

# Brookfield

## GOVERNANCE, NOMINATING AND COMPENSATION COMMITTEE CHARTER<sup>1</sup>

December 2022

A committee of the board of directors (the “Board”) of Brookfield Asset Management Ltd. (the “Corporation”) to be known as the Governance, Nominating and Compensation Committee (the “Committee”) shall have the following terms of reference:

### MEMBERSHIP AND CHAIR

Following each annual meeting of shareholders, the Board shall appoint from its number three or more directors (the “Members”, and each a “Member”) to serve on the Committee until the close of the next annual meeting of shareholders of the Corporation or until the Member ceases to be a director, resigns or is replaced, whichever occurs first. All of the Members shall be Independent Directors. Any Member may be removed from office or replaced at any time by the Board.

The Board shall appoint one Member as the chair of the Committee (the “Chair”). If the Chair is absent from a meeting, the Members shall select a Member from those in attendance to act as Chair. The Committee may, in its discretion, delegate responsibility for review and approval of certain matters to an individual Member of the Committee or a subset of Committee Members, as appropriate.

### RESPONSIBILITIES

The Committee shall:

- (a) consider from time to time the appropriate size and composition of the Board and its committees, and submit recommendations on the number of Board positions to be filled and the overall composition of the Board, taking into consideration the business experience and specific areas of expertise of each current director and the need for the Board as a whole to have a diversity of perspectives;
- (b) develop and maintain a Board succession plan that is responsive to the Corporation’s needs;
- (c) establish the qualifications (consistent with any criteria approved by the Board) for new directors and procedures for identifying possible nominees who meet these criteria;
- (d) review and assess the qualifications of persons proposed for appointment or election to the Board and submit to the Board for consideration, consistent with any criteria approved by the Board, the names of persons to be nominated for election as directors at the annual meeting of shareholders, or to be appointed to fill vacancies between annual meetings, and assess whether these candidates would be considered Independent Directors, Unaffiliated Directors, Financially Literate or an Audit Committee Financial Expert;

---

<sup>1</sup> Capitalized terms used in this Charter but not otherwise defined herein have the meaning attributed to them in the Board’s “Definitions for Board and Committee Charters” which is annexed hereto as “Annex A”.

- (e) be available as a forum for addressing the concerns of individual directors;
- (f) confirm that procedures are in place and resources are made available to provide new directors with a proper orientation to both the Corporation and their responsibilities and duties as directors, and to provide directors with appropriate continuing education opportunities;
- (g) together with the Chair of the Board establish a process for reviewing directors' performance and oversee the evaluation of the Board and management;
- (h) review the adequacy and form of director's compensation and make recommendations to the Board where appropriate;
- (i) oversee the Corporation's approach to Environmental, Social, and Governance matters within its corporate and asset management activities, including:
  - (i) updating the Board on Environmental, Social and Governance matters as necessary;
  - (ii) monitoring developments of international trends and best practices in corporate disclosure of environmental, social and governance matters; and
  - (iii) reviewing and assessing the Corporation's corporate responsibility strategy for environmental, social and governance matters and related reporting.
- (j) review the program of the Board for each year, and the methods and processes to be pursued in carrying out this program, including:
  - (i) the frequency and content of meetings and the requirement for any special meetings;
  - (ii) the Board work plan, which includes the regular matters to be presented to the Board each quarter;
  - (iii) the material to be provided to directors generally and with respect to meetings of the Board or its committees;
  - (iv) the communication process between the Board and management, including the quality of the relationship between management and the Board; and
  - (v) disclosure required concerning corporate governance to be contained in public disclosure documents of the Corporation;
- (k) review and assess on an annual basis the Statement of Corporate Governance Practices of the Corporation and make recommendations to the Board, where appropriate;

- (l) develop charters for any new committees established by the Board, annually review the charters of the Board and each existing committee and recommend any amendments to the Board, where appropriate;
- (m) annually review the position descriptions for the Chair of the Board, the Group Chair of the Board, the Chairs of each Board Committee and the Chief Executive Officer of the Corporation (the "CEO"), and recommend any amendments to the Board, where appropriate;
- (n) review and recommend the implementation of structures and procedures to facilitate the Board's independence from management and to avoid conflicts of interest;
- (o) monitor relationships between senior management of the Corporation and the Board, and recommend procedures to allow directors to have access to, and an effective relationship with, senior management;
- (p) review and conduct oversight of all significant proposed related party transactions and situations involving a potential conflict of interest that are not required to be dealt with by an "independent special committee" pursuant to applicable securities law rules (where appropriate under applicable laws, the Committee may sit as an independent special committee), and will ensure that no such transaction is inconsistent with the interests of the Corporation and its shareholders;
- (q) review and assess the Corporation's Code of Business Conduct and Ethics for directors, officers and employees (the "Code") to confirm that it addresses, among other things, conflicts of interest, confidentiality, fair dealing, protection and proper use of the Corporation's assets and opportunities, compliance with applicable laws, rules and regulations (including insider trading laws) and the reporting of illegal or unethical behaviour, and establishes mechanisms to facilitate the effective operation of the Code and the granting of waivers of the Code;
- (r) approve any waivers of the Code sought by directors or the CEO and confirm that any waivers of the Code for directors or members of senior management are promptly disclosed to shareholders;
- (s) review, and if appropriate, approve on an annual basis the CEO's determination of the Corporation's "executive officers" for the purpose of the lending prohibitions under Section 402 of the *Sarbanes-Oxley Act* (U.S.);
- (t) review the Corporation's Disclosure Policy, Personal Trading Policy, Investment and Capital Markets Policy, and Majority Voting Policy (collectively, the "Policies") annually and, if considered appropriate, recommend these Policies to the Board for approval;
- (u) review and make recommendations to the Board with respect to any shareholder proposal that relates to corporate governance, including a director nomination by a shareholder;

- (v) review the existing human resources and plans to ensure that qualified personnel, reflecting a diverse population, will be available for succession to senior management positions within the Corporation, and report on this matter to the Board at least annually;
- (w) consider proposed changes in senior management;
- (x) annually review the position description of the Chief Executive Officer (“CEO”) to be recommended for approval by the Board and establish objectives against which to review and assess the CEO’s performance;
- (y) assess the performance of the CEO against the pre-agreed objectives;
- (z) in consultation with the CEO, review and make recommendations to the Board with respect to salaries, performance awards and other remuneration including any severance arrangements of senior management (other than the CEO); and should the Committee consider that any adjustment thereto or awards thereunder would be appropriate, recommend such adjustments and awards for Board consideration and approval;
- (aa) review and make recommendations to the Board with respect to incentive-compensation and equity-based compensation plans, and make recommendations for Board consideration with respect to any proposed material amendments to, and any proposed awards (or changes in previous awards) under, such plans;
- (bb) review and make recommendations to the Board with respect to any change to compensation and benefit plans involving a material annual change in cost to the Corporation;
- (cc) oversee the administration of the pension and benefit plans and approve the establishment and amendment of any pension and/or retirement programs, except changes which involve a material annual change in cost to the Corporation, which the Committee shall review and recommend to the Board;
- (dd) review of allegations of workplace misconduct that are brought to or come to the attention of the Committee through the Corporation’s ethics hotline, a referral of the Human Resources department, or otherwise;
- (ee) review and discuss, at least annually:
  - (i) the relationship between the Corporation’s risk management policies, corporate strategy and senior executive compensation;
  - (ii) the Corporation’s compensation approach, policies and practices to ensure that they encourage management to consider the risks related to their decisions and actions and that they do not encourage unnecessary or inappropriate risk taking; and

- (iii) any exceptions to such compensation-related policies and practices made during the year.
- (ff) if the Corporation is required to prepare an accounting restatement due to material non-compliance with any financial reporting requirements, the Committee will:
  - (i) determine the amount, if any, of any bonus or other incentive-based or equity-based compensation and profits realized from the sale of securities of the Corporation that must be reimbursed to the Corporation by the Chief Executive Officer and the Chief Financial Officer in accordance with Section 304 of the *Sarbanes-Oxley Act of 2002*; and
  - (ii) take appropriate steps to ensure that such amount is reimbursed; and
- (gg) oversee the preparation of the “Compensation of Executive Officers” and “Report on Executive Compensation” sections of the Corporation’s management information circular.

#### **DIRECTOR COMMITMENTS AND INTERLOCKS**

The Committee, in its annual evaluation of each director’s outside commitments and independence, shall evaluate all public company board and other commitments of each director and all Board Interlocks and Committee Interlocks. All Board Interlocks and Committee Interlocks between the Corporation and another company must be disclosed in the annual Management Information Circular. The Committee shall also disclose its judgment on: (i) whether any director has excessive outside commitments that would be expected to preclude the director from discharging his or her duties as a board member; and (ii) whether any Board Interlocks or Committee Interlocks exist which could impact the ability of those directors to act independently from each other and to act in the best interests of the Corporation.

#### **ACCESS TO OUTSIDE ADVISOR**

The Committee has the sole discretion to retain any outside advisor that it determines to be necessary to permit the Committee to carry out its duties. The Committee may retain any such advisor at the expense of the Corporation, without the Board’s approval, at any time and has the authority to determine the advisor’s fees and other retention terms, as well as direct oversight of the advisor’s work. For greater certainty, the Committee has sole authority to retain and terminate any consulting firm to be used to evaluate the CEO or the compensation of the CEO or other senior management.

Prior to selecting or receiving advice from an advisor, the Committee shall evaluate the independence of such advisor based on the following categories:

- (a) the provision of other services to the Corporation or Brookfield Asset Management ULC by the firm that employs the advisor;
- (b) the amount of fees received from the Corporation or Brookfield Asset Management ULC by the firm that employs the advisor, as a percentage of the total revenue of the firm that employs the advisor;

- (c) the policies and procedures of the firm that employs the advisor that are designed to prevent conflicts of interest;
- (d) any business or personal relationship of the advisor with a member of the Committee;
- (e) any stock of the Corporation or Brookfield Asset Management ULC owned by the advisor; and
- (f) any business or personal relationship of the advisor or the firm employing the advisor with an executive officer of the Corporation or Brookfield Asset Management ULC.

If the Committee engages outside compensation advisors, the Committee shall ensure that such advisors are independent from, and provide no other services to, the Corporation or Brookfield Asset Management ULC or their management.

#### **REPORTING**

The Committee shall report to the Board on the Committee's proceedings, reviews, undertakings and any associated recommendations following each meeting of the Committee. In addition, if and when required or appropriate from time to time, the Committee may also report to another committee of the Board.

#### **ASSESSMENT**

At least annually, the Committee will evaluate the performance of each Board committee, the Board as a whole, and the contribution of each individual director, in fulfilling their respective responsibilities in a manner consistent with the corporate governance guidelines established by the Board. The Committee will specifically review areas in which the effectiveness of the Board, a Board committee, or an individual director may be enhanced, taking into account suggestions of the Board. The Committee will report to the Board on the findings of these review procedures.

#### **DISCLOSURE**

The Committee will review this Charter and the Definitions for Brookfield Asset Management's Board and Committee Charters at least annually and submit each to the Board for approval together with such amendments as it deems necessary and appropriate. This Charter will also be posted on the Corporation's website and the Management Information Circular of the Corporation will state that this Charter is available on the website.

#### **MEETINGS**

The Committee shall meet at least twice every fiscal year. Meetings of the Committee may be called by any Member, the Chair of the Board or the CEO. Meetings will be held in conjunction with the regularly scheduled Board meetings as is necessary for the Committee to fulfill its responsibilities. The Committee shall appoint a secretary to be the secretary of each meeting of the Committee and to maintain minutes of the meeting and deliberations of the Committee.

The powers of the Committee shall be exercisable at a meeting at which a quorum is present. A quorum shall be not less than a majority of the Members at the relevant time. Matters decided by the Committee

shall be decided by majority vote. Subject to the foregoing, the *Business Corporations Act* (British Columbia) and the by-laws of the Corporation, and, unless otherwise determined by the Board, the Committee shall have the power to regulate its procedures.

Notice of each meeting shall be given to each Member, and to the Chair of the Board and the CEO. Notice of meeting may be given orally or by letter, electronic mail, telephone or other generally accepted means not less than 24 hours before the time fixed for the meeting. Members may waive notice of any meeting and attendance at a meeting is deemed waiver of notice. The notice need not state the purpose or purposes for which the meeting is being held.

The Committee may invite from time to time such persons as it may see fit to attend its meetings and to take part in discussion and consideration of the affairs of the Committee.

*This Charter of the Governance, Nominating and Compensation Committee was reviewed and approved by the board of directors of the Corporation on December 7, 2022.*