Brookfield Letter to Shareholders

The First Half was Strong

We finished the first half of the year with strong momentum. Our operations performed well, we advanced a number of strategic initiatives, and we raised $98 billion of capital. This should make 2026 one of our best years ever.

In July, shareholders approved the simplification of our capital structure. This combines our insurance and investment capabilities, creating a stronger Brookfield and positioning us for our next phase of growth. We also completed the acquisition of the remaining interest in Oaktree, fully integrating this premier credit platform into our organization. These both represent important milestones in the evolution of our operations.

We continue to execute on each of our investment strategies. We deployed $100 billion of capital to date this year across a number of large-scale investments that will benefit from the major secular trends shaping the global economy. We also sold $40 billion of assets, crystallizing strong returns and returning capital to clients.

The momentum in our business heading into the second half of the year is strong. Our $100 billion recent announcement to build one of the most advanced ai factories in Kentucky in partnership with the U.S. government, exemplifies this.

Global Markets are Constructive

Despite the conflict in the Middle East and the resulting energy supply constraints, the global economy held up well. Strong labor markets, consumer spending, and significant investment related to the development of ai infrastructure continue to support economic growth.

Higher energy prices have added to near-term inflation and led markets to reassess the path of interest rates. While central banks are likely to remain cautious in the near term, the risk of any meaningful increases in interest rates appears to be low. As is often the case, temporary market disruptions have received much of the attention, while the longer-term economic fundamentals remain firmly in place.

The market environment continues to be constructive for businesses like ours. Economic resilience and functioning capital markets support operating performance and transaction activity, while uncertainty around growth and inflation is increasing demand for high-quality heavy assets with low obsolescence risk, precisely the types of assets and businesses in which we invest.

New BN is Stronger and Simpler

The combination of our securities creates a stronger, simpler Brookfield that is well positioned for the opportunities ahead. Over the years, we have expanded into new areas, built leading global operating businesses, and adapted our structure at important points along the way. We have done this with an enduring commitment to compounding capital and increasing intrinsic value per share while always managing risk and never changing our disciplined approach to capital allocation.

While the combination is the next step in our evolution, our overall strategy for the combined business remains unchanged. The combination gives us a stronger structure through which to pursue our long-term goals. As our wealth solutions business continues to grow, it is becoming an increasingly important source of long-duration capital — a complement to our leading asset management business — and together, position us well to invest at scale in the megatrends shaping the global economy.

The new, simplified structure will also strengthen our eligibility for inclusion in major U.S. and global equity indices — an added benefit that did not exist before — and as index investing continues to grow, this should improve accessibility, increase trading liquidity, and broaden our shareholder base.

Shareholders overwhelmingly approved the transaction, and we expect to complete the combination this year. On closing, shareholders will receive their New BN securities, which will continue to trade under the symbol "BN" on both the NYSE and the TSX.

Scale Matters More Today than Ever

A part of the reason for the combination is that investment opportunities around the world are becoming larger, more multi-faceted, and increasingly capital-intensive. This is particularly true across the three secular megatrends we have discussed for many years—digitalization, decarbonization and deglobalization. These trends are accelerating and creating opportunities unlike any seen before — opportunities that require multiple capabilities to execute successfully.

As a result, the nature of investing is changing. Success increasingly depends on the ability to combine global relationships, identification of market trends, operating expertise and flexible capital to deliver integrated solutions at scale — a combination that has become an important characteristic of our business.

We have deliberately built and strengthened these capabilities over time, and the scale of our platform has been the result of that work. Today, these capabilities reinforce one another, and together have created five distinct advantages for our franchise.

Our global relationships improve sourcing and expand access for our partners. Many of the opportunities we pursue are never broadly marketed. They originate through bilateral discussions, strategic partnerships or situations where certainty of execution is essential. We aim to be the first call, as we have built relationships across industries, geographies and capital markets that provide access to these opportunities, enabling our partners to invest alongside us in transactions they could not typically source or pursue directly.

Our global platform allows us to identify market trends early. With teams operating across markets and asset classes, we get an early view into how industries, markets and capital are evolving, including where demand is growing and where risks are emerging. This allows us to focus on the best risk-adjusted opportunities and deploy capital at scale at the appropriate time.

Our operating expertise enables execution. Many of today's largest investment opportunities require expertise across multiple disciplines. A data center development, for example, requires power generation, transmission, land acquisition, financing and long-term customer contracts. Because our platform spans real estate, infrastructure, energy and credit, we can bring together teams from across Brookfield to deliver integrated solutions that few organizations can replicate.

Decades of disciplined investing and strong performance have enabled us to build a diversified capital base. Our franchise draws funding from public markets, institutional capital, private wealth, long-duration insurance capital, and our own balance sheet. Over time, we have built these funding channels into a capital base with both the breadth and scale to match the right funding to each opportunity, pursue larger and more multi-faceted investments, and continue deploying capital through market cycles when others are constrained.

Finally, the combination of these capabilities makes our business more resilient. Because we combine operating expertise, global relationships and flexible capital within a single organization, we are able to protect capital through changing market conditions and continue investing opportunistically. This allows us to take a consistently long-term approach to capital allocation and continue compounding value over many years.

These capabilities have enabled us to build one of the largest global investment platforms operating at scale. As opportunities increasingly grow in size, complexity and capital intensity, the ability to bring these capabilities together is becoming more valuable — and difficult to replicate.

Our Credit Franchise is now Streamlined

In July, we completed the acquisition of Oaktree, completing the next step in a seven-year partnership built on aligned investing principles and complementary capabilities.

When we first partnered in 2019, we brought together Oaktree’s disciplined investment approach and world-class expertise in distressed and opportunistic credit with our scale capital, global relationships, and operating capabilities. The partnership worked very well.

Combined, we now have one of the world’s most comprehensive credit platforms, spanning real asset, asset-backed, and opportunistic credit. Bringing the organizations fully together strengthens our ability to serve clients with a broader range of investment solutions, while preserving the distinct qualities that have made Oaktree successful.

The transaction also significantly expands our presence in the United States, our largest and fastest-growing market. With Oaktree fully integrated, more than 60% of our investment and asset management employees are based in the U.S. And while we have operated as a U.S. business for many years, this greater scale strengthens BAM’s positioning for inclusion in the major U.S. equity indices.

With Oaktree now integrated into Brookfield, it is also worth addressing the broader credit environment. Much has been written lately about the risks in private credit. Concerns center on direct lending to sponsor-led, private-equity-backed borrowers and exposure to software businesses.

Our credit franchise is concentrated in areas where we have deep expertise: real asset finance, asset-backed lending, and opportunistic credit. We have grown the business thoughtfully and maintained our investment discipline, leaving us with limited exposure to the sectors and investor channels currently under the greatest pressure. Lending against the same types of assets and businesses that we own and operate gives us a better understanding of asset values, cash flows and downside risk. That understanding is especially valuable when markets become more complex and underwriting discipline matters most.

We do not, though, view today's environment as a systemic problem, and the areas attracting the most attention represent only a very small part of the broader credit market. What we are seeing is merely a healthy adjustment following a period in which abundant capital led underwriting standards to become too loose in parts of the market.

For our own part, we kept leverage modest and underwriting selective, even when it meant passing on the growth others were chasing. This has shown its benefit recently. As an example, this quarter, redemption requests at Oaktree Strategic Credit Fund, our business development company, dropped below 5%, even as many others saw redemptions climb into the high double digits.

Periods of dislocation have historically created some of Oaktree's most attractive investment opportunities. Its experience in distressed and opportunistic credit has enabled it to invest with discipline when others have pulled back. As part of Brookfield, Oaktree can now pursue these opportunities with broader sourcing capabilities and at greater scale.

Energy Development is Accelerating; Fast

Global demand for energy is growing rapidly, while constraints across grid infrastructure and supply chains are limiting the pace at which new supply can be brought online. The result is a widening gap between the power the world needs and the power available. For the largest users of power, securing reliable generation has become a strategic priority — one that requires balancing cost, scale, speed to market, reliability and security of supply.

We are seeing this play out across our energy and infrastructure businesses, where we have become the world's largest full-service provider of power solutions to countries and to the largest and fastest-growing companies. We develop approximately 10 gigawatts of new solar and wind generation each year, among the largest in the world, and this amount is growing. Across our hydro fleet, we are signing long-term contracts at very strong pricing, and we are seeing a rapid expansion in the opportunity to deploy batteries at scale.

Over the next several years, the ability to bring new generation online quickly will be more crucial than ever. Nowhere is this more evident than in the expansion of our partnership with Bloom Energy, where we increased the size of our framework fivefold to invest up to $25 billion to accelerate the deployment of behind-the-meter fuel cell projects for data centers. This technology provides one of the fastest-to-market sources of continuous, 24/7 power solutions available today and will be an important part of the future power mix for years to come.

While the growth in our traditional energy business and our partnership with Bloom are significant, perhaps no business is more at the center of all of this than Westinghouse.

Westinghouse is our leading global nuclear services business. Its technology is used by over half of the world's operating nuclear reactors (yes — over half of all in the world). The company also services roughly half of the global reactor fleet, with the majority of its cash flows generated from recurring fuel supply and maintenance services. Westinghouse is also the design and engineering firm behind the most advanced and proven large-scale reactors globally.

As sovereigns and the world's largest buyers of power plan for their long-term energy needs, energy security is moving to the center of strategic decision-making. Countries and companies increasingly want reliable, domestically available power that is not dependent on imported fuels or global supply chains. This is driving large, long-duration commitments to generation that can be delivered at scale. Nuclear is increasingly central to these plans, providing reliable, carbon-free baseload power that few other technologies can match.

Through Westinghouse, we are leading the next wave of nuclear deployment. Building on our strategic partnership with the U.S. Government announced last year, the U.S. Department of Energy recently announced a $17.5 billion commitment to finance the procurement of long-lead-time equipment for a further ten new large-scale reactors. By supporting early equipment procurement, this will materially lower execution risk, shorten development timelines, and establish a repeatable model for large-scale nuclear construction in the United States and around the world.

As the lives of existing reactors are extended and the largest nuclear build-out in decades gains momentum, Westinghouse stands to benefit significantly both from the growth of its recurring services business and from building the next generation of nuclear reactors. Few businesses in the world today have such significant structural tailwinds for growth, and a moat which is unassailable.

With operating expertise across every major form of generation, deep commercial relationships, and significant access to capital, we are one of the few global platforms capable of delivering integrated power solutions at scale to the world's largest buyers of power.

Private Assets are the Answer for Retirement Accounts

Retirement capital is among the longest duration capital in the world. Individuals save for 20, 30, 40, or more years, with the objective of compounding capital and ultimately converting it into retirement income. This makes a large portion of retirement savings well suited to assets that are also long duration in nature.

For decades, the largest pension plans, endowments and sovereign wealth funds have invested in private assets for this reason. They own infrastructure, real estate, private credit, renewable power, and private businesses because these assets generate resilient cash flows, provide inflation protection, and compound value over long periods of time. The world's most sophisticated investors recognized long ago that owning high-quality real assets is one of the most effective ways to compound capital over time.

Yet most individual savers have never had access to these same investments through their retirement accounts. Their savings have remained largely in public stocks and bonds, even as the investment landscape around them has evolved.

Businesses today stay private far longer than they once did, which means a growing share of the world's essential assets — and of the value they create — now sits outside of the public markets. As a result, investors who own only public securities are participating in a shrinking share of global value creation, and are not getting exposure to the full opportunity set. Often, when they do, it is long after the substantial gains have been made.

Public equities and fixed income will remain core components of retirement portfolios and always will be. Private assets, however, are their natural complement. Equity in growing companies, credit backed by infrastructure, energy and real estate, and ownership of the essential assets that underpin the global economy can each generate strong returns over long periods of time. And because private markets do not move in lockstep with public-market cycles, they add meaningful diversification.

Changes to U.S. federal policy are now clearing a path for private markets. This is an important step. The U.S. defined contribution market is approximately $14 trillion of retirement savings, meaning even modest allocations to private assets have the potential to create one of the largest new sources of long-term capital for our industry.

We are ready for this evolution. Our platform is built around real assets and essential-service businesses that offer the income, capital stability, and inflation protection that long-term retirement and wealth portfolios require.

We have made investments across our platform to serve this client channel. One example is our collaboration with AllianceBernstein to provide access to our strategies for custom defined contribution plans. The solution is also being designed to sit alongside existing target-date funds and managed accounts, and to provide diversified exposure across private credit, private equity, and private real assets.

This is not a short-term opportunity. It is a multi-decade shift in how retirement capital will be invested. As individuals live longer and retirement funding needs continue to grow, investors will increasingly seek solutions that combine income, growth and resilience. Private assets are well positioned to play an important role in meeting that need, and we expect to play a leading role in defining the next generation of retirement investing.

In Closing

We remain committed to investing capital for you in high-quality assets that earn solid cash returns on equity, while emphasizing downside protection for the capital employed. The primary objective of the company continues to be to generate increased cashflows on a per-share basis and, as a result, higher intrinsic value per share over the longer term.

We look forward to seeing you at our Investor Day in Manhattan on September 17. If you are unable to attend in person, the presentation will be webcast live on our website and available for replay.

Thank you for your interest in Brookfield, and please do not hesitate to contact any of us should you have suggestions, questions, comments, or ideas you wish to share.

Sincerely,

Bruce Flatt
Chief Executive Officer
August 13, 2026

Cautionary Statement Regarding Forward-Looking Statements and Information

All references to "$" or "Dollars" are to U.S. Dollars. This letter to shareholders contains "forward-looking information" within the meaning of Canadian provincial securities laws and "forward-looking statements" within the meaning of the U.S. Securities Act of 1933, the U.S. Securities Exchange Act of 1934, "safe harbor" provisions of the United States Private Securities Litigation Reform Act of 1995 and in any applicable Canadian securities regulations (collectively, "forward-looking statements"). Forward-looking statements include statements that are predictive in nature, depend upon or refer to future results, events or conditions, and include, but are not limited to, statements which reflect management's current estimates, beliefs and assumptions regarding the operations, business, financial condition, expected financial results, performance, prospects, opportunities, priorities, targets, goals, ongoing objectives, strategies, capital management and outlook of Brookfield Corporation and its subsidiaries, as well as the outlook for North American and international economies for the current fiscal year and subsequent periods, and which in turn are based on our experience and perception of historical trends, current conditions and expected future developments, as well as other factors management believes are appropriate in the circumstances. The estimates, beliefs and assumptions of Brookfield Corporation are inherently subject to significant business, economic, competitive and other uncertainties and contingencies regarding future events and as such, are subject to change. Forward-looking statements are typically identified by words such as "expect," "anticipate," "believe," "foresee," "could," "estimate," "goal," "intend," "plan," "seek," "strive," "will," "may" and "should" and similar expressions. In particular, the forward-looking statements contained in this letter include statements referring to the impact of current market or economic conditions on our business, the future state of the economy or the securities market, the anticipated allocation and deployment of our capital, our liquidity and ability to access and raise capital, our fundraising targets, our target growth objectives, our target carried interest all statements relating to the proposed combination of Brookfield Corporation and Brookfield Wealth Solutions Ltd., and the acquisition of Just Group and its expected impact on our business.

Although Brookfield Corporation believes that such forward-looking statements are based upon reasonable estimates, beliefs and assumptions, actual results may differ materially from the forward-looking statements. Factors that could cause actual results to differ materially from those contemplated or implied by forward-looking statements include, but are not limited to: (i) returns that are lower than target; (ii) the impact or unanticipated impact of general economic, political and market factors in the countries in which we do business; (iii) the behavior of financial markets, including fluctuations in interest and foreign exchange rates and heightened inflationary pressures; (iv) global equity and capital markets and the availability of equity and debt financing and refinancing within these markets; (v) strategic actions including acquisitions and dispositions; the ability to complete and effectively integrate acquisitions into existing operations and the ability to attain expected benefits; (vi) changes in accounting policies and methods used to report financial condition (including uncertainties associated with critical accounting assumptions and estimates); (vii) the ability to appropriately manage human capital; (viii) the effect of applying future accounting changes; (ix) business competition; (x) operational and reputational risks; (xi) technological change; (xii) changes in government regulation and legislation within the countries in which we operate; (xiii) governmental investigations and sanctions; (xiv) litigation; (xv) changes in tax laws; (xvi) ability to collect amounts owed; (xvii) catastrophic events, such as earthquakes, hurricanes and epidemics/pandemics; (xviii) the possible impact of international conflicts and other developments including terrorist acts and cyberterrorism; (xix) the introduction, withdrawal, success and timing of business initiatives and strategies; (xx) the failure of effective disclosure controls and procedures and internal controls over financial reporting and other risks; (xxi) health, safety and environmental risks; (xxii) the maintenance of adequate insurance coverage; (xxiii) the existence of information barriers between certain businesses within our asset management operations; (xxiv) risks specific to our business segments including asset management, wealth solutions, renewable power and transition, infrastructure, private equity, real estate and corporate activities; and (xxv) factors detailed from time to time in our documents filed with the securities regulators in Canada and the United States.

We caution that the foregoing list of important factors that may affect future results is not exhaustive and other factors could also adversely affect future results. Readers are urged to consider these risks, as well as other uncertainties, factors and assumptions carefully in evaluating the forward-looking statements and are cautioned not to place undue reliance on such forward-looking statements, which are based only on information available to us as of the date of this letter or such other date specified herein. Except as required by law, Brookfield Corporation undertakes no obligation to publicly update or revise any forward-looking statements, whether written or oral, that may be as a result of new information, future events or otherwise.

Past performance is not indicative nor a guarantee of future results. There can be no assurance that comparable results will be achieved in the future, that future investments will be similar to historic investments discussed herein, that targeted returns, growth objectives, diversification or asset allocations will be met or that an investment strategy or investment objectives will be achieved (because of economic conditions, the availability of appropriate opportunities or otherwise).

Target returns and growth objectives set forth in this letter are for illustrative and informational purposes only and have been presented based on various assumptions made by Brookfield Corporation in relation to the investment strategies being pursued, any of which may prove to be incorrect. There can be no assurance that targeted returns or growth objectives will be achieved. Due to various risks, uncertainties and changes (including changes in economic, operational, political or other circumstances) beyond Brookfield Corporation's control, the actual performance of the business could differ materially from the target returns and growth objectives set forth herein. In addition, industry experts may disagree with the assumptions used in presenting the target returns and growth objectives. No assurance, representation or warranty is made by any person that the target returns or growth objectives will be achieved, and undue reliance should not be put on them. All references to asset monetizations include completed transactions and transactions in the process of being completed.

Certain of the information contained herein is based on or derived from information provided by independent third-party sources. While Brookfield Corporation believes that such information is accurate as of the date it was produced and that the sources from which such information has been obtained are reliable, Brookfield Corporation makes no representation or warranty, express or implied, with respect to the accuracy, reasonableness or completeness of any of the information or the assumptions on which such information is based, contained herein, including but not limited to, information obtained from third parties.

When we speak about our wealth solutions business or Brookfield Wealth Solutions, we are referring to Brookfield's investments in this business that supported the acquisitions of its underlying operating subsidiaries.

Cautionary Statement Regarding the Use of Non-IFRS Measures

This letter to shareholders contains references to financial measures that are calculated and presented using methodologies other than in accordance with IFRS. These financial measures, which include Distributable Earnings (as defined below), its components and its per share equivalent, should not be considered as the sole measure of our performance and should not be considered in isolation from, or as a substitute for, similar financial measures calculated in accordance with IFRS. We caution readers that these non-IFRS financial measures or other financial metrics are not standardized under IFRS and may differ from the financial measures or other financial metrics disclosed by other businesses and, as a result, may not be comparable to similar measures presented by other issuers and entities.

We make reference to Distributable Earnings ("Cashflows"), which refers to the sum of distributable earnings from our asset management business, distributable operating earnings from our wealth solutions business, distributions received from our ownership of investments, realized carried interest and disposition gains from principal investments, net of preferred share dividends and equity-based compensation costs. We also make reference to Distributable Earnings before realizations, which refers to Distributable Earnings before realized carried interest and disposition gains from principal investments, and net operating income, which refers to the revenues from our operations less direct expenses before the impact of depreciation and amortization within our real estate business. Our outlook for growth in Distributable Earnings assumes growth in fee-related earnings and realized carried interest in line with our business plans, which assume growth in our fee bearing capital consistent with our fundraising plans, capital deployment expectations, maintaining the fee rates we earn on fee bearing capital and earning margins consistent with our current margin. Actual results may vary materially and are subject to market conditions and other factors and risks set out above. For more information on non-IFRS measures and other financial metrics, see Brookfield Corporation's Q2 2026 Press Release, which includes reconciliations of these non-IFRS financial measures to their most directly comparable financial measures calculated and presented in accordance with IFRS.