The following Section 172(1) statement is made on behalf of the Company in compliance with the Act.

**STRATEGIC REPORT**  
**for the year ended 31 December 2022 (Continued)**

*SECTION 172(1) STATEMENT (Continued)*

*Consequences of any long-term decision*

We focus on value creation and capital preservation, investing in high-quality assets and businesses within our areas of expertise. We then manage these assets and businesses proactively and finance them conservatively - with the goal of generating stable inflation-linked, predictable and growing cash flows. Our investment activities are anchored by a set of core tenets that guide our decision-making and determine how we measure success:

Business Principles:	Operate our business and conduct our relationships with integrity
	Attract and retain high-calibre individuals who will grow with us over the long term
	Ensure employees think and act like owners in all their decisions
	Treat our shareholder's capital like it's our own
	Embed strong Environmental, Social and Governance ("ESG") practices throughout the Company's operations to help us ensure that our business model is sustainable
Investment Approach:	Acquire high-quality assets and businesses
	Invest on a value basis, with the goal of growing cash flows and compounding capital
	Enhance the value of investments through our operating expertise
	Build sustainable cash flows to provide certainty, reduce risk and lower our cost of capital
	Allocate the free cash flows we receive to enhance value for our shareholders
Our Paths to Success:	Evaluate total return on capital over the long term
	Encourage calculated risks, measuring them against potential returns
	Sacrifice short-term profit, if necessary, to achieve long-term capital appreciation
	Seek profitability rather than growth because size does not necessarily add value

**STRATEGIC REPORT**  
**for the year ended 31 December 2022 (Continued)**

*SECTION 172(1) STATEMENT (Continued)*

*Employees.*

We recognize that our success depends upon the quality, capabilities and commitment of our people across our businesses.

We aim to create an environment that is built on strong relationships and conducive to developing our workforce, and where individuals from diverse backgrounds can thrive. In 2022, we continued to work on ensuring that our talent attraction and retention efforts and our diversity, equity and inclusion efforts are consistent with these objectives.

Our approach to diversity, equity and inclusion has been deliberate and is integrated into our human capital development processes and initiatives. Having a diverse workforce reinforces our culture of collaboration and strengthens our ability to develop team members and maintain an engaged workforce. We seek to foster a diverse and inclusive workplace by ensuring our leaders understand their role in creating an inclusive environment and by maintaining a focus on disciplined talent management processes that seek to mitigate the impact of unconscious bias. We believe that these priorities are foundational to our success in enhancing diversity and inclusion within the workplace, where career advancement is directly tied to performance and to alignment with our values of making decisions with intense collaboration and a long-term focus.

We support philanthropy and volunteerism by our employees. We encourage employees to participate in Brookfield's Employee Engagement Groups ("BEEG") which are voluntary, employee-led groups that foster an inclusive workplace, provide volunteer opportunities, and help develop future leaders. BEEG in the UK includes Brookfield Cares, the European Diversity Group and Brookfield Women's Network ("BWN").

Brookfield Cares is the corporate social responsibility program for Brookfield employees. We believe that making a positive contribution to the communities in which we operate is fundamental to the way we do business.

The goal of our corporate citizenship program is to use both our financial and human resources to help enrich the lives of those in need within our community. We aim to support a culture of charitable giving and volunteerism amongst our colleagues and business partners, with a focus on four areas: homelessness, youth and education, healthcare, and the environment.

BWN is dedicated to attracting, developing and motivating a community of women across Brookfield's various business groups. We aim to engage and inspire our female employees with various initiatives intended to support career growth and leadership development. Our areas of focus include professional development, mentorship, networking, business and industry education and philanthropy.

**STRATEGIC REPORT**

**for the year ended 31 December 2022 (Continued)**

*SECTION 172(1) STATEMENT (Continued)*

*Business Relationship with Suppliers, Customers and Others*

We are committed to conducting our business in an ethical and responsible manner. We continue to work to identify and prevent potential human rights and modern slavery violations within our business environment, including supply chains, and we look for ways to support the promotion of human rights. Our approach to addressing human rights, including modern slavery, is designed to be commensurate with the risks we face, which vary based on jurisdiction, industry and sector.

We have a modern slavery and human trafficking policy that provides guidance on measures to prevent and detect modern slavery. In addition, we have several other policies and procedures that provide guidance on the identification of human rights and modern slavery risks and the steps to be taken to mitigate these risks. These include our Code of Conduct, Vendor Management Guidelines, including the Vendor Code of Conduct, ESG Due Diligence Guidelines, Anti-Bribery and Corruption Policy, Anti-Money Laundering and Trade Sanctions Policy and Whistleblowing Policy. Our portfolio companies' senior management teams are each responsible for identifying and managing the human rights risks, including modern slavery, for their individual businesses.

All employees receive modern slavery training as part of the onboarding process and access ongoing training, as necessary. Additional training relevant to applicable regions and role, particularly in higher-risk functions such as procurement is provided.

We also encourage employees, suppliers and business partners to report concerns in accordance with our Whistleblowing Policy.

We are cognizant of the fact that the risks of human rights, modern slavery and human trafficking are complex and evolving, and we will continue to work on addressing these risks in our business.

*Community and Environment*

Our business philosophy is based on our conviction that acting responsibly toward our stakeholders is foundational to operating a productive, profitable and sustainable business, and that value creation and sustainable development are complementary goals. This view has been underpinned by what we have learned throughout Brookfield's 100+ year heritage as owner and operator of long-term assets, many of which form the backbone of the global economy. Our long-term focus lends itself to implementing robust ESG programs throughout our business and underlying operations, which has always been a key priority for us.

While ESG principles have always been embedded in how we run our business, we formalized our approach with the publication of Brookfield's ESG principles in 2016. In 2022, Brookfield developed a global ESG Policy incorporating our practices related to operationalizing our ESG principles. This document codifies our longstanding commitment to integrating ESG considerations into our decision-making and day-to-day asset management activities. This policy is reviewed annually and updated on an as-needed basis by senior executives at Brookfield working together with each of Brookfield's business groups. Our ESG policy outlines our approach to ESG which is based on the following guiding principles:



**STRATEGIC REPORT**

**for the year ended 31 December 2022 (Continued)**

*SECTION 172(1) STATEMENT (Continued)*

*Community and Environment (continued)*

*Mitigate the impact of our operations on the environment:*

- Strive to minimize the environmental impact of operations and improve our efficient use of resources over time.
- Support the goal of net-zero greenhouse gas ("GHG") emissions by 2050 or sooner.

*Ensure the well-being and safety of employees:*

- Foster a positive work environment based on respect for human rights, valuing diversity, and having zero tolerance for workplace discrimination, violence or harassment.
- Operate with leading health and safety practices to support the goal of zero serious safety incidents.

*Uphold strong governance practices:*

- Operate to the highest ethical standards by conducting business activities in accordance with our Code of Conduct.
- Maintain strong stakeholder relationships through transparency and active engagement.

*Be good corporate citizens:*

- Ensure the interests, safety and well-being of the communities in which we operate are integrated into our business decisions.
- Support philanthropy and volunteerism by our employees.

ESG Governance

Robust ESG programs throughout our businesses and underlying operations has always been a key priority. We understand that good governance is essential to sustainable business operations. Brookfield's board of directors, through its Governance Committee, has ultimate oversight of Brookfield's ESG strategy (including the Company's), and receives regular updates on Brookfield's ESG initiatives throughout the year.

Our ESG programs are supported by senior executives and experts within our asset management business, who are charged with primary accountability for driving ESG initiatives based on business imperatives, industry developments and best practices. This model facilitates the ability to leverage Brookfield's extensive industry and operational expertise and align our ESG priorities. In each case, our ESG initiatives are supported by asset management professionals from each of these constituencies.

**STRATEGIC REPORT**

**for the year ended 31 December 2022 (Continued)**

*SECTION 172(1) STATEMENT (Continued)*

*Community and Environment (continued)*

ESG Integration into the Investment Process

During the initial due diligence phase of an investment, we proactively identify material ESG risks and opportunities relevant to the particular asset. We leverage our investment and operating expertise and utilize Brookfield's ESG Due Diligence Guidelines which may include the incorporation of the engagement guide published by Sustainability Accounting Standards Board guidance. In 2022, we enhanced our ESG Due Diligence Guidelines with the addition of a comprehensive climate change risk assessment. We have also added a separate human rights and modern slavery risk assessment to our ESG Due Diligence Guidelines with the objective of mitigating the risks of modern slavery and human rights violations, including supply chains. Where appropriate, we perform deeper due diligence, working with internal experts and third-party advisors as needed.

All investments made by Brookfield must be approved by the applicable Investment Committee, which makes its decision based on a set of guidelines. To facilitate this, investment teams outline for the Committee all material information concerning the investment, including (among other things) the merits of the transaction and material risks, mitigants and opportunities for improvement, which include opportunities and risks relating to bribery and corruption risks, health and safety risks, and environmental, social, and other ESG considerations.

As part of each acquisition, investment teams create a tailored integration plan that includes, among other things, material ESG-related matters for review or execution. We look to advance ESG initiatives and improve ESG performance to drive long-term value creation, as well as to manage any associated risks. We have witnessed and continue to see 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 life cycle, supported by the applicable investment team. The combination of having 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.

When preparing an asset for divestiture, we create robust business plans outlining potential value creation deriving from all relevant factors, including ESG considerations. 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.

**STRATEGIC REPORT**

**for the year ended 31 December 2022 (Continued)**

*SECTION 172(1) STATEMENT (Continued)*

*Community and Environment (continued)*

Commitment to Net Zero

Brookfield has become a signatory to the Net Zero Asset Managers initiative ("NZAM") to further our commitment to support the transition to a net zero carbon economy. NZAM is a group of international asset managers committed to supporting the goal of net zero GHG emissions by 2050 or sooner. To fulfil this commitment, our asset management business is commencing to take account of emissions, prioritize emissions reductions across our businesses, and work towards publishing disclosures in line with the recommendations of Task Force on Climate-related Financial Disclosures ("TCFD"). In 2022, Brookfield submitted its 2030 net zero interim target, setting out our commitment to reduce emissions by two-thirds by 2030 across \$147 billion (approximately one-third) of our AUM from a 2020 base-line year.

To support our progress towards achieving our net-zero ambition, our focus over the past year has been on building teams and devoting additional resources to facilitate the development of credible decarbonization plans across all AUM. In undertaking this work, we will focus our net-zero efforts initially on investments where we have the best opportunity to achieve measurable positive outcomes.

*Governance and Business conduct*

We recognize that strong governance is essential to sustainable business operations, and we aim to conduct our business according to the highest ethical and legal standards.

Stewardship and Engagement

Brookfield is one of the largest owners and operators of real assets globally. In managing our assets, we utilize our active asset management approach to collaborate directly with our portfolio companies to facilitate the implementation of sound ESG practices that are essential for resilient businesses, while creating long-term value for our investors and stakeholders.

In addition, Brookfield utilizes its Proxy Voting Guidelines to ensure that we are voting proxies in our investors' best interests, in accordance with any applicable proxy voting agreements and consistent with the investment mandate. While our public securities holdings are modest relative to our total assets under management, we considered it important to formally record the variety of ESG factors that we assess in determining whether voting a proxy is in a client's best interests, including gender equality, board diversity, ecology and sustainability, climate change, ethics, human rights, and data security and privacy. As part of our Proxy Voting Guidelines, Brookfield has created a Proxy Voting Committee that comprises senior executives across Brookfield and oversees proxy voting across our holdings. These guidelines also uphold our strong commitment to ESG practices, and our stance concerning climate risk, human rights, and diversity, equity and inclusion.

**STRATEGIC REPORT**

**for the year ended 31 December 2022 (Continued)**

*SECTION 172(1) STATEMENT (Continued)*

ESG Regulation

We aim to uphold strong governance practices, and we actively monitor proposed and evolving ESG legislation, regulation and market practices in all jurisdictions in which we operate. This includes, for example, the EU Sustainable Finance Disclosure Regulation and EU Taxonomy Regulation as well as the newly announced International Sustainability Standards Board. We seek to continuously improve and refine our processes by actively participating in the development and implementation of new industry standards and best practices.

Data Privacy and Cybersecurity

Data privacy and cybersecurity remain key ESG focus areas for us. In 2022, Brookfield undertook initiatives to further enhance our data protection and threat-intelligence capabilities, and Brookfield worked on improving our processes for third-party risk management. Brookfield reviews and updates our cybersecurity program annually and conducts regular external-party assessments of our program maturity based on the NIST Cybersecurity Framework. Finally, in addition to continued mandatory cybersecurity education for all employees, Brookfield enhanced our phishing simulations to include more advanced simulations and social engineering.


ESG Affiliations and Partnerships

We continue to align our business practices with frameworks for responsible investing and are an active participant in industry forums and other organizations. Brookfield is a signatory to the United Nations-supported Principles for Responsible Investment ("PRI"), which demonstrates our ongoing commitment to responsible investment and ESG best practices. As a participant in organizations like the PRI, the TCFD and NZAM, we are committed to ongoing engagement and stewardship and the promotion of leading ESG practices—both with our portfolio companies and with the broader asset management industry—that are designed to enhance the value of our assets and businesses. In addition, through our membership in these organizations and other industry forums, we remain actively involved in discussions aimed at advancing ESG awareness across private and public markets and enhancing our reporting and protocols in line with evolving best practices.

*Acting fairly as between members of the Company*

While the Company has only one member, our corporate governance practices, member rights and compensation are designed to maintain public trust and promote the long-term interests of our stakeholders.

Approved and signed on behalf of the Directors by:



P. Elder  
Director

Date: 26 April 2023

**DIRECTORS' REPORT**

**for the year ended 31 December 2022**

The directors present their report together with the audited financial statements of the Company for the year ended 31 December 2022.

***DIRECTORS AND THEIR INTERESTS***

The directors who served throughout the year are listed on page 2.

The directors held no interest in the Company requiring disclosure under the Companies Act 2006.

***DIVIDENDS***

Dividends of \$75,000,000 (2021: \$50,000,000) were proposed and paid during the year.

***GOING CONCERN***

Through making enquiries and assessing the Company's forecasts for at least 12 months from the date of signing, the Directors have considered the liquidity and capitalisation within the Company to determine whether it has access to adequate liquidity to continue in operational existence for the foreseeable future. The Directors have a reasonable expectation that the liquidity available through the Company's cash resources and amounts held on deposit with Brookfield Treasury Management Inc, in addition to future forecast revenue, provide sufficient resources to cover all committed expenses for the foreseeable future and meet its financial obligations as they fall due. As such, the Directors are satisfied that it is appropriate to continue to adopt the going concern basis in preparing the financial statements.

***FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES***

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The company only transacts with related parties, owned by the same ultimate parent, and therefore the credit quality of financial assets is strong. Other than with related parties, the Company does not have any significant credit risk exposure to any single counterparty or group of counterparties having similar characteristics.

The Company manages its capital to ensure that it will be able to continue as a going concern whilst maximising the return to stakeholders through the recharge of costs incurred to another company within the ultimate parent company group.

The Company's costs are principally denominated in pounds sterling and costs therefore vary with movements in foreign exchange rates. Exposures to exchange rate fluctuations arise but are not considered significant. Exchange rate movements are monitored within the Brookfield Group.

***EVENTS SINCE THE STATEMENT OF FINANCIAL POSITION DATE***

There were no significant events after the end of the reporting period up to the date that the financial statements were approved and authorised by the Board of Directors and there are no material events requiring adjustment or disclosure to the financial statements.

**DIRECTORS' REPORT**

**for the year ended 31 December 2022 (Continued)**

*DISCLOSURE OF INFORMATION TO THE AUDITORS*

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the groups' auditor, each director has taken all the steps that he is obliged to take as director in order to make himself aware of any relevant audit information and to establish that the auditor is aware of that information.

*UK GHG EMISSIONS AND ENERGY USE DATA FOR PERIOD 1 JANUARY 2022 – 31 DECEMBER 2022*

*Summary*

This report covers UK operations only as required by The Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 and The Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018; the latter commonly referred to as Streamlined Energy & Carbon Reporting ("SECR") for non-quoted large companies.

The Company's greenhouse gas emissions, reportable under SECR in financial year ended 31 December 2022 was 7.1 tonnes CO<sub>2</sub>e (2021: 6.7 tonnes CO<sub>2</sub>e) under 'location-based' reporting methodology. Location-based reporting does not take into account the electricity supply contracts a company has and instead uses a national carbon emissions factor for electricity. The Company's energy consumption reportable under SECR in financial year ended 31 December 2022 was 33,545 kWh (2021: 29,800 kWh).

The reporting period is 1 January to 31 December 2022.

**Energy Consumption (kWh)**

<b>Fuel</b>	<b>2022</b>	<b>2021</b>
Natural gas for heating	1,154	1,854
Electricity	32,391	27,946
Diesel	-	-
Petrol	-	-
<b>Energy Use (kWh)</b>	<b>33,545</b>	<b>29,800</b>

## BROOKFIELD GLOBAL RENEWABLE ENERGY ADVISOR LIMITED

### DIRECTORS' REPORT

for the year ended 31 December 2022 (Continued)

UK GHG EMISSIONS AND ENERGY USE DATA FOR PERIOD 1 JANUARY 2022 – 31 December 2022 (Continued)

#### Greenhouse gas emissions (tCO<sub>2</sub>e)

Scope	Emissions Source	2022	2021
1	Stationary fuel natural gas	0.2	0.3
2	Purchased electricity	6.3	5.9
3	Transmission and distribution losses associated with electricity use	0.6	0.5
3	Business travel in employee-owned vehicles where Company is responsible for purchasing the fuel	-	-
Total Emissions (Scope 1, Scope 2, and Scope 3)		7.1	6.7

#### Intensity ratio (13 FTEs) tCO<sub>2</sub>e per FTE

Intensity Ratio	2022	2021
Reporting Boundary / by full time employees (location – based) (Scope 1, Scope 2, and Scope 3)	0.41	0.52

#### Boundary, Methodology and Exclusions

An 'operational control' approach has been used to define the Greenhouse Gas emissions boundary. An operational control approach to GHG emissions boundary is where an organisation has operational control over an operation if it, or one of its subsidiaries, has the full authority to introduce and implement its operating policies at the operation. This approach captures emissions associated with the operation of the office space occupied.

The Company has used the GHG Protocol Corporate Accounting and Reporting Standard (Revised Edition) as the method to quantify and report greenhouse gas emissions. This information was collected and reported in line with the methodology set out in the UK Government's Environmental Reporting Guidelines, 2019. Emissions have been calculated using the latest conversion factors provided by the UK Government. There are no material omissions from the mandatory reporting scope.

#### Energy Efficiency Initiatives

The Company already benefits from in-built energy efficient measures such as LED lighting and as a result, no specific measures were implemented during the reporting year. In addition, all electricity is procured from REGO backed renewable sources. The Company will continue to review measures it has in place to ensure it reduces its energy consumption and carbon emissions.

**BROOKFIELD GLOBAL RENEWABLE ENERGY ADVISOR LIMITED**

---

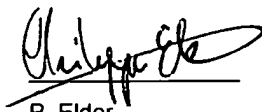
**DIRECTORS' REPORT**

**for the year ended 31 December 2022 (Continued)**

**AUDITOR**

Ernst & Young, Chartered Accountants have indicated their willingness to continue in office. A resolution for the re-appointment of Ernst & Young Chartered Accountants as auditors of the Company will be proposed at the meeting of the directors.

Approved and signed on behalf of the Directors by:

A handwritten signature in black ink, appearing to read 'P. Elder', is written over a horizontal line.

P. Elder  
Director

Date: 26 April 2023



**DIRECTORS' RESPONSIBILITIES STATEMENT**  
**for the year ended 31 December 2022**

The directors are responsible for preparing the Strategic Report, Directors' Report and the financial statements in accordance with applicable UK law and regulations.

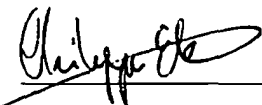
Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) including Financial Reporting Standard 101 'Reduced Disclosure Framework'. Under Company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss for that year.

In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping proper accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Signed on behalf of the Directors by:



---

P. Elder  
Director

Date: 26 April 2022



**Building a better  
working world**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BROOKFIELD GLOBAL  
RENEWABLE ENERGY ADVISOR LIMITED**

**Opinion**

We have audited the financial statements of Brookfield Global Renewable Energy Advisor Limited for the year ended 31 December 2022 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and the related notes 1 to 20, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 101 "Reduced Disclosure Framework (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the company's affairs as at 31 December 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

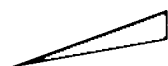
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.



**Building a better  
working world**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BROOKFIELD GLOBAL  
RENEWABLE ENERGY ADVISOR LIMITED (continued)**

**Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

**Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and directors' report have been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



**Building a better  
working world**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BROOKFIELD GLOBAL  
RENEWBALE ENERGY ADVISOR LIMITED (continued)**

**Responsibilities of directors**

As explained more fully in the directors' responsibilities statement set out on page 16, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using

the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

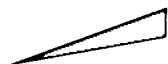
**Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

***Explanation as to what extent the audit was considered capable of detecting irregularities,  
including fraud***

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are those that relate to the reporting framework (FRS 101 and the Companies Act 2006) and the relevant direct and indirect tax legislation in the United Kingdom. In addition, the Company should comply with laws and regulations relating to its operations, including health and safety, employees, data protection, financial services, and anti-bribery and corruption.
- We understood how the Company is complying with those frameworks by making enquiries of management to understand how the company determines and implements its policies and procedures in these areas and corroborated this by inspecting supporting documentation. We inspected correspondence with relevant authorities. We inspected board minutes to identify non-compliance with laws and regulations, and we inspected significant agreements impacting the company in the financial year.
- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur by considering the risk of management override.
- Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations. Our procedures involved inspecting journals identified by specific risk criteria.



**Building a better  
working world**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BROOKFIELD GLOBAL  
RENEWABLE ENERGY ADVISOR LIMITED (continued)**

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

**Use of our report**

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Ian Venner  
Senior Statutory Auditor  
for and on behalf of Ernst & Young  
Chartered Accountants and Statutory Firm

Cork, Ireland

26 April 2023

**BROOKFIELD GLOBAL RENEWABLE ENERGY ADVISOR LIMITED****STATEMENT OF COMPREHENSIVE INCOME**  
**for the year ended 31 December 2022**

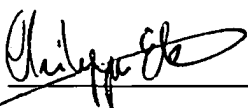
	<i>Note</i>	<i>2022</i> <i>\$'000</i>	<i>2021</i> <i>\$'000</i>
Turnover - continuing operations	4	124,004	93,899
Administrative expenses		(35,502)	(23,846)
Operating profit		88,502	70,053
Interest receivable and similar income	8	2	-
Profit before taxation		88,504	70,053
Tax on profit	9	(16,538)	(13,613)
Profit after taxation		71,966	56,440
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		71,966	56,440

**BROOKFIELD GLOBAL RENEWABLE ENERGY ADVISOR LIMITED**

**STATEMENT OF FINANCIAL POSITION**  
**at 31 December 2022**

	<i>Note</i>	<i>2022</i> \$'000	<i>2021</i> \$'000
<b>NON-CURRENT ASSETS</b>			
Financial asset	11	-	4,507
<b>CURRENT ASSETS</b>			
Debtors	12	122,618	43,844
Cash at bank		4,739	62,154
		127,357	105,998
CREDITORS (amounts falling due within one year)	13	(38,769)	(28,066)
NET CURRENT ASSETS		88,588	77,932
NET ASSETS		88,588	82,439
<b>FINANCED BY</b>			
<b>CAPITAL AND RESERVES</b>			
Called up share capital	14	-	-
Retained earnings		74,582	67,616
Other capital reserve		14,006	14,823
Shareholder's funds		88,588	82,439

Signed on behalf of the Directors by:



P. Elder  
 Director

Date: 26 April 2023

**BROOKFIELD GLOBAL RENEWABLE ENERGY ADVISOR LIMITED**

**STATEMENT OF CHANGES IN EQUITY**  
for the year ended 31 December 2022

	<i>Note</i>	<i>Called up share capital \$'000</i>	<i>Other capital reserve \$'000</i>	<i>Retained earnings \$'000</i>	<i>Total \$'000</i>
At 31 December 2020		-	8,343	61,176	69,519
Profit for the year	5	-	-	56,440	56,440
Other comprehensive income		-	-	-	-
Dividends paid	10	-	-	(50,000)	(50,000)
Share-based payment	15	-	6,480	-	6,480
At 31 December 2021		-	14,823	67,616	82,439
Profit for the year	5	-	-	71,966	71,966
Other comprehensive income		-	-	-	-
Dividends paid	10	-	(10,000)	(65,000)	(75,000)
Share-based payment	15	-	9,183	-	9,183
At 31 December 2022		-	14,006	74,582	88,588



**NOTES TO THE FINANCIAL STATEMENTS**

**31 December 2022**

**1. STATEMENT OF COMPLIANCE WITH FRS 101**

The Company has taken advantage of the exemption under Section 400 of the Companies Act 2006 not to prepare consolidated accounts as it is a wholly owned subsidiary of Brookfield Asset Management ULC.

The results of Brookfield Global Renewable Energy Advisor Limited are included in the consolidated financial statements of Brookfield Asset Management ULC which are available from the Company's website [www.bam.brookfield.com](http://www.bam.brookfield.com).

**2. CORPORATE INFORMATION**

Brookfield Global Renewable Energy Advisor Limited is a Company incorporated and domiciled in the United Kingdom. The address of the registered office is given on page 2. The nature of the Company's operations and its principal activities are set out in the Strategic Report and Directors' Report on pages 3 to 16.

**3. SIGNIFICANT ACCOUNTING POLICIES**

The significant accounting policies adopted by the Company are as follows:

**(a) Basis of preparation**

The financial statements have been prepared on a historic cost basis. The Company's financial statements are presented in USD and all values are rounded to the nearest thousand (\$'000) except where otherwise indicated.

The directors have reviewed a period of 12 months from the date of signing for approval of these financial statements and concluded that the Company is able to meet all its liabilities as they fall due. In preparing these financial statements the Directors have considered the uncertainty around increasing interest rates and inflation, along with the potential impact of the Russia/Ukraine conflict. Having assessed the Company's past results, which show that the Company has continued to perform consistently despite global challenges, the Directors are confident that there is not expected to be a material risk to the Company. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

The accounting policies which follow set out those policies which apply in preparing the financial statements for the year ended 31 December 2022.

**NOTES TO THE FINANCIAL STATEMENTS**

**31 December 2022 (Continued)**

**3. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(a) Basis of preparation (continued)**

The Company has taken advantage of the following disclosure exemptions under FRS 101:

- (a) the requirements of IFRS 7 Financial Instruments: Disclosures;
- (b) the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement;
- (c) the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
  - (i) paragraph 79(a) (iv) of IAS 1
- (d) the requirement of paragraphs 10(d), 16, 38A, and 111 of IAS 1 Presentation of Financial Statements;
- (e) the requirements of IAS 7 Statement of Cash Flows;
- (f) the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- (g) the requirements of paragraph 17 of IAS 24 Related Party Disclosures;
- (h) the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member;
- (i) the requirements of paragraphs 134(d), 134(f) and 135(c), 135(e) of IAS 36 Impairment of Assets; and
- (j) the requirements of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15 Revenue from Contracts with Customers.

**NOTES TO THE FINANCIAL STATEMENTS**  
**31 December 2022 (Continued)**

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(b) *Changes in accounting policies and disclosures*

These financial statements have been prepared in accordance with FRS 101.

At the date of authorisation of these financial statements, the following Standards and Interpretations which have not been applied in these financial statements were in issue but not yet effective:

Standard/Amendment	Description	Effective for periods beginning on or after
IFRS 17 (including amendments)	Insurance Contracts	1 January 2023
Amendments to IAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
Amendments to IAS 8	Definition of Accounting Estimates	1 January 2023
Amendments to IAS 1 and IFRS Practice Statement 2)	Disclosure of Accounting Policies	1 January 2023
Amendments to IAS 1	Classification of Liabilities as Current or Non-Current Non-Current Liabilities with Covenants	1 January 2024 [*]
Amendments to IFRS 16	Lease Liability in a Sale and Leaseback	1 January 2024 [*]

\*subject to UK/EU endorsement

The Directors do not expect that the adoption of the Standards listed above will have a material impact on the financial statements of the company aside from additional disclosures.

The amendments to IAS 1 affect only the presentation of liabilities as current or non-current in the consolidated balance sheets and not the amount or timing of recognition of any asset, liability, income or expenses, or the information disclosed about those items. The amendments clarify that the classification of liabilities as current or non-current is based on rights that are in existence at the end of the reporting period, specify that classification is unaffected by expectations about whether the company will exercise its right to defer settlement of a liability, explain that rights are in existence if covenants are complied with at the end of the reporting period, and introduce a definition of 'settlement' to make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services. The amendments are applied retrospectively for annual periods beginning on or after January 1, 2024, with early application permitted. The company is in the process of determining the impact of the amendments on its consolidated financial statements.

**NOTES TO THE FINANCIAL STATEMENTS**  
**31 December 2022 (Continued)**

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(c) *Foreign currency translation*

The Company's financial statements are presented in US Dollars, which is also the Company's functional currency.

*Transactions and balances*

Transactions in foreign currencies are initially recorded in the entity's functional currency by applying the spot exchange rate ruling at the date of the transaction, monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rate of exchange ruling at the Statement of Financial Position date. All differences are taken on the Income Statement.

Non-monetary items are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the date of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange at the date when the fair value was determined.

(d) *Use of estimates and judgements*

The preparation of the financial statements requires the use of judgements, estimates and assumptions in determining the value of assets and liabilities, income and expenses recorded for the year and positive and negative contingencies at year end. Actual results in future financial statements may differ from current estimates due to changes in these assumptions or economic conditions.

The principal estimates and judgements are described below. Given their importance in the Company's financial statements, the impact of any change in assumption in these areas could be significant. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which these estimates are revised and in any future periods affected.

*Estimating Fair Value of Share-based Payments*

The Company measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based payments requires determining the most appropriate valuation model for a grant of equity instruments, which is dependent on the terms and conditions of the grant. This also requires determining the most appropriate inputs to the valuation model including the expected life of the option, volatility and dividend yield and making assumptions about them.

**NOTES TO THE FINANCIAL STATEMENTS**  
**31 December 2022 (Continued)**

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(d) *Use of estimates and judgements*

*Measurement*

The measurement of certain assets, liabilities, income, and costs which require a degree of estimation and judgement include various operating accruals. These items are estimated in accordance with relevant IFRSs and the Company's accounting policies.

*Impairment of long-term assets*

Impairment tests on long-term assets are sensitive to the macro-economic and segment assumptions used, and medium-term financial forecasts. The Company therefore revises the underlying estimates and assumptions based on regularly updated information.

(e) *Financial assets and liabilities*

*Cash at bank*

Cash at bank includes deposits repayable on demand.

*Amounts owed by/amounts owed to group companies*

Amounts owed by/amounts owed to group companies are non-derivative financial assets or liabilities which are not quoted in an active market. They are included in current assets or liabilities in the Statement of Financial Position, except for those with maturities greater than twelve months after the reporting date, which are included in assets or liabilities greater than one year. Receivables and payables are initially recorded at fair value and thereafter at amortised cost. There are no specific payment terms on the amounts owed by the parent or fellow group companies, and none are considered past due or impaired.

All financial assets are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate (EIR) method, less impairment. Amounts owed by group companies are recognised and carried at the lower of their original invoiced value and recoverable amount. Where the time value of money is material, receivables are carried at amortised cost.

*Financial assets and liabilities*

Provision for impairment is made through profit or loss when there is objective evidence that the Company will not be able to recover balances in full. Balances are written off when the probability of recovery is assessed as being remote. Financial assets and financial liabilities are offset, and the net amount reported in the Statement of Financial Position if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

**NOTES TO THE FINANCIAL STATEMENTS**  
**31 December 2022 (Continued)**

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(e) *Financial assets and liabilities (continued)*

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost. The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective being to hold financial assets in order to collect contractual cash flows. Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

(f) *Revenue recognition*

Revenue (advisory fee income) is recognised in the financial statements when services are provided.

(g) *Administrative expenses*

All costs which arise from the Company's ordinary trading activities are classified as administrative expenses.

(h) *Investments*

Investments in subsidiaries are held at historical cost less any applicable provision for impairment.

(i) *Income tax*

Income tax expense comprises current tax and deferred tax. Income tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) *Deferred tax*

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to apply in the periods in which the temporary differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted by the reporting date.

A deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it is probable that there will be suitable taxable profits in the foreseeable future from which the reversal of the underlying temporary differences can be deducted. Deferred tax asset recognition is regularly reassessed.

(k) *Interest receivable*

Interest receivable comprises interest income on short term deposit. Interest income is recognised as it accrues in profit or loss, using the effective interest rate method.

(l) *Share based payments*

The ultimate parent company granted share options to the Company's employees. The Company accounts for the services received from its employees as an equity-settled and cash-settled transactions in its own financial statements.

Employees of the Company receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

The company issues share – based payment awards to certain employees. The cost of equity – settled share based transactions, comprised of share options, restricted shares and escrowed shares, is determined at fair value of the award on the grant date using a fair value model. The fair value of equity – settled share-based transactions is expensed on a straight line bases over the vesting period associated with each award tranche. The cost of cash-settled share-based transactions, comprised of Deferred Share Units ("DSUs"), is measured at the fair value at the grant date, and expensed on a proportionate basis consistent with the vesting features over the vesting period with the recognition of a corresponding liability. The liability is recorded in accruals and measured at each reporting date at fair value with changes in fair value recognised in profit or loss for the year.

**BROOKFIELD GLOBAL RENEWABLE ENERGY ADVISOR LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**  
**31 December 2022 (Continued)**

4. TURNOVER

All revenue is derived from continuing operations arising from advisory fee income.

5. OPERATING PROFIT	2022 \$'000	2021 \$'000
This is stated after charging:		
Net foreign exchange loss / (gain)	1,000	(12)

6. AUDITORS' REMUNERATION	2022 \$'000	2021 \$'000
Audit services	45	34

7. STAFF COSTS AND DIRECTORS' REMUNERATION

(a) Staff costs are analysed as follows	2022 \$'000	2021 \$'000
Wages and salaries	8,237	6,278
Share based payment	9,019	6,827
Social security costs	1,509	1,091
Pension	222	185
	18,987	14,381



# BROOKFIELD GLOBAL RENEWABLE ENERGY ADVISOR LIMITED

## NOTES TO THE FINANCIAL STATEMENTS 31 December 2022 (Continued)

### 7. STAFF COSTS AND DIRECTORS' REMUNERATION (Continued)

The average monthly number of employees during the year was 13 (2020: 10) and is analysed into the following categories:

	2022 Number	2021 Number
Asset advisory services	17	13
(b) Directors' remuneration		
	2022 \$'000	2021 \$'000
Directors' remuneration:	10	10
Amounts receivable under long-term incentive Plans:	-	-
Number of directors accruing benefits under defined benefit schemes:	-	-
Number of directors who received shares in respect of qualifying services:	-	-
Number of directors who exercised share options:	-	-

*The directors provide services to a significant number of other group and related companies. \$10,000 has been allocated in respect of directors' remuneration for qualifying services provided by the directors to the Company.*

8. INTEREST RECEIVABLE AND SIMILAR INCOME	2022 \$'000	2021 \$'000
Interest income	(2)	-
	(2)	-

Interest income relates to income earned on a short-term deposit with Brookfield Treasury Management Inc. The short-term deposit carries an interest rate of Libor less 0.05%.

**BROOKFIELD GLOBAL RENEWABLE ENERGY ADVISOR LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**  
**31 December 2022 (Continued)**

9. TAX ON ORDINARY ACTIVITIES

(a) <i>Tax charged in the statement of comprehensive income</i>		
	2022	2021
	\$'000	\$'000
<i>Current tax:</i>		
Corporate tax	18,962	13,962
Adjustment in respect of prior years – corporate tax	(4,994)	(1,735)
Adjustment in respect of prior years – group relief	4,345	2,353
	<u>18,313</u>	<u>14,580</u>
Current income tax		
	<u>18,313</u>	<u>14,580</u>
<i>Deferred tax:</i>		
Origination and reversal of temporary differences	(1,775)	(967)
	<u>(1,775)</u>	<u>(967)</u>
Total deferred tax		
	<u>(1,775)</u>	<u>(967)</u>
Total tax expense	<u>16,538</u>	<u>13,613</u>
(b) <i>Reconciliation of the total tax charge</i>		
The tax assessed for the year is not different from that at the standard rate of corporation tax in the United Kingdom and is comprised as follows:		
	2022	2021
	\$'000	\$'000
Profit before tax	88,504	70,053
	<u>88,504</u>	<u>70,053</u>
Profit multiplied by the standard rate of tax of 19% (2021: 19%)	16,816	13,310
<i>Effects of:</i>		
Expenses not deductible	441	142
Adjustment in respect of prior years – corporate tax	(4,994)	(1,735)
Adjustment in respect of prior years – group relief	4,345	2,353
Share based compensation	354	(457)
Impact of rate changes	(425)	-
	<u>16,538</u>	<u>13,613</u>
Total tax expense	<u>16,538</u>	<u>13,613</u>

**BROOKFIELD GLOBAL RENEWABLE ENERGY ADVISOR LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**  
**31 December 2022 (Continued)**

10.	DIVIDENDS PAID AND PROPOSED	2022	2021
		\$'000	\$'000
	<i>Declared and paid during the year:</i>		
	Equity dividends on ordinary shares:		
	Interim dividend	75,000	50,000
		<u>75,000</u>	<u>50,000</u>
	Dividends paid	<u>75,000</u>	<u>50,000</u>

In the year, there were dividends paid of \$75,000,000 per share (2021: \$50,000,000).

11.	FINANCIAL ASSETS	2022	2021
		\$'000	\$'000
	At beginning of the year	4,507	4,507
	Disposals	(4,507)	–
		<u>–</u>	<u>–</u>
	At 31 December	<u>–</u>	<u>4,507</u>

On 30<sup>th</sup> March 2022, the Company disposed of its investment in Quadricap Advisors Private Limited to its former parent company BHAL Global Corporate Limited for a consideration of \$1.

On 10<sup>th</sup> May 2022, the Company disposed of its investment in BGREAL Ireland Limited to Brookfield NCM Holding Limited, a group company registered in the Channel Islands for a consideration of \$1,666k.

Details of the Company's investment held as at the beginning of the year is as follows:

<i>Name of company</i>	<i>Holding</i>	<i>Proportion of voting rights and shares held</i>	<i>Nature of business</i>	<i>Registered Office</i>
BGREAL Ireland Limited	Ordinary Shares	100%	Investment holding company	Floor 5, City Quarter, Lapps Quay, Cork, Ireland
Quadricap Advisors Private Limited (acquired during 2020)	Ordinary Shares	99.99%	To carry on the business of acting as investment manager, investment adviser (including financial advisor).	C-605, Sushila Baug, 53A, SV Road, Santacruz (west), Mumbai City-400054 India

**NOTES TO THE FINANCIAL STATEMENTS**  
**31 December 2022 (Continued)**

12.	DEBTORS (amounts falling due within one year)	2022 \$'000	2021 \$'000
	Amounts owed by group companies	111,874	27,360
	Prepayments	7,064	14,579
	Deferred tax asset	3,680	1,905
		<u>122,618</u>	<u>43,844</u>

Amounts held on deposit with related parties have been reclassified from cash and cash equivalents to amounts owing from related parties in the year.

The carrying value of receivables from related parties is approximately equal to their fair value. These amounts are interest free and repayable on demand. Amounts owed by related parties are not considered to have any exposure to credit risk.

13.	CREDITORS (amounts falling due within one year)	2022 \$'000	2021 \$'000
	Accruals and other creditors	4,071	3,718
	Amounts owed to group companies	15,740	10,361
	Income tax payable	18,958	13,987
		<u>38,769</u>	<u>28,066</u>

Amounts owed to group companies are interest free and repayable on demand.

14.	CALLED UP SHARE CAPITAL	2022 \$'000	2021 \$'000
	<i>Authorised:</i>		
	100,000 ordinary shares at £1 each	<u>100</u>	<u>100</u>
	<i>Allotted, called up and fully paid:</i>		
	1 ordinary share of £1 each	<u>-</u>	<u>-</u>

**NOTES TO THE FINANCIAL STATEMENTS**

**31 December 2022 (Continued)**

**15. SHARE BASED PAYMENTS**

Brookfield Asset Manager Ltd. ("Manager") and Brookfield Corporation ("Corporation"), related parties of the Company, have granted share-based compensation awards to certain employees of the Company under a number of compensation plans (the "Equity Plans"). The Equity Plans provide for the granting of share options, restricted shares and escrowed shares which contain certain service or performance requirements of Manager or Corporation.

The share-based payment plans are described below. The Corporation initially entered into these Equity Plans with the Company's employees. During 2022, Brookfield Corporation entered into an Arrangement and Special Distribution (the "Arrangement" or "spin-off") under which they spun-out 25% of the asset management business to a newly incorporated public entity, Manager. At the time of the Arrangement all outstanding awards under these Equity Plans were modified such that the awards were split into two awards on a 4:1 basis, consistent with how shareholders participated in the Arrangement. As a result, a lower strike price was set for the historically held awards and a new strike price was set for the newly issued Manager awards in order to provide awardees equivalent value before and after the Arrangement. Following the Arrangement, the Company employees are entitled to retain both the existing Corporation awards and the newly issued Manager awards. These changes are considered modifications for the purposes of IFRS 2 – Share based payments. The Company has determined the incremental fair value of the modified instruments and will reflect the impact of the modification prospectively with the share-based compensation expense recognized in the financial statements for awards granted to its employees of the Company. All share count and per share disclosures are presented on a post-spin-off basis.

As a result of the Arrangement, there were a number of modifications to the plans during 2022. There were no cancellations of or modifications to any of the plans during 2021.

*Management Share Option Plan*

Options issued under the Management Share Option Plan ("MSOP") of both Corporation and Manager vest over a period of up to five years, expire 10 years after the grant date and are settled through issuance of Class A shares of Manager or Corporation. The exercise price is equal to the market price at date of grant. For the year ended December 31, 2022, the total expense incurred with respect to the MSOP totalled \$2,162,307 (2021 - \$2,257,006)

The change in the number of options outstanding during the years ended December 31, 2022 and 2021 were as follows:

# BROOKFIELD GLOBAL RENEWABLE ENERGY ADVISOR LIMITED

## NOTES TO THE FINANCIAL STATEMENTS 31 December 2022 (Continued)

### 15. SHARE BASED PAYMENTS (Continued)

	Brookfield Asset Management Ltd. <sup>(1)</sup>		Brookfield Corporation <sup>(2)</sup>	
	Number of Options	Weighted -Average Exercise Price (USD)	Number of Options	Weighted- Average Exercise Price (USD)
Outstanding as at January 1, 2022	-	-	1,431,095	30.48
Employee joined the Company during the year	-	-	625	35.56
Granted	377,615	28.27	119,500	46.62
Exercised during the year	-	-	(16,590)	19.68
Cancelled/ forfeited during the year	-	-	(1,322)	34.29
Employee transferred out during the year	-	-	(22,787)	24.38
Outstanding as at December 31, 2022	377,615	28.27	1,510,521	31.96
Exercisable at 31 December 2022	177,395	24.92	709,494	28.17

- (1) Represents the continuity of Manager options relating to only those employees of Manager based on Manager's weighted average exercise price which differs from that of Corporation
- (2) Represents the continuity of Corporation's options relating to only those employees of Manager based on Corporation's Weighted average exercise price which differs from that of Manager.

	Brookfield Corporation	
	Number of Options	Weighted- Average Exercise Price (USD)
Outstanding as at January 1, 2021	1,289,396	36.99
Employee joined the Company during the year	133,947	26.25
Granted	171,800	43.43
Exercised during the year	(77,386)	24.44
Cancelled/ forfeited during the year	-	-
Employee transferred out of the Company during the year	(86,662)	41.49
Outstanding as at December 31, 2021	1,431,095	37.22
Exercisable at 31 December 2021	451,950	32.07

Subsequent to the 4:1 award spin-off, the equivalent weighted average exercise price of shares outstanding as at December 31, 2021 was \$30.48.

The options outstanding at 31 December 2022 had a weighted average exercise price of \$31.96 (2021 – \$37.22), and a weighted average remaining contractual life of 6.8 years (2021 – 7.5 years). During the year, 119,500 Corporation options were granted on 18 February 2022. The weighted-average fair value of Corporation options granted for the year ended December

# BROOKFIELD GLOBAL RENEWABLE ENERGY ADVISOR LIMITED

## NOTES TO THE FINANCIAL STATEMENTS 31 December 2022 (Continued)

### 15. SHARE BASED PAYMENTS

31, 2022 was \$46.62 (2021 – \$43.43). The inputs into the Black-Scholes model used to value the employee stock options are as follows:

<b>Brookfield Corporation</b>			
AS AT AND FOR THE YEARS ENDED DECEMBER 31	Unit	2022	2021
Weighted-average exercise price	US\$	46.62	43.43
Weighted-average grant date share price	US\$	46.62	43.43
Average term to exercise	Years	6.8	7.5
Share price volatility <sup>1</sup>	%	24.8	24.4
Weighted-average annual dividend yield	%	1.4	1.7
Risk-free rate	%	1.9	1.0

1. Share price volatility was determined based on historical share prices over a similar period to the average term to exercise.

The options outstanding at 31 December 2022 had a weighted average exercise price of \$28.27 and a weighted average remaining contractual life of 6.8 years. During the year, 377,615 Manager options were granted on 19 December 2022. The weighted-average fair value of Manager options granted for the year ended December 31, 2022 was \$5.20 and was determined using the Black-Scholes valuation model, with inputs to the model as follows:

<b>Brookfield Asset Management Ltd.</b>		
AS AT AND FOR THE YEARS ENDED DECEMBER 31	Unit	2022
Weighted-average exercise price	US\$	28.27
Weighted-average grant date share price	US\$	28.27
Average term to exercise	Years	6.8
Share price volatility <sup>1</sup>	%	18.6
Weighted-average annual dividend yield	%	1.7
Risk-free rate	%	1.9

1. Share price volatility was determined based on historical share prices over a similar period to the average term to exercise.

The share-based payments reserve is recorded as follows:

	2022 USD	2021 USD
Share-based payments expense	2,162,307	2,257,006
Share-based payments reserve	9,100,273	6,937,966

**NOTES TO THE FINANCIAL STATEMENTS**

**31 December 2022 (Continued)**

**15. SHARE BASED PAYMENTS (Continued)**

*Escrowed Stock Plan*

The Escrowed Stock Plan (the "ES Plan") provides executives with indirect ownership of Class A shares of Brookfield Asset Manager Ltd. ("Manager") and Brookfield Corporation ("Corporation"). Under the ES Plan, executives are granted common shares (the "ES Shares") in one or more private companies that own Class A shares of Manager or Corporation.

As summarized above, the execution of the Arrangement triggered a make-whole arrangement for the employee participants of the Equity Plans, whereby existing ES Plan participants were provided with both escrow shares of Corporation and Manager. Such awards provide executives with exposure to go-forward upside on Class A shares of both Corporation and Manager. Under the ES Plans, executives are granted common shares (the "ES Shares") in one or more private companies that own Class A shares of Manager and Corporation.

The ES shares generally vest over five years and must be held to the fifth anniversary of the grant date. At a date no more than ten years from the grant date, all outstanding ES shares will be exchanged for Class A shares issued by Corporation or Manager based on the increase in market value between the date of grant and date of exercise of the respective Class A shares at the time of the exchange. An equal number of Class A shares held in the private Escrow companies will be cancelled such that the issuance of shares to employees is non-dilutive. In general, the shares issued on exchange will be less than the Class A shares purchased under the ES Plan resulting in a net reduction in the number of Class A shares issued.

Prior to the Arrangement, the ES Plan only provided executives with indirect ownership of Class A shares of Corporation. In preparation for the completion of the Arrangement, Corporation accelerated the vesting of all outstanding ES shares and triggered a mandatory exchange of those determined to be in the money for Class A shares of Corporation. Immediately following the mandatory exchange, all ES shares determined to be out of the money were replaced with new awards issued by Corporation with a strike price reset to the in the money share price as at the point of exchange and the requisite services period reset to the 5-years. The historical unvested expense will continue to be amortized over the requisite vesting period of the newly issued awards.

For the year ended December 31, 2022, the total expense incurred with respect to the ES Plan totalled \$6,798,698 (2021 – \$4,143,281).

The changes in the number of ES shares during 2022 and 2021 were as follows:



# BROOKFIELD GLOBAL RENEWABLE ENERGY ADVISOR LIMITED

## NOTES TO THE FINANCIAL STATEMENTS 31 December 2022 (Continued)

### 15. SHARE BASED PAYMENTS (Continued)

	Brookfield Asset Management Ltd. <sup>(1)</sup>		Brookfield Corporation <sup>(2)</sup>	
	Number Outstanding	Weighted- Average Exercise Price (USD)	Number Outstanding	Weighted- Average Exercise Price (USD)
Outstanding as at January 1, 2022	-	-	2,181,687	30.04
Granted	776,994	29.64	3,418,543	37.35
Exercised during the year	-	-	(2,910,880)	34.19
Cancelled/ forfeited during the year	-	-	-	-
Outstanding as at December 31, 2022	<u>776,994</u>	<u>29.64</u>	<u>2,689,350</u>	<u>34.84</u>

(1) Represents the continuity of the Manager options relating to only those employees of the Manager based on the Manager's weighted average exercise price which differs from that of the Corporation

(2) Represents the continuity of the Corporation's options relating to only those employees of the Manager based on the Corporations weighted average exercise price which differs from that of the Manager.

	Brookfield Corporation	
	Number of Options	Weighted- Average Exercise Price (USD)
Outstanding as at January 1, 2021	1,479,000	33.37
Employee joined the Company during the year	-	-
Granted	702,687	43.43
Exercised during the year	-	-
Employee transferred out of the Company during the year	-	-
Cancelled/ forfeited during the year	-	-
Outstanding as at December 31, 2021	<u>2,181,687</u>	<u>36.68</u>

Subsequent to the 4:1 award spin-off, the equivalent weighted average exercise price of shares outstanding as at December 31, 2021 was \$30.04.

The weighted-average fair value of the Corporation escrowed shares granted for the year ended December 31, 2022 was \$10.49 (2021 – \$7.61), and was determined using the Black-Scholes model of valuation with inputs to the model as follows:

# BROOKFIELD GLOBAL RENEWABLE ENERGY ADVISOR LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

### 15. SHARE BASED PAYMENTS (Continued)

FOR THE YEARS ENDED DECEMBER 31	Brookfield Corporation		
	Unit	2022	2021
Weighted-average share price	US\$	37.35	43.43
Average term to exercise	Years	9.1	7.5
Share price volatility <sup>1</sup>	%	26.1	24.4
Weighted-average annual dividend yield	%	1.0	1.7
Risk-free rate	%	3.5	1.0

- Share price volatility was determined based on historical share prices over a similar period to the average term to exercise.

The weighted-average fair value of the Manager escrowed shares granted for the year ended December 31, 2022 was \$5.03, and was determined using the Black-Scholes model of valuation with inputs to the model as follows:

AS AT AND FOR THE YEARS ENDED DECEMBER 31	Brookfield Asset Management Ltd.	
	Unit	2022
Weighted-average share price	US\$	29.64
Average term to exercise	Years	9.3
Share price volatility <sup>1</sup>	%	28.2
Weighted-average annual dividend yield	%	5.4
Risk-free rate	%	3.7

- Share price volatility was determined based on historical share prices over a similar period to the average term to exercise.

The share-based payments reserve is recorded as follows:

	2022 USD	2021 USD
Share-based payments expense	6,798,698	4,143,281
Share-based payments reserve	14,501,824	7,703,127

#### Restricted Stock Plan

As summarized above, the execution of the Arrangement triggered a make-whole arrangement for the employee participants of the Equity Plans, whereby existing awardees of the Corporation's Restricted Stock Plans were provided with newly issued restricted shares of the Manager. This arrangement was intended to make the participant whole for the loss in value of the share price due to the execution of the Arrangement.

The Restricted Stock Plan awards executives with Class A shares of the Corporation and the Manager purchased on the open market ("Restricted Shares"). Under the Restricted Stock Plan, Restricted Shares awarded vest over a period of up to five years, except for Restricted Shares awarded in lieu of a cash bonus, which may vest immediately. Vested and unvested Restricted Shares are subject to a hold period of up to five years. Holders of Restricted Shares are entitled

# BROOKFIELD GLOBAL RENEWABLE ENERGY ADVISOR LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

### 15. SHARE BASED PAYMENTS (Continued)

to vote Restricted Shares and to receive associated dividends. Employee compensation expense for the Restricted Stock Plan is charged against income over the vesting period.

During 2022, the company granted 9,891 units (2021 10,341) Restricted Shares pursuant to the terms and conditions of the Restricted Stock Plan, resulting in the recognition of \$221,934 (2021 – \$79,932) of compensation expense.

	Number of Units BAM Ltd. Tracking	Number of Units BN Tracking
Outstanding as January 1, 2022	-	10,975
Granted and reinvested	4,173	5,718
Exercised and cancelled	-	-
Outstanding as at December 31, 2022	4,173	16,693

	Brookfield Corporation Number of Units
Outstanding as at January 1, 2021	4,574
Employee transferred out	(3,940)
Granted	10,341
Exercised	-
Outstanding as at December 31, 2021	10,975

### Deferred Share Unit Plan

The Deferred Share Unit Plan provides for the issuance of DSUs. Under this plan, qualifying employees receive varying percentages of their annual incentive bonus in the form of DSUs. The DSUs vest over periods of up to five years, and DSUs accumulate additional DSUs at the same rate as dividends on Class A shares of Corporation and Manager based on the market value of the Class A shares of Manager and Corporation at the time of the dividend. Participants are not allowed to convert DSUs into cash until retirement or cessation of employment. The value of the DSUs, when converted to cash, will be equivalent to the market value of the common share at the time the conversion takes place.

As part of the Arrangement, the employment of certain awardees holding existing DSUs granted by Corporation was transferred to Manager. In an effort to make the participating employees whole for the loss in value of the existing DSUs, Corporation granted new awards which are structured to track against the share price of Manager. The value of these DSUs, when converted to cash, will be equivalent to the market value of the Class A shares of Corporation and Manager at the time the conversion takes place.

# **BROOKFIELD GLOBAL RENEWABLE ENERGY ADVISOR LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS** **31 December 2022 (Continued)**

### **15. SHARE BASED PAYMENTS (Continued)**

The fair value of the vested DSUs as at December 31, 2022 was \$334,455 (2021 – \$498,067), based on the traded price of Manager of \$28.67 and the traded price of Corporation of \$31.46 per share. For the year ended December 31, 2021, employee compensation expense totalled \$(163,612) (2021 – \$347,006).

The change in the number of DSUs during 2022 and 2021 was as follows:

	<b>Number of Units BAM Ltd. Tracking</b>	<b>Number of Units BN Tracking</b>
Outstanding as at January 1, 2022	-	8,249
Employee joined the Company during the year	-	-
Granted	2,062	-
Exercised during the year	-	-
Employee transferred out of the Company during the year	-	-
Cancelled/ forfeited during the year	-	-
Outstanding as at December 31, 2022	<u>2,062</u>	<u>8,249</u>
		<b>Number of Units</b>
Outstanding as at January 1, 2021		3,660
Employee joined the Company during the year		-
Granted		4,589
Exercised during the year		-
Employee transferred out of the Company during the year		-
Cancelled/ forfeited during the year		-
Outstanding as at December 31, 2021		<u>8,249</u>

### **16. PARENT COMPANY**

The Company is a 100% owned subsidiary of Brookfield Asset Manager (UK) Holdco Limited, a Company incorporated in the United Kingdom and registered in England and Wales. The ultimate parent company and controlling party is Brookfield Corporation (formerly known as Brookfield Asset Management Inc.), a company incorporated in Canada. In common with other subsidiaries, the financial statements of Brookfield Global Renewable Energy Advisor Limited reflect the effect of such group membership.

The smallest group in which the results of the Company are consolidated is that headed by Brookfield Asset Management ULC and the largest group in which the results of the Company are consolidated is that headed by Brookfield Corporation (formerly known as Brookfield Asset Management Inc.)

**NOTES TO THE FINANCIAL STATEMENTS**

**31 December 2022 (Continued)**

A copy of the Brookfield Asset Management ULC group financial statements may be obtained from the group's website [www.bam.brookfield.com](http://www.bam.brookfield.com) and a copy of the Brookfield Corporation group financial statements may be obtained from the group's website [www.bn.brookfield.com](http://www.bn.brookfield.com)

**17. COMMITMENTS AND CONTINGENCIES**

The Company has no significant commitments or contingencies that require disclosure at year end.

**18. RELATED PARTY TRANSACTIONS**

The Company has taken advantage of the exemption under paragraph 8(k) of FRS 101 not to disclose transactions with fellow wholly owned subsidiaries.

**19. SUBSEQUENT EVENTS**

There were no significant events after the end of the reporting period up to the date that the financial statements were approved and authorised by the Board of Directors and there are no material events requiring adjustment or disclosure to the financial statements.

**20. APPROVAL OF FINANCIAL STATEMENTS**

The directors approved the financial statements and authorised them for issue on 26 April 2023