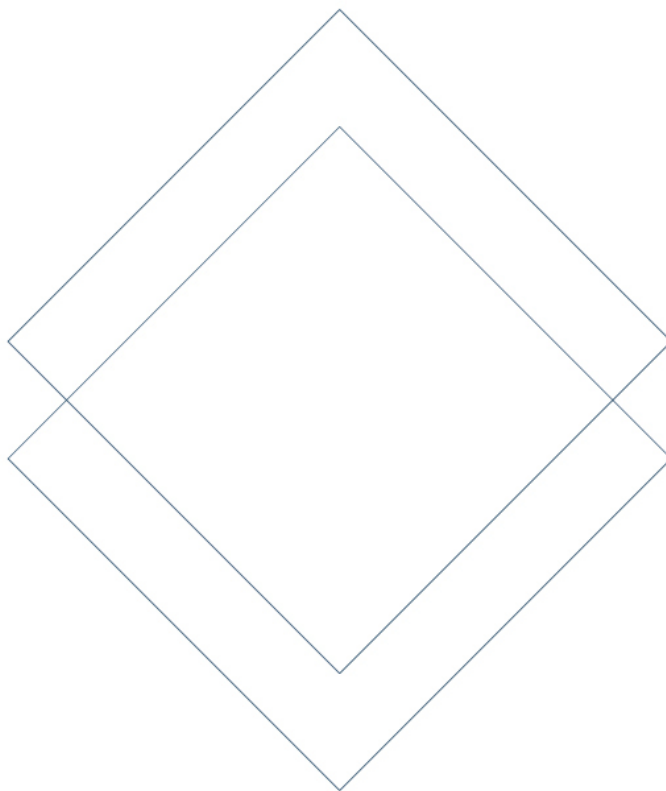


**Brookfield**



2023

Q4 SUPPLEMENTAL  
INFORMATION

Brookfield Corporation

# 2023 Full Year Highlights

**\$5B**

DISTRIBUTABLE EARNINGS ("DE")

**12%**

GROWTH IN DE PER SHARE,  
BEFORE REALIZATIONS<sup>1</sup>

**\$122B**

DEPLOYABLE CAPITAL

## PERFORMANCE UPDATE

**We generated \$1.3 billion (\$0.83/share) of Distributable Earnings ("DE") during the quarter and \$4.8 billion (\$3.03/share) over the year.**

DE before realizations were \$1.2 billion (\$0.76/share) during the quarter and \$4.2 billion (\$2.66/share) for the year, representing growth of 17% and 12% per share over the prior periods, respectively, after adjusting for the special distribution of 25% of our asset management business in December 2022.

### *Asset Management:*

- Distributable earnings were \$649 million (\$0.41/share) in the quarter and \$2.6 billion (\$1.61/share) for the year.
- Fundraising remains strong, leading to \$93 billion of capital raised which, combined with the approximately \$50 billion anticipated upon the closing of American Equity Life ("AEL"), brings the total to \$143 billion.
- Fee-bearing capital was \$457 billion at the end of the year, representing 9% growth over the prior year.
- Fee-related earnings grew by 6% over the year.
- Distributions from direct investments were \$214 million in the quarter and \$876 million for the year.

### *Insurance Solutions:*

- Distributable operating earnings were \$253 million (\$0.16/share) in the quarter and \$740 million (\$0.47/share) for the year.
- Our insurance assets increased to approximately \$60 billion, with \$8 billion of annuity policies originated during the year. Our average investment portfolio yield on our insurance assets was 5.5%, approximately 2% higher than the average cost of capital.
- Annualized earnings in this business were \$940 million at the end of 2023. With the closing of AEL expected shortly, our insurance solutions business will grow to over \$100 billion of assets and \$1.3 billion of annualized earnings.
- We remain on track to reach \$1.5 billion of monthly retail capital inflows in 2024 via our retail wealth and insurance solutions platforms.

### *Operating Businesses:*

- Cash distributions were \$400 million (\$0.25/share) in the quarter and \$1.5 billion (\$0.92/share) for the year.
- Operating Funds from Operations within our renewable power & transition and infrastructure businesses increased by 7% over the year, and adjusted EBITDA grew by 11% in our private equity business for the year.
- In our real estate business, our core portfolio produced same-store net operating income growth of 7% compared to the prior year. We continue to capture tenant demand with over 15 million square feet of leases executed in the year across all our office assets, and tenant sales per square foot were 21% higher than 2019 in our core retail portfolio.

### *Monetization Activity:*

- We generated \$583 million (\$0.37/share) of earnings from realizations for the year, mainly from net realized carried interest.
- During the year, we monetized over \$30 billion of assets—substantially all transacting at values higher than our IFRS carrying values, validating the carrying values of our investments.
- Recent monetizations include the sale of Westinghouse at an implied enterprise value of approximately \$8 billion, an office asset in Brazil for approximately \$300 million, and a landmark mixed-use asset in Paris for approximately \$1 billion.
- We generated unrealized carried interest of \$1.8 billion during the year, taking the total accrued unrealized carried interest balance to \$10.2 billion at year end. With the pool of carry-eligible capital growing larger every year, we expect carried interest to contribute significant cash flows going forward.

1. Adjusted for special distribution.

# 2023 Full Year Highlights cont'd

## CAPITAL ALLOCATION

- Over the year, we returned \$1.1 billion of capital to our shareholders via \$436 million of regular dividends and \$623 million of Class A share repurchases in the open market, adding \$900 million or 50 cents of value to each remaining share.
- The balance of our distributable earnings were invested back into the business, predominantly into strategies managed by BAM and into our insurance solutions business.
- We intend to increase the pace of share repurchases, setting aside \$1 billion over the next few months.

## LIQUIDITY

**As at December 31, 2023, we had \$4.5 billion of corporate liquidity, including \$2.0 billion of cash and financial assets and \$2.5 billion of undrawn credit lines.**

- We continue to have strong access to the capital markets. In December, we received a credit rating upgrade from DBRS on our senior unsecured debt to A, demonstrating the strength of our franchise and continued growth in our earnings.
- During the year, we strengthened our liquidity position through the issuances of \$550 million 10-year bonds in June and \$700 million 10-year bonds in December.
- Our balance sheet continues to be conservatively capitalized, with a corporate debt to market capitalization ratio of 16%, a weighted-average interest rate of 4.4%, a remaining term of 13 years and modest maturities through to the end of 2025.
- Over the year, our businesses have been able to access the capital markets and execute on approximately \$100 billion of non-recourse financings.

## STRATEGIC INITIATIVES

**We made significant progress across our strategic initiatives.**

- In November, Brookfield Reinsurance ("BNRE") closed the previously announced acquisition of Argo Group for approximately \$1.1 billion, and we continue to advance the acquisition of AEL.
- Also in November, BNRE announced the results of the exchange offer through which holders of Class A shares of BN ("BN shares") were permitted to voluntarily exchange their shares into newly issued BNRE shares on a one-for-one basis. Under the offer, 33 million BN shares were tendered, bringing the total number of publicly traded BNRE shares outstanding to over 40 million shares. The offer has significantly enhanced the equity base and market capitalization of BNRE, without causing any dilution to BN and BNRE shareholders.

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## CONTENTS

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Operating Businesses	17		

# Brookfield Corporation

Our goal is to compound capital over the long term so as to earn an annualized return of 15%+ for our shareholders.

To do this, we employ a disciplined investment approach, leveraging our 100+ year history as an owner and operator of real assets, to create value and deliver strong risk-adjusted returns across market cycles. Today, our capital is invested across three businesses – Asset Management, Insurance Solutions and our Operating Businesses, which generate approximately \$5 billion of free cash flow annually, all of which is underpinned by a conservatively capitalized balance sheet.

DE represents the deconsolidated earnings of the Corporation that are available for distribution to shareholders and it is our primary performance metric. DE is comprised of distributions we receive from our Asset Management, Insurance Solutions and our Operating Businesses. It also includes disposition gains on our principal investments and our share of realized carried interest that is earned by our Asset Management business. We target growing our DE by 15% or more each year.

We create value for our shareholders in two ways. First, we participate in increases in the earnings and capital appreciation of our Asset Management, Insurance Solutions and Operating Businesses, which enables us to increase our cash dividends. Second, we are able to deploy the substantial free cash flows we receive towards supporting the growth of our three businesses, new strategic investments and share buy backs.

	How value is created	Key Performance Metrics	How value is measured
<b>Asset Management</b> Brookfield Asset Management ("BAM") is a leading global alternative asset manager with over \$900 billion of assets under management	<ul style="list-style-type: none"> <li>• Increase fee-bearing capital</li> <li>• Maintain cost discipline as we scale</li> </ul>	<ul style="list-style-type: none"> <li>• Distributable earnings</li> <li>• Fee-bearing capital</li> <li>• Fee-related earnings</li> </ul>	<ul style="list-style-type: none"> <li>• Market price of BAM and multiple of annualized fee related earnings</li> </ul>
In addition, we invest discretionary capital into and alongside private funds managed by BAM and other investments	<ul style="list-style-type: none"> <li>• Achieve strong investment returns and, in turn, earn performance income (carried interest)</li> </ul>	<ul style="list-style-type: none"> <li>• Generated unrealized carried interest</li> <li>• Realized carried interest, net</li> </ul>	<ul style="list-style-type: none"> <li>• Multiple of generated carried interest, net and target carried interest, net</li> </ul>
<b>Insurance Solutions</b> Brookfield Reinsurance ("BNRE") is a leading capital solutions business providing insurance and reinsurance services to individuals and institutions	<ul style="list-style-type: none"> <li>• Increase cash income through organic levers</li> <li>• Recycle underlying assets</li> </ul>	<ul style="list-style-type: none"> <li>• Distributions from direct investments</li> <li>• Disposition gains on direct investments</li> </ul>	<ul style="list-style-type: none"> <li>• Applicable valuation methods based on how capital is deployed</li> </ul>
<b>Operating Businesses</b> We are invested in four global operating businesses in Renewable Power and Transition ("BEP"), Infrastructure ("BIP"), Private Equity ("BBU") and Real Estate ("BPG")	<ul style="list-style-type: none"> <li>• Acquire long duration and predictable insurance liabilities</li> <li>• Proactively manage risk of underwritten liabilities</li> <li>• Earn attractive risk-adjusted returns on our investment portfolio in excess of the cost of the insurance liabilities we manage</li> </ul>	<ul style="list-style-type: none"> <li>• Cost of insurance liabilities</li> <li>• Earnings on investment portfolio</li> <li>• Distributable operating earnings</li> </ul>	<ul style="list-style-type: none"> <li>• Multiple of Distributable Operating Earnings</li> </ul>
<b>Capital Allocation</b> We allocate the free cash flows we receive to enhance value for our shareholders	<ul style="list-style-type: none"> <li>• Increase cash income through organic levers</li> <li>• Recycle underlying assets</li> </ul>	<ul style="list-style-type: none"> <li>• Operating FFO / Net operating income</li> <li>• Distributions from Operating Businesses</li> </ul>	<ul style="list-style-type: none"> <li>• Market price of public affiliates (BIP, BEP, BBU)</li> <li>• Fair value under IFRS (BPG)</li> </ul>
	<ul style="list-style-type: none"> <li>• Increase in cash dividends</li> <li>• Share buybacks</li> <li>• Support the growth of our three businesses</li> <li>• New strategic investments</li> <li>• Special dividends</li> </ul>	<ul style="list-style-type: none"> <li>• Disposition gains on principal investments</li> <li>• Contribution to growth in DE &amp; DE per share</li> </ul>	<ul style="list-style-type: none"> <li>• Applicable valuation methods based on how capital is deployed</li> </ul>

# Performance Highlights

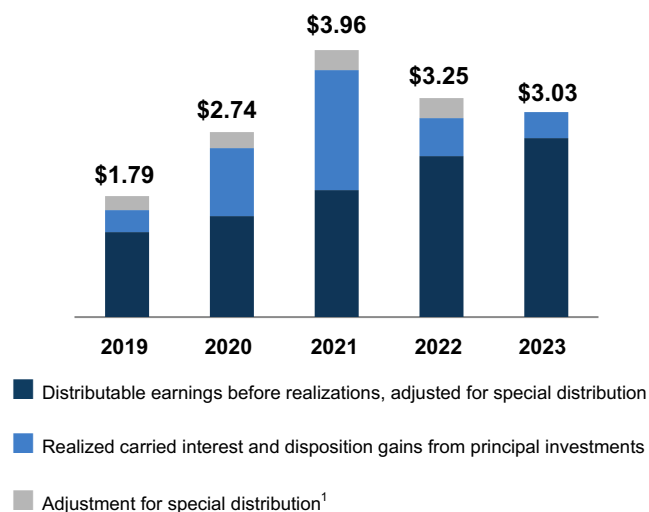
## Distributable Earnings

FOR THE YEARS ENDED DEC. 31 (MILLIONS)



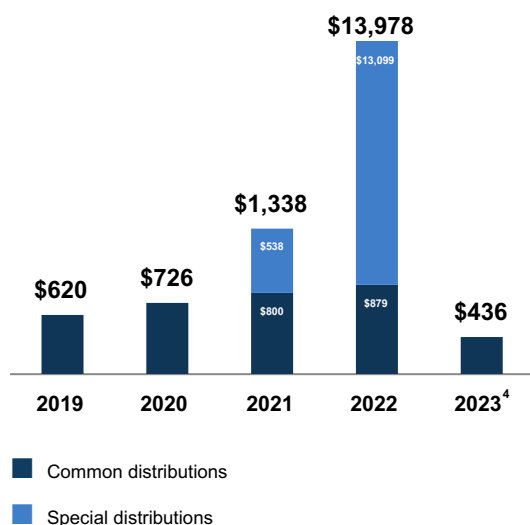
## Distributable Earnings per share<sup>2</sup>

FOR THE YEARS ENDED DEC. 31



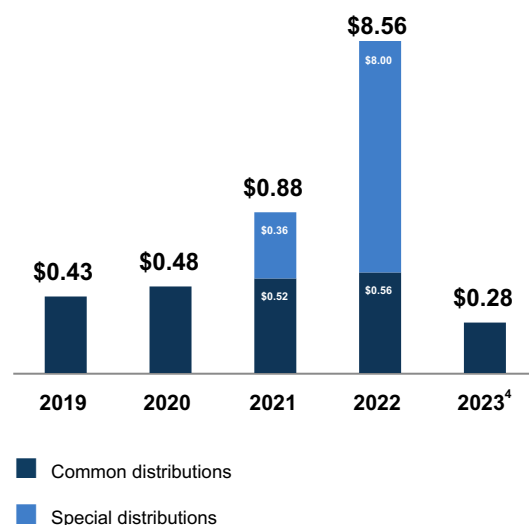
## Distributions to Common Shareholders<sup>3</sup>

FOR THE YEARS ENDED DEC. 31 (MILLIONS)



## Distributions per share<sup>2</sup>

FOR THE YEARS ENDED DEC. 31



See endnotes.

# Distributable Earnings (“DE”)

**DE before realizations were \$1.2 billion for the quarter and \$4.2 billion for the year, an increase of 17% and 12% per share over the prior periods, respectively<sup>1</sup>**

The summary below presents DE on a historical basis which includes results for periods prior to the special distribution of a 25% interest in our asset management business. For comparability, we present DE on an adjusted basis at the bottom of this page, adjusting historical results for a 25% decrease in the DE from BAM in line with the impact of the special distribution.

FOR THE PERIODS ENDED DEC. 31 (MILLIONS, EXCEPT PER SHARE AMOUNTS)	Three Months		Full Year		Annualized <sup>2</sup>	Page Ref.
	2023	2022	2023	2022		
BAM <sup>3</sup>	\$ 435	\$ 534	\$ 1,678	\$ 2,061	\$ 1,726	page 12
Direct investments	214	168	876	883	827	page 15
<b>Asset Management</b>	<b>649</b>	<b>702</b>	<b>2,554</b>	<b>2,944</b>	<b>2,553</b>	
<b>Insurance Solutions</b>	<b>253</b>	<b>170</b>	<b>740</b>	<b>388</b>	<b>940</b>	page 16
BEP	102	100	417	400	408	page 17
BIP	79	75	319	300	317	page 18
BBU	9	9	36	33	36	page 19
BPG	218	251	733	854	844	page 20
Other	(8)	11	(43)	(53)	(43)	page 17
<b>Operating Businesses</b>	<b>400</b>	<b>446</b>	<b>1,462</b>	<b>1,534</b>	<b>1,562</b>	
<b>Corporate costs and other<sup>4,5,6</sup></b>	<b>(93)</b>	<b>(176)</b>	<b>(533)</b>	<b>(552)</b>	<b>(622)</b>	page 23
<b>Distributable earnings before realizations<sup>7</sup></b>	<b>1,209</b>	<b>1,142</b>	<b>4,223</b>	<b>4,314</b>	<b>\$ 4,433</b>	
Realized carried interest, net	100	280	570	555		page 13
Disposition gains from principal investments	3	76	13	360		page 24
<b>Distributable earnings<sup>7</sup></b>	<b>\$ 1,312</b>	<b>\$ 1,498</b>	<b>\$ 4,806</b>	<b>\$ 5,229</b>		
<b>Per share</b>						
Distributable earnings before realizations <sup>8</sup>	\$ 0.76	\$ 0.71	\$ 2.66	\$ 2.68		
Distributable earnings <sup>8</sup>	<b>0.83</b>	<b>0.94</b>	<b>3.03</b>	<b>3.25</b>		

## Asset Management

- Generated DE of \$649 million in the quarter and \$2.6 billion for the year, mainly driven by a 6% increase in fee-related earnings (“FRE”) compared to the prior year. This includes distributions from direct investments of \$214 million in the quarter and \$876 million for the year.

## Insurance Solutions

- DE of \$253 million in the quarter and \$740 million for the year with earnings growth from strong performance of our investment portfolio and the scaling of our asset base.

## Operating Businesses

- Generated DE of \$400 million for the quarter and \$1.5 billion for the year, broadly consistent with the prior year as strong distribution growth from our Operating Businesses were offset by lower distributions from our North American residential business as the prior year included higher one-time lot sales.

In the year, we realized \$570 million of net carried interest from asset monetization in private funds managed by BAM and generated \$13 million of disposition gains from principal investments.

FOR THE PERIODS ENDED DEC. 31 (MILLIONS)	Three Months		Full Year	
	2023	2022	2023	2022
BAM distributable earnings before realizations	\$ 435	\$ 534	\$ 1,678	\$ 2,061
Less: adjustment for the special distribution	—	(107)	—	(489)
Adjusted BAM distributable earnings before realizations	435	427	1,678	1,572
<b>Adjusted distributable earnings before realizations</b>	<b>\$ 1,209</b>	<b>\$ 1,035</b>	<b>\$ 4,223</b>	<b>\$ 3,825</b>
<b>Per share</b>				
Adjusted distributable earnings before realizations <sup>8</sup>	<b>\$ 0.76</b>	<b>\$ 0.65</b>	<b>\$ 2.66</b>	<b>\$ 2.38</b>

1. Adjusted for the special distribution of a 25% interest in BAM.

See endnotes.

# Capital

We create value for our shareholders by increasing the cash flows generated by our investments and appreciation of capital over time as we execute operational improvements and disciplined recycling of underlying assets.

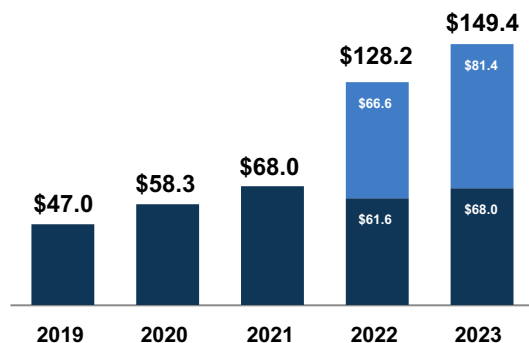
Our capital was \$149.4 billion on a blended basis as at December 31, 2023, on which we earn \$5.1 billion of diversified, long-term, stable cash flows via dividends. Most of our earnings are retained for reinvestment. Over the year, we generated unrealized carried interest of \$1.2 billion, which is not included in the DE presented in the below table and instead is presented on page 13.

The following table provides a breakdown of our capital as at December 31, 2023 and 2022. We provide three methods for you to review: quoted prices, our IFRS values, and blended values. We recommend that you focus on the blended values as these include quoted market values and, since we have control over these assets, we believe we could liquidate for at least these values. Nonetheless, we provide this information so you can choose how to assess the numbers.

AS AT DEC. 31 (MILLIONS, EXCEPT PER SHARE AMOUNTS)	No. of Units	Quoted <sup>1</sup>		IFRS		Blended <sup>2</sup>		Annualized Cash Flow <sup>3</sup>
		2023	2022	2023	2022	2023	2022	
BAM	1,226	\$49,268	\$35,164	\$ 7,126	\$ 6,884	\$ 49,268	\$ 35,164	\$ 1,726
Target carried interest, net	N/A	N/A	N/A	N/A	N/A	25,980	25,860	—
Accumulated unrealized carried interest, net	N/A	N/A	N/A	N/A	N/A	6,158	5,609	—
Direct investments	N/A	N/A	N/A	12,358	12,761	12,358	12,761	827
<b>Asset Management</b>				<b>19,484</b>	<b>19,645</b>	<b>93,764</b>	<b>79,394</b>	<b>2,553</b>
<b>Insurance Solutions<sup>4</sup></b>				<b>6,144</b>	<b>3,996</b>	<b>14,100</b>	<b>7,992</b>	<b>940</b>
BEP	302	8,034	8,005	4,302	4,635	8,034	8,005	408
BIP	207	6,571	6,591	2,537	2,524	6,571	6,591	317
BBU	142	3,058	2,491	3,291	2,439	3,058	2,491	36
BPG								
Core	N/A	N/A	N/A	14,092	14,548	14,092	14,548	480
Transitional and Development <sup>5</sup>	N/A	N/A	N/A	8,321	8,277	9,783	9,835	364
Other	N/A	N/A	N/A	585	639	585	639	(43)
<b>Operating Businesses</b>				<b>33,128</b>	<b>33,062</b>	<b>42,123</b>	<b>42,109</b>	<b>1,562</b>
Total investments				58,756	56,703	149,987	129,495	5,055
Corporate and other				(589)	(1,330)	(589)	(1,330)	N/A
<b>Capital</b>				<b>58,167</b>	<b>55,373</b>	<b>149,398</b>	<b>128,165</b>	<b>\$ 5,055</b>
Debt and preferred capital <sup>6</sup>				(16,493)	(15,765)	(16,493)	(15,765)	
<b>Capital, net</b>				<b>\$41,674</b>	<b>\$39,608</b>	<b>\$132,905</b>	<b>\$112,400</b>	
<b>Per Share</b>				<b>\$ 25.80</b>	<b>\$ 24.32</b>	<b>\$ 82.29</b>	<b>\$ 69.00</b>	

## Capital

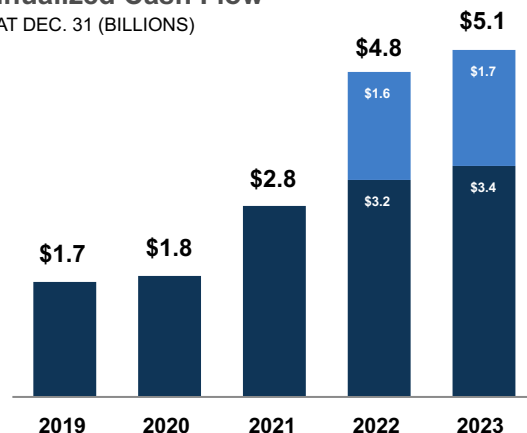
AS AT DEC. 31 (BILLIONS)



■ Asset management business excluding direct investments

## Annualized Cash Flow

AS AT DEC. 31 (BILLIONS)



■ Other capital

See endnotes.

# Capital Allocation

**We allocate the free cash flows we receive to enhance value for our shareholders**

FOR THE PERIODS ENDED DEC. 31  
(MILLIONS)

	Three Months		Full Year	
	2023	2022	2023	2022
<b>Sources</b>				
Distributable earnings, before realizations <sup>1, 2</sup>	\$ 1,209	\$ 1,142	\$ 4,223	\$ 4,314
Realized carried interest, net <sup>2</sup>	100	280	570	555
Disposition gains from principal investments <sup>2</sup>	3	76	13	360
	<b>1,312</b>	<b>1,498</b>	<b>4,806</b>	<b>5,229</b>
<b>Return of capital</b>				
Dividends paid to common shareholders	(107)	(221)	(436)	(879)
Share repurchases <sup>3</sup>	(98)	(189)	(646)	(687)
<b>Reinvestment in businesses</b>				
Capital allocated to Asset Management business <sup>4</sup>	(306)	(1,639)	(4,109)	(2,712)
Capital allocated to Insurance Solutions business	(253)	(118)	(740)	(2,904)
Perpetual affiliate unit/share sales, net of purchases	123	—	306	—
	<b>(641)</b>	<b>(2,167)</b>	<b>(5,625)</b>	<b>(7,182)</b>
<b>Net financing activities</b>	<b>(905)</b>	<b>55</b>	<b>731</b>	<b>648</b>
<b>Other sources (uses)<sup>5</sup></b>	<b>729</b>	<b>442</b>	<b>(793)</b>	<b>676</b>
<b>In-period change</b>	<b>\$ 495</b>	<b>\$ (172)</b>	<b>\$ (881)</b>	<b>\$ (629)</b>

We target paying a modest distribution so that we are able to deploy the majority of the substantial free cash flow we receive towards supporting the growth of our businesses, new strategic investments and share repurchases.

**Over the year we allocated \$5.6 billion of capital, primarily as follows:**

- \$436 million of dividends paid to common shareholders;
- \$646 million to repurchase shares well below our view of intrinsic value, purchasing 20.2 million BN common shares and ~2.0 million preferred shares;
- \$4.1 billion to invest into various strategies managed by BAM; and
- \$740 million investment in our Insurance Solutions business to support continued growth.

Net financing activities of \$731 million relate to our 10-year bond issuances in June and December 2023, partially offset by the repayment of maturing term notes.

1. Refer to page 27 for reconciliation of IFRS to non-IFRS measures.

See endnotes.

# Liquidity Profile and Capital Structure

We manage our liquidity and capital resources on a group-wide basis and organize it into three principal tiers:

1. The Corporation<sup>1</sup>, inclusive of our proportionate share of the liquidity of our asset management business;
2. Our perpetual affiliates (BEP, BIP, BBU and BPG); and
3. Managed funds or investments, either held directly or within perpetual affiliates.

## LIQUIDITY

The Corporation has very few non-discretionary capital requirements. We maintain significant liquidity (\$4.5 billion in the form of corporate cash and financial assets and undrawn credit facilities) at the corporate level to further enable the growth of the broader business. This does not include our ability to issue debt or sell our liquid securities to replenish our liquidity.

On a group basis, as at December 31, 2023, we had approximately \$122 billion of deployable capital, which included corporate liquidity, perpetual affiliate liquidity, and uncalled private fund commitments. Uncalled fund commitments include third-party commitments available for drawdown in our private funds.

AS AT DEC. 31 (MILLIONS)	Corporate Liquidity		Deployable Capital	
	2023	2022	2023	2022
Cash and financial assets, net <sup>2</sup>	\$ 2,013	\$ 2,893	\$ 29,161	\$ 27,440
Undrawn committed credit facilities	2,533	2,540	9,009	9,284
<b>Core liquidity</b>	<b>4,546</b>	<b>5,433</b>	<b>38,170</b>	<b>36,724</b>
Third-party uncalled private fund commitments	—	—	84,233	87,364
<b>Total liquidity</b>	<b>\$ 4,546</b>	<b>\$ 5,433</b>	<b>\$ 122,403</b>	<b>\$ 124,088</b>

## CAPITAL STRUCTURE

Virtually all of the debt within our business is issued by entities or assets within the funds, or other investing entities, that we manage and generally has no recourse to the Corporation. Only 5% of our consolidated debt is issued by, or has recourse to, the Corporation.

Our corporate capitalization was \$62 billion as at December 31, 2023, with a debt to capitalization level of approximately 20% at the corporate level based on book values, which excludes virtually all of the value of our asset management business (see page 25 for details). Based on our market capitalization, the corporate debt to capitalization level was 16%.

- Corporate borrowings excluding commercial paper, totaled \$12 billion, with a weighted-average term of 13 years, and a weighted-average interest rate of 4.4%.
- Our corporate borrowings are supplemented by \$4 billion of perpetual preferred shares with a weighted-average cost of 4.9%.

AS AT DEC. 31, 2023 (MILLIONS)	Average		Total <sup>3</sup>	Maturity					
	Term	Rate		2024	2025	2026	2027	2028	2029+
Corporate borrowing									
Term debt <sup>4</sup>	13	4.4 %	\$ 11,552	\$ —	\$ 500	\$ 1,141	\$ 377	\$ 1,050	\$ 8,484
Perpetual preferred shares <sup>5</sup>	perp.	4.9 %	4,333	—	—	—	—	—	n/a
			<b>\$ 15,885</b>	<b>\$ —</b>	<b>\$ 500</b>	<b>\$ 1,141</b>	<b>\$ 377</b>	<b>\$ 1,050</b>	<b>\$ 8,484</b>

See endnotes.

# Distributable Earnings and Net Income

FOR THE PERIODS ENDED DEC. 31  
(MILLIONS, EXCEPT PER SHARE AMOUNTS)

## Operating activities

	Three Months		Full Year	
	2023	2022	2023	2022
Asset Management	\$ 649	\$ 702	\$ 2,554	\$ 2,944
Insurance Solutions	253	170	740	388
Operating Businesses	400	446	1,462	1,534
Corporate activities and other	(93)	(176)	(533)	(552)
<b>Distributable earnings before realizations</b>	<b>1,209</b>	<b>1,142</b>	<b>4,223</b>	<b>4,314</b>
Realized carried interest, net	100	280	570	555
Realized disposition gains <sup>1,2</sup>	3	76	13	360
<b>Distributable earnings</b>	<b>1,312</b>	<b>1,498</b>	<b>4,806</b>	<b>5,229</b>
Add: disposition gains in net income	1,227	121	1,536	327
Less: realized disposition gains	(3)	(76)	(13)	(360)
Fair value changes and other <sup>2</sup>	(1,450)	(1,644)	(2,684)	(1,181)
Depreciation and amortization <sup>2</sup>	(541)	(564)	(2,236)	(2,150)
Deferred income taxes <sup>2</sup>	160	356	398	(113)
Working capital, net	(6)	(7)	(677)	304
<b>Net income (loss) attributable to shareholders<sup>3</sup></b>	<b>\$ 699</b>	<b>\$ (316)</b>	<b>\$ 1,130</b>	<b>\$ 2,056</b>

## Per share<sup>4,5</sup>

Distributable earnings before realizations	\$ 0.76	\$ 0.71	\$ 2.66	\$ 2.68
Distributable earnings	0.83	0.94	3.03	3.25
Net income (loss) <sup>6</sup>	0.42	(0.23)	0.61	1.19

See endnotes.

# Detailed — Analysis

# Asset Management

Our Asset Management business is one of the leading global alternative investment businesses, with over \$900 billion of assets under management across renewable power and transition, infrastructure, private equity, real estate and credit

Our Asset Management business creates value by:

- Increasing fee-bearing capital, which increases our fee revenues and fee-related earnings
- Achieving attractive investment returns, which enables us to earn performance income (carried interest)
- Maintaining cost discipline as we scale our operations

Our Asset Management business targets growing its fee-related earnings and distributable earnings by 15%+ per year.

We value our Asset Management business as the sum of: i) the market value of BAM; ii) applying a multiple to generated carried interest, net and target carried interest, net; and iii) our accumulated unrealized carried interest, net.

## FEE-BEARING CAPITAL AND DISTRIBUTABLE EARNINGS

Fee-bearing capital increased by \$39 billion or 9% over the year to \$457 billion, resulting in growth in fee-related earnings of 6% to \$2.2 billion in 2023.

	Fee-Bearing Capital <sup>1</sup>		Three Months		Full Year		Annualized
	2023	2022	2023	2022	2023	2022	
AS AT AND FOR THE PERIODS ENDED DEC. 31 (MILLIONS)							
Fee revenues <sup>2</sup>	<u>\$456,998</u>	<u>\$417,863</u>	<u>\$1,106</u>	\$1,069	<u>\$4,381</u>	\$4,048	\$ 4,619
Direct costs <sup>3</sup>			(492)	(454)	(2,014)	(1,792)	(2,050)
			614	615	2,367	2,256	2,569
Amounts attributable to other shareholders			(33)	(39)	(126)	(148)	(137)
<b>Fee-related earnings</b>			<b>581</b>	576	<b>2,241</b>	2,108	<b>2,432</b>
Cash taxes			(45)	(35)	(196)	(98)	(330)
Other income (expense)			40	3	154	(14)	160
Add back: equity-based compensation costs			4	25	39	100	39
<b>Distributable earnings</b>			<b>580</b>	569	<b>2,238</b>	2,096	<b>2,301</b>
Amounts not attributable to the Corporation			(145)	(35)	(560)	(35)	(575)
<b>Distributable earnings at our share</b>			<b>435</b>	534	<b>1,678</b>	2,061	<b>\$ 1,726</b>
Less: adjustment for the special distribution			—	(107)	—	(489)	
<b>Distributable earnings before realizations, adjusted for special distribution</b>			<b>\$ 435</b>	<b>\$ 427</b>	<b>\$1,678</b>	<b>\$1,572</b>	

- Fee-bearing capital was \$457 billion as at December 31, 2023, an increase of approximately \$39 billion or 9% during the year, due to continued fundraising momentum and strong capital deployment partially offset by capital returned to investors.
- Our Asset Management business generated fee-related earnings of \$2.2 billion during the year, representing an increase of 6% compared to the prior period.
- Our fund strategies continued to resonate with our clients, leading to \$93 billion of capital raised which, combined with the approximately \$50 billion anticipated upon the closing of AEL, brings the total to \$143 billion. \$37 billion of infows relate to flagship funds, including the final close of our fifth flagship infrastructure fund and our latest flagship private equity fund, as well as the rolling first closes of our fifth flagship real estate strategy and second global transition strategy.
- We continue to make progress across our other complementary strategies, raising a further \$56 billion of capital during 2023, with notable successes including capital raised for our infrastructure income fund and our supercore perpetual infrastructure private fund. During the quarter, we held the final close of our third infrastructure debt fund, the world's largest private infrastructure debt fund, raising over \$6 billion in capital.
- As at December 31, 2023, the market value of BAM was \$40.17 per share, equating to \$49.3 billion of capital for the 1,226 million shares of BAM we own today.

See endnotes.

# Asset Management cont'd

## CARRIED INTEREST

We generated unrealized carried interest, net of costs, of \$1.2 billion during the year, with substantially all our funds tracking to meet or exceed their target returns

## UNREALIZED CARRIED INTEREST CONTINUITY<sup>1,2</sup>

AS AT AND FOR THE PERIOD ENDED DEC. 31, 2023 (MILLIONS)	Three Months			Full Year		
	Unrealized Carried Interest	Direct Costs	Net	Unrealized Carried Interest	Direct Costs	Net
Accumulated unrealized, beginning of period	\$ 9,854	\$ (3,248)	\$ 6,606	\$ 9,143	\$ (3,021)	\$ 6,122
In period change						
Generated in period	294	(137)	157	1,833	(677)	1,156
Foreign currency revaluation	170	(46)	124	182	(50)	132
	464	(183)	281	2,015	(727)	1,288
Less: realized	(166)	55	(111)	(1,006)	372	(634)
	298	(128)	170	1,009	(355)	654
<b>Accumulated unrealized, end of period</b>	<b>10,152</b>	<b>(3,376)</b>	<b>6,776</b>	<b>10,152</b>	<b>(3,376)</b>	<b>6,776</b>
Carried interest not attributable to Corporation <sup>3</sup>	(1,230)	612	(618)	(1,230)	612	(618)
<b>Accumulated unrealized, end of period, net</b>	<b>\$ 8,922</b>	<b>\$ (2,764)</b>	<b>\$ 6,158</b>	<b>\$ 8,922</b>	<b>\$ (2,764)</b>	<b>\$ 6,158</b>

## THREE MONTHS

- We generated \$294 million of unrealized carried interest, before foreign exchange and associated costs during the quarter largely driven by higher valuations in our infrastructure, renewable power and transition, and private equity flagship funds, as well as our closed-end credit funds.
- We realized \$166 million of carried interest in the quarter, primarily due to realizations from our private equity and real estate flagship funds.

## FULL YEAR 2023

- We generated \$1.8 billion of unrealized carried interest during the year, before foreign exchange and associated costs, caused by valuation increases from our infrastructure, long-term credit funds, and private equity funds.
- We realized \$1.0 billion of carried interest in 2023 due to asset monetizations across various flagship and other funds.
- \$4.9 billion of the accumulated unrealized carried interest, at our share, is expected to be realized within the next three years.
- Refer to pages 30 to 31 of Brookfield Asset Management Ltd.'s Q4 2023 Supplemental Information which outlines actual returns and illustrates how our private funds are tracking towards their respective target returns.

See endnotes.

# Asset Management cont'd

## TARGET CARRIED INTEREST

Target carried interest reflects our estimate of the carried interest earned on a straight-line basis over the life of a fund, assuming target returns are achieved

AS AT DEC. 31, 2023 (MILLIONS)	Carry Eligible Capital <sup>1</sup>	Gross Target Return <sup>2,3</sup>	Average Carried Interest	Annualized Target Carried Interest <sup>4</sup>
Opportunistic	\$ 50,180	18% – 25%	~20%	\$ 1,753
Value add	1,669	10% – 15%	~20%	40
Credit, core plus and other	62,563	10% – 15%	~15%	1,235
Oaktree	51,339	10% – 20%	~20%	1,308
	165,751			4,336
Uncalled fund commitments <sup>5,6</sup>				
Brookfield	53,611			1,144
Oaktree	17,934			347
<b>Total carry eligible capital/target carried interest</b>	<b>\$ 237,296</b>			<b>5,827</b>
Target carried interest not attributable to the Corporation <sup>7,8</sup>				(1,971)
				<b>\$ 3,856</b>

Target carried interest on capital currently invested is \$4.3 billion per annum, and a further \$1.5 billion on capital not yet invested. Total target carried interest at our share is currently \$3.9 billion, or \$2.6 billion net of costs (December 31, 2022 – \$2.6 billion). We determine the value of our target carried interest using an industry multiple (currently 10x). As at December 31, 2023, the value of our target carried interest was \$26.0 billion.

1. As at December 31, 2023, \$165.8 billion of carry eligible capital has been invested and an additional \$71.5 billion of committed capital will become carry eligible once invested.

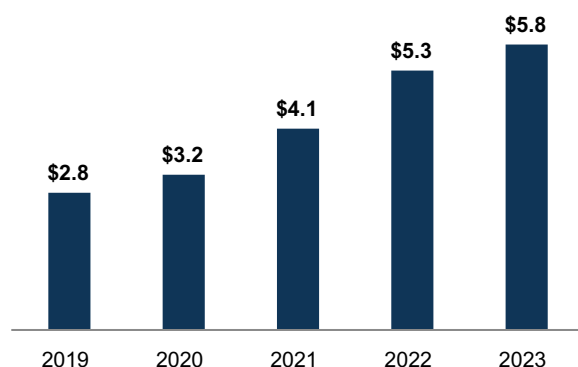
7. Includes target carried interest attributable to the 32% of Oaktree. The Corporation retains 100% of the carried interest earned on mature funds and is entitled to receive 33.3% of the carried interest on new funds of our asset management business.

## ANNUALIZED TARGET CARRIED INTEREST

For planning purposes, we use current carry eligible capital multiplied by target fund returns and our average carried interest rate to determine annualized carried interest, and then subtract associated direct costs to arrive at a 70% margin for Brookfield, and 50% margin for Oaktree, which is “net target carried interest.”

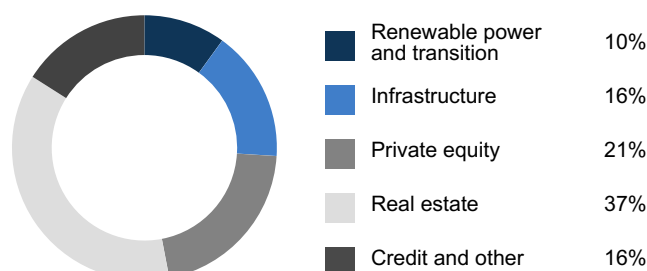
### Target Carried Interest

AS AT DEC. 31 (BILLIONS)



### Target Carry Diversification

AS AT DEC. 31, 2023



See endnotes.

# Asset Management cont'd

## DIRECT INVESTMENTS

We include the discretionary capital that we invest directly into and alongside private funds managed by BAM and other investments within the results of our asset management business

We have \$12.4 billion of capital in direct investments, which includes \$7.2 billion in flagship real estate private funds that are managed by BAM with long-term track records of earning strong returns. Also included in direct investments is \$5.2 billion of capital invested in other real estate and private equity funds managed by BAM, opportunistic and other credit funds managed by Oaktree, and other investments. We look to deliver blended total annualized returns of 15% or more from our direct investments and we determine their value using fair value under IFRS.

Over the year, total FFO from our direct investments was \$283 million as growth in NOI and acquisitions completed in our flagship real estate funds were more than offset by the impact of asset sales and higher interest rates.

AS AT AND FOR THE PERIODS ENDED DEC. 31 (MILLIONS)	FFO <sup>1</sup>						Annualized Cash Flow
	IFRS/Blended		Three Months		Year		
	2023	2022	2023	2022	2023	2022	
Direct investments	\$ 12,358	\$ 12,761	\$ (37)	\$ 7	\$ (109)	\$ 351	
Disposition gains			103	464	392	937	
<b>Total FFO</b>			<b>\$ 66</b>	<b>\$ 471</b>	<b>\$ 283</b>	<b>\$ 1,288</b>	
<b>Cash distributions received</b>			<b>\$ 214</b>	<b>\$ 168</b>	<b>\$ 876</b>	<b>\$ 883</b>	<b>\$ 827</b>

Refer to page 20 for a summary of the combined results and total distributions of our real estate business, including the investments we have made in our real estate private funds presented below.

## Direct Investments

AS AT DEC. 31, 2023



The **flagship real estate private funds** that we invest in own a globally diversified portfolio of high-quality assets and portfolios with operational upside across logistics, multifamily, hospitality, office, retail, triple net lease, self-storage, student housing and the manufactured housing sectors. As business plans for individual investments are successfully implemented, typically after five to ten years, fund assets are then monetized with our capital recycled into newer vintages, net of gains.

Refer to the below table for the vintage and percentage of realization of flagship real estate private funds. With the exception of the IFRS value of remaining equity figures, amounts presented below are in accordance with Investment Company Accounting under US GAAP, which aligns with the reporting of each private fund.

AS AT DEC. 31, 2023	Vintage Year	IFRS value of remaining equity	Amount invested <sup>3</sup>	Amount realized	Gross IRR <sup>4</sup>	Net IRR
BSREP I <sup>2</sup>	2012	\$ 227	\$ 1,595	\$ 2,885	21.4 %	17.7 %
BSREP II	2015	2,087	2,756	2,914	15.1 %	12.0 %
BSREP III	2018	4,307	3,835	968	16.0 %	11.5 %
BSREP IV	2021	530	577	138	12.0 %	8.6 %
<b>Flagship real estate funds</b>		<b>\$ 7,151</b>	<b>\$ 8,763</b>	<b>\$ 6,905</b>		

Our other direct investments include the following investments in funds managed by BAM: \$1.9 billion in opportunistic and other credit funds, \$1.3 billion in private equity funds, \$983 million in other real estate funds, and \$947 million in other investments. For the year ended December 31, 2023, these investments contributed \$107 million of FFO (2022 – \$237 million).

See endnotes.

# Insurance Solutions

**Our insurance solutions business, via our investment in BNRE, is a leading capital solutions business providing insurance and reinsurance services to individuals and institutions**

Through operating subsidiaries, the business offers a broad range of insurance products and services, including life insurance and annuities, and personal and commercial property and casualty insurance.

Our Insurance Solutions business creates value by:

- Acquiring long duration and predictable insurance liabilities on a value basis
- Applying a proactive risk management approach to minimize the risk of underwritten liabilities through robust underwriting processes, reinsurance, duration matching and liquidity management
- Leveraging Brookfield's broader investment capabilities to earn attractive risk-adjusted returns on our insurance assets in excess of the cost of the insurance liabilities we manage

Our Insurance Solutions business targets a 15% annual return on equity and we value this business based on a multiple of distributable operating earnings (currently 15x), which represents our view of the fair value of the business.

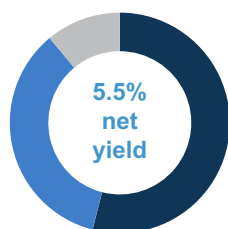
**During the year, total insurance assets increased to approximately \$60 billion with spread earnings on the investment portfolio at approximately 200 bps for the quarter. We generated DE of \$740 million in during the year with annualized earnings of \$940 million today.**

FOR THE PERIODS ENDED DEC. 31 (MILLIONS)	Distributable Earnings				Annualized Cash Flow
	Three Months		Full Year		
	2023	2022	2023	2022	
Net investment income	\$ 632	\$ 411	\$ 2,269	\$ 1,205	
Cost of insurance	(311)	(207)	(1,265)	(683)	
Interest expense	(53)	(44)	(193)	(110)	
Operating expenses and other	(10)	10	(66)	(24)	
Distributable earnings, gross	258	170	745	388	
Less: Amounts not attributable to the Corporation	(5)	—	(5)	—	
Distributable earnings, net	\$ 253	\$ 170	\$ 740	\$ 388	\$ 940

As at December 31, 2023, our capital in our Insurance Solutions business is \$6.1 billion (December 31, 2022 – \$4.0 billion) on an IFRS basis and is valued at \$14.1 billion (December 31, 2022 – \$8.0 billion).

## Investment Portfolio

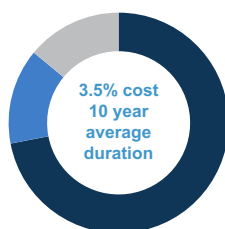
AS AT DEC. 31, 2023



Liquid fixed income	54%
Private credit / Asset based lending	35%
Equities	11%

## Insurance Liabilities

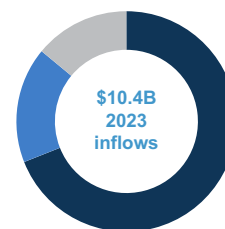
AS AT DEC. 31, 2023



Annuities	72%
Life	14%
Property and casualty	14%

## Inflows

FOR THE YEAR ENDED DEC. 31, 2023  
(BILLIONS)



Direct insurance	69%
Reinsurance	17%
Pension risk transfer	14%

# Operating Businesses

**We have approximately \$35 billion of capital invested in our four global operating businesses: renewable power and transition, infrastructure, private equity and real estate**

Each of these businesses share key characteristics of being highly diversified by sector and geography, generating stable and often inflation linked revenue streams, high cash margins, market leading positions, high barriers to entry and opportunities to invest additional capital to enhance returns, all of which enable us to generate very attractive risk adjusted returns on our capital.

The capital we have invested in our renewable power and transition, infrastructure and private equity operating businesses is predominantly held via our 45% interest in BEP, our 26% interest in BIP and our 66% interest in BBU. Each of these are publicly listed perpetual capital vehicles that also act as our primary vehicles for making commitments to our flagship private funds, providing them each with a very strong pipeline for growth.

Our remaining capital is invested in our wholly owned private real estate business. The portfolio is comprised of 35 of the world's highest quality office and retail assets and a portfolio of 177 office and retail assets that we plan to sell over time, with the proceeds to be recycled into new investment opportunities.

## RENEWABLE POWER AND TRANSITION

**Our renewable power and transition business owns a diverse portfolio of high-quality assets across multiple continents and technologies including hydroelectric, wind, utility-scale solar, and distributed energy and sustainable solutions investments**

Our capital in this business is via:

- Our 45% ownership interest in BEP, one of the world's largest publicly traded pure-play renewable power platforms
- Energy contracts, which are our contractual arrangement with BEP to purchase power generated by certain North American hydro assets at a fixed price that is then resold on a contracted or uncontracted basis

Our renewable power and transition business seeks to deliver 12 to 15% total returns and 5 to 9% distribution growth annually, and creates value by:

- Acquiring operating assets and businesses on a value basis
- Increasing the cash income generated by its assets through operational improvements
- Disciplined recycling of assets and businesses into higher growth opportunities

We value our renewable power and transition business using the trading price of BEP, and the IFRS value of the energy contracts, which we revalue on an annual basis.

**Operating FFO from our renewable power and transition business increased by 5% to \$399 million during the year, supporting an 8% increase in cash distributions received of \$374 million.**

AS AT AND FOR THE PERIODS ENDED DEC. 31 (MILLIONS)	Operating FFO <sup>1</sup>								Annualized Cash Flow
	IFRS		Blended		Three Months		Full Year		
	2023	2022	2023	2022	2023	2022	2023	2022	
	2023	2022	2023	2022	2023	2022	2023	2022	
BEP <sup>2</sup>	\$ 9,175	\$ 9,608	\$ 17,935	\$ 16,750	\$ 255	\$ 225	\$ 1,095	\$ 1,005	
Incentive distributions	—	—	—	—	(27)	(24)	(112)	(96)	
Non-controlling interests	(4,873)	(4,973)	(9,901)	(8,745)	(125)	(104)	(522)	(469)	
Segment reallocation and other	—	—	—	—	(3)	—	(19)	(8)	
Brookfield's interest	4,302	4,635	8,034	8,005	100	97	442	432	
Energy contracts	585	639	585	639	(8)	11	(43)	(53)	
Capital / Operating FFO	\$ 4,887	\$ 5,274	\$ 8,619	\$ 8,644	\$ 92	\$ 108	\$ 399	\$ 379	
Cash distributions received					\$ 94	\$ 111	\$ 374	\$ 347	\$ 365

- Cash distributions received and operating FFO increased by 8% and 5%, respectively, over the year primarily due to strong asset availability across our fleet, inflation indexation on our contracted generation, growth from development projects and acquisitions, strong pricing across our hydro assets, as well as gains on the sale of non-core assets.

See endnotes.

# Operating Businesses cont'd

## INFRASTRUCTURE

**Our infrastructure business is one of the world's largest infrastructure investors, which owns and operates assets across the transport, data, utilities, and midstream sectors**

Our capital in this business is held via our 26% ownership interest in BIP, one of the largest owners and operators of critical global infrastructure networks.

Our infrastructure business seeks to deliver 12 to 15% total returns and 5 to 9% distribution growth annually, and creates value by:

- Increasing inflation-protected and contracted cash flow through de-risking businesses and operational improvements
- Expanding our capacity with our record capital backlog
- Disciplined recycling of assets and businesses into higher growth opportunities

We value our infrastructure business using the trading price of BIP.

**Operating FFO from our infrastructure business increased by 8% to \$539 million during the year, supporting a 6% increase in cash distributions received of \$319 million.**

AS AT AND FOR THE PERIODS ENDED DEC. 31 (MILLIONS)	Operating FFO <sup>1</sup>								Annualized Cash Flow
	IFRS		Blended		Three Months		Full Year		
	2023	2022	2023	2022	2023	2022	2023	2022	
BIP <sup>2</sup>	\$ 9,144	\$ 9,023	\$ 25,440	\$ 24,780	\$ 622	\$ 556	\$ 2,288	\$ 2,087	
Incentive distributions	—	—	—	—	(68)	(60)	(266)	(240)	
Non-controlling interests	(6,607)	(6,499)	(18,869)	(18,189)	(406)	(357)	(1,464)	(1,334)	
Segment reallocation and other	—	—	—	—	(4)	(4)	(19)	(16)	
Capital / Operating FFO	\$ 2,537	\$ 2,524	\$ 6,571	\$ 6,591	\$ 144	\$ 135	\$ 539	\$ 497	
Cash distributions received					\$ 79	\$ 75	\$ 319	\$ 300	\$ 317

- Cash distributions received and operating FFO increased by 6% and 8%, respectively, over the year primarily due to contributions from acquisitions, organic growth at our utilities and transport operations as a result of inflation indexation and increases to rate base.

# Operating Businesses cont'd

## PRIVATE EQUITY

Our private equity business is a leading global investor with a focus on owning and operating businesses that provide essential products and services in the business services and industrial sectors

Our capital in this business is held via our 66% ownership interest in BBU, a global business services and industrial company.

BBU seeks to deliver 15% or more total annualized returns, and creates value by:

- Acquiring high-quality businesses which provide essential products and services on a value basis
- Enhancing and improving cash flows through operational improvement
- Disciplined recycling of assets and businesses into higher growth opportunities

We value our private equity business using the trading price of BBU.

Over the year, our private equity business generated \$554 million of operating FFO and \$36 million of DE. The cash distributions reflect BBU's policy of paying a modest distribution and reinvesting the majority of its FFO back into its businesses to further enhance value.

AS AT DEC. 31  
(MILLIONS)

	IFRS		Blended	
	2023	2022	2023	2022
BBU <sup>2</sup>	\$ 5,576	\$ 4,104	\$ 4,671	\$ 3,818
Non-controlling interests	(2,285)	(1,665)	(1,613)	(1,327)
<b>Capital</b>	<b>\$ 3,291</b>	<b>\$ 2,439</b>	<b>\$ 3,058</b>	<b>\$ 2,491</b>

AS AT AND FOR THE PERIODS ENDED DEC. 31  
(MILLIONS)

	Adjusted EBITDA <sup>3</sup>				Operating FFO <sup>1</sup>				Annualized Cash Flow
	Three Months 2023	2022	Full Year 2023	2022	Three Months 2023	2022	Full Year 2023	2022	
BBU	\$ 608	\$ 659	\$2,491	\$2,335	\$2,009	\$ 325	\$2,863	\$1,316	
Non-controlling interests	(210)	(229)	(861)	(811)	(691)	(128)	(987)	(474)	
Segment reallocation and other	—	—	—	—	(1,178)	(3)	(1,322)	(22)	
<b>Adjusted EBITDA / Operating FFO</b>	<b>\$ 398</b>	<b>\$ 430</b>	<b>\$1,630</b>	<b>\$1,524</b>	<b>\$ 140</b>	<b>\$ 194</b>	<b>\$ 554</b>	<b>\$ 820</b>	
<b>Cash distributions received</b>					<b>\$ 9</b>	<b>\$ 9</b>	<b>\$ 36</b>	<b>\$ 33</b>	<b>\$ 36</b>

- Adjusted EBITDA increased by \$106 million or 7% over the year as a result of contributions from acquisition activity in our business services and industrials operations, as well as value creation and cost savings initiatives across our business.
- While underlying performance was strong, operating FFO decreased by \$266 million over the year as growth in Adjusted EBITDA was more than offset by the impacts of increased interest expense incurred from higher rates on floating rate debt and incremental borrowings due to acquisitions.

See endnotes.

# Operating Businesses cont'd

## REAL ESTATE

Our real estate operation is a diversified global real estate business that owns and operates premier office, dominant retail, luxury urban retail and hotels, and multi & single family residential properties

Our capital in this business consists of \$14.1 billion of capital invested in an irreplaceable portfolio of premier properties in global gateway cities ("Core") and \$8.3 billion invested in a portfolio designed to maximize returns through a development or buy-fix-sell strategy ("Transitional and Development"), of which \$1.9 billion includes our capital invested in our North American residential business. We refer to this business as Brookfield Property Group ("BPG").

AS AT DEC. 31 (MILLIONS)	IFRS		Blended	
	2023	2022	2023	2022
Core <sup>1,2</sup>	\$ 14,092	\$ 14,548	\$ 14,092	\$ 14,548
Transitional and development <sup>2</sup>	8,321	8,277	9,783	9,835
<b>Brookfield's Capital</b>	<b>\$ 22,413</b>	<b>\$ 22,825</b>	<b>\$ 23,875</b>	<b>\$ 24,383</b>

Our capital in this business has decreased during 2023 due to asset sales, valuation changes and upfinancings.

Our real estate business seeks to deliver blended total annualized returns of 10 to 12%, and creates value by:

- acquiring high-quality, best-located assets for value and leveraging our core capabilities including leasing, financing, development, design and construction, and property and facilities management to enhance cash flows
- maintaining our irreplaceable Core assets while actively recycling our mature Transitional & Development assets to further enhance returns for shareholders

We primarily value our real estate business by using fair value under IFRS, which we revalue on a quarterly basis, and comparable market data for our North American residential business. NOI is the key performance metric for our real estate segment.

During the year, our core and transitional and development real estate generated NOI of \$3.6 billion.

In our core portfolio same-store NOI increased by 7%.

AS AT AND FOR THE PERIODS ENDED DEC. 31 (MILLIONS)	NOI <sup>3</sup>				Operating FFO <sup>4</sup>				Annualized Cash Flow
	Three Months		Full Year		Three Months		Full Year		
	2023	2022	2023	2022	2023	2022	2023	2022	
Core <sup>1,2</sup>	\$ 577	\$ 381	\$ 1,673	\$ 1,429	\$ 285	\$ 112	\$ 499	\$ 471	
Transitional and development <sup>2</sup>	525	604	1,943	2,043	(19)	62	(216)	248	
	1,102	985	3,616	3,472	266	174	283	719	
Segment reallocation and other	—	—	—	—	(11)	(11)	(44)	(44)	
NOI / Operating FFO	\$ 1,102	\$ 985	\$ 3,616	\$ 3,472	\$ 255	\$ 163	\$ 239	\$ 675	
Cash distributions received					\$ 218	\$ 251	\$ 733	\$ 854	\$ 844

The summary below shows the combined FFO and cash distributions received from our Real Estate business, which includes the investments we have made in our real estate private funds that we present in our asset management segment.

AS AT AND FOR THE PERIODS ENDED DEC. 31 (MILLIONS)	Three Months		Full Year		Annualized Cash Flow
	2023	2022	2023	2022	
Core and Transitional and development Operating FFO per above	\$ 255	\$ 163	\$ 239	\$ 675	
Real Estate LP Investments	42	439	193	1,047	
<b>FFO – Real Estate</b>	<b>\$ 297</b>	<b>\$ 602</b>	<b>\$ 432</b>	<b>\$ 1,722</b>	
Core and Transitional and development per above	\$ 218	\$ 251	\$ 733	\$ 854	\$ 844
Real Estate LP Investments	200	168	789	783	800
<b>Cash distributions received – Real Estate</b>	<b>\$ 418</b>	<b>\$ 419</b>	<b>\$ 1,522</b>	<b>\$ 1,637</b>	<b>\$ 1,644</b>

See endnotes.

# Operating Businesses cont'd

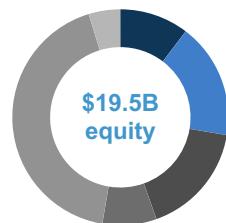
## REAL ESTATE (cont'd)

### Core

Our **core** real estate consists of irreplaceable premier properties in key global markets, which include our top 35 premier office complexes and retail properties. They generate long-dated, stable, inflation-protected cash flows. We create value by holding these investments long term and we continue to make them better with incremental investments over time.

### Core Portfolio

AS AT DEC. 31, 2023



Downtown New York	10 %
Midtown New York	17 %
London	17 %
Other office	8 %
Market dominant retail	43 %
Urban retail	5 %

- We own 16 premier office and ancillary mixed-use complexes that are located in the world's leading commercial markets of New York City, London, Toronto, Berlin, and Dubai, covering 35 million square feet of leasable space.
- We also own 19 irreplaceable retail centers totaling 24 million square feet of retail space, and one of the most valuable retail corners in the world at the corner of 57th and Fifth Avenue in New York.
- We develop properties on a selective basis; active development projects consist of two office sites, several multifamily buildings and one hotel site, totaling approximately four million square feet.
- This is our directly held premier property portfolio and excludes amounts owned in funds with clients.

**We maintain a strong occupancy rate and long average lease life across our core real estate portfolio:**

AS AT DEC. 31, 2023	Number of complexes/ malls	Equity Value	Property Level Loan-to-Value	Occupancy	Lease Life	Discount rate
Downtown New York	1	\$ 2,021	59.2 %	94.0 %	8	6.6 %
Midtown New York	4	3,376	52.7 %	98.7 %	10	6.2 %
London	2	3,307	58.6 %	93.2 %	12	7.3 %
Other office	9	1,582	48.2 %	95.9 %	7	6.9 %
<b>Core office</b>	<b>16</b>	<b>10,286</b>	<b>55.5 %</b>	<b>95.1 %</b>	<b>9</b>	<b>6.7 %</b>
Market dominant retail	16	8,318	40.2 %	97.4 %	5	6.2 %
Urban retail	3	921	53.0 %	96.7 %	6	5.8 %
<b>Core retail</b>	<b>19</b>	<b>9,239</b>	<b>41.8 %</b>	<b>97.3 %</b>	<b>5</b>	<b>6.2 %</b>
<b>Total core</b>	<b>35</b>	<b>\$ 19,525</b>	<b>49.9 %</b>	<b>96.0 %</b>	<b>7</b>	<b>6.5 %</b>

In addition to property level debt, we have capitalized this business with \$3.5 billion of perpetual preferred shares and \$1.9 billion of bonds with an average maturity of 2.2 years.

Our 16 trophy office complexes include:

- **Downtown New York** properties such as Brookfield Place and **Midtown New York** properties including our Manhattan West mixed-use development which includes 1/2/5 Manhattan West and The Eugene and Pendry, Grace building, 333 W 34<sup>th</sup> Street, and 300 Madison Avenue
- **London** properties such as 100 Bishopsgate and Canary Wharf estate which includes our One Canada Square, 10 Cabot Square, 1/20/40 Bank Street, One Churchill Place, Cabot Place, Canada Place, and Jubilee Place properties
- **Other office** such as Brookfield Place and Bay Adelaide Centre North, East and West towers in Toronto, Potsdamer Platz in Berlin, and ICD Brookfield Place in Dubai

Our 19 irreplaceable malls include:

- **Market Dominant Retail** such as Ala Moana Center in Hawaii, Fashion Show and Grand Canal Shoppes in Las Vegas, Park Meadows in Colorado, Oakbrook Center in Illinois, Glendale Galleria in California, and North Star Mall, The Shops at La Cantera, Stonebriar Centre, and The Woodlands Mall in Texas
- **Urban Retail Centers** such as 730 Fifth Ave and 685 Fifth Avenue in New York and the Miami Design District

# Operating Businesses cont'd

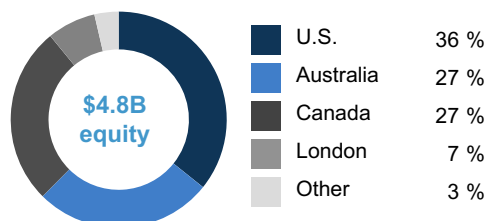
## REAL ESTATE (cont'd)

### Transitional and Development

The **transitional and development** portfolio invests in assets with significant value-add through development and leasing activities that are generally held for shorter time frames before being monetized for attractive returns.

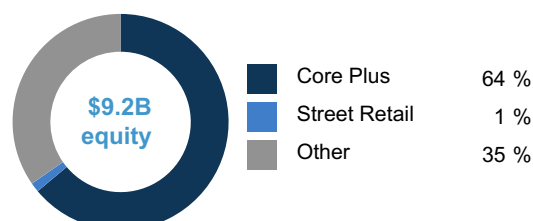
#### Office by Geography

AS AT DEC. 31, 2023



#### Retail by Type

AS AT DEC. 31, 2023



- We own interests in and operate office assets in more than 10 major cities, predominantly in North America and Australia, consisting of 89 properties totaling 42 million square feet of leasable space. Some of these office properties are recently developed, such as the new headquarters for Chevron on the waterfront in Perth.
- We also own 88 largely high-quality properties with 85 million square feet of space, which are strong retail centers and generate substantial and consistent cash flows but are not considered dominant irreplaceable centers. They are 94% leased, but do not have the same long-term growth trajectory as our dominant retail centers.

AS AT DEC. 31, 2023	Number of properties	Equity Value	Property-Level Loan-to-Value <sup>1</sup>	Occupancy <sup>2</sup>	Lease Life	Discount rate
U.S.	45	\$ 1,730	71.9 %	78.5 %	6	8.3 %
Australia	23	1,291	49.8 %	97.6 %	7	6.4 %
Canada	14	1,289	43.5 %	86.2 %	9	6.8 %
London	5	353	60.6 %	99.3 %	6	8.5 %
Other	2	175	39.4 %	100.0 %	6	8.9 %
<b>Office</b>	<b>89</b>	<b>4,838</b>	<b>60.3 %</b>	<b>84.8 %</b>	<b>7</b>	<b>7.6 %</b>
Core Plus	26	5,901	34.1 %	97.2 %	4	6.9 %
Street Retail	5	130	51.9 %	98.1 %	4	6.5 %
Other	57	3,199	57.9 %	92.1 %	3	8.8 %
<b>Retail</b>	<b>88</b>	<b>9,230</b>	<b>45.2 %</b>	<b>94.0 %</b>	<b>4</b>	<b>7.7 %</b>
<b>Transitional &amp; Development<sup>3</sup></b>	<b>177</b>	<b>\$ 14,068</b>	<b>51.5 %</b>	<b>91.7 %</b>	<b>5</b>	<b>7.7 %</b>

- Excludes \$8.3 billion of medium-term duration corporate debt at the corporate level that we allocate to our transitional and development portfolio as we do not expect to hold this portion of our real estate portfolio over the long term, as well as our investments in JCPenney and Fairfield.
- Occupancy rates reflect our proportionate interest in our transitional and development office and retail properties owned via Brookfield Property Partners ("BPY") and our directly held investments.

### North American Residential

Included in our transitional and development business is our North American residential business which is a leading land developer and homebuilder, with operations in 20 principal markets in Canada and the U.S. and approximately 74,000 lots. As at December 31, 2023, we had 79 active housing communities (December 31, 2022 – 71) and 19 active land communities (December 31, 2022 – 16). Of the \$1.9 billion capital invested in this business, \$1.2 billion relates to land held for development with the remainder associated with developed or in progress residential developments.

We create value in this business by monetizing consumer and commercial deliverables through home building, lot sales and development of commercial zones.

We measure value for this business based on a combination of IFRS values for developed properties and comparable market data for our land bank.

AS AT AND FOR THE PERIODS ENDED DEC. 31  
(MILLIONS)

AS AT AND FOR THE PERIODS ENDED DEC. 31 (MILLIONS)	Operating FFO <sup>4</sup>								Annualized
	IFRS		Blended		Three Months		Full Year		
	2023	2022	2023	2022	2023	2022	2023	2022	
	2023	2022	2023	2022	2023	2022	2023	2022	
North American Residential	\$ 1,911	\$ 1,587	\$ 3,373	\$ 3,145	\$ 95	\$ 134	\$ 254	\$ 368	\$ 364

See endnotes.

# Corporate Activities

Corporate activities include the investment of cash and financial assets, as well as the management of our corporate leverage, including corporate borrowings and preferred equity, which fund a portion of the capital invested in our other businesses

	Operating FFO <sup>1</sup>					
	Capital		Three Months		Full Year	
	2023	2022	2023	2022	2023	2022
Working capital, net of corporate cash and other <sup>2</sup>	\$ (589)	\$ (1,330)	\$ 66	\$ (18)	\$ 131	\$ 50
Corporate borrowings / Interest expense	(12,160)	(11,390)	(142)	(135)	(596)	(504)
Perpetual preferred shares <sup>3</sup>	(4,333)	(4,375)	—	—	—	—
<b>Capital, net / Operating FFO</b>	<b>\$ (17,082)</b>	<b>\$ (17,095)</b>	<b>\$ (76)</b>	<b>\$ (153)</b>	<b>\$ (465)</b>	<b>\$ (454)</b>

AS AT AND FOR THE PERIODS ENDED DEC. 31  
(MILLIONS)

- **Working capital, net corporate cash and other** includes accounts receivable, accounts payable, other assets and other liabilities, inclusive of deferred tax assets and liabilities, as well as corporate cash and financial liabilities; FFO also includes **corporate costs and cash taxes**.
- Our **corporate borrowings** reflect the amount of recourse debt held in the corporation. The increase was primarily related to the \$550 million and \$700 million 10-year bond issuance in June and December 2023, respectively, partially offset by the repayment of maturing term notes.
- **Perpetual preferred equity** represents permanent, non-participating equity that provides leverage to our common equity.
- Corporate operating FFO deficit increased by \$11 million to \$465 million over the year as investment income on corporate cash and financial assets and lower corporate costs were more than offset by higher interest expense due to term note and commercial paper issuances during the year.

See endnotes.

# Disposition Gains on Principal Investments

FOR THE PERIODS ENDED DEC. 31  
(MILLIONS)

## Asset Management

Real estate direct investments  
Private equity direct investments  
Infrastructure direct investments

## Real Estate

Core  
Transitional and development

## Corporate

Other corporate

## Disposition gains on principal investments<sup>1</sup>

Three Months		Full Year	
2023	2022	2023	2022
\$ —	\$ 9	\$ 4	\$ 75
3	25	3	44
—	—	4	60
—	—	—	51
—	42	—	42
—	—	2	88
<u>\$ 3</u>	<u>\$ 76</u>	<u>\$ 13</u>	<u>\$ 360</u>

See endnotes.

# Capitalization

Our underlying investments are typically financed at investment-grade levels on a non-recourse basis, with only 5% of total leverage having recourse to the Corporation

AS AT DEC. 31  
(MILLIONS)

	Corporate		Consolidated	
	2023	2022	2023	2022
Corporate borrowings	\$ 12,160	\$ 11,390	\$ 12,160	\$ 11,390
Non-recourse borrowings				
Subsidiary borrowings	—	—	16,214	15,140
Property specific borrowings	—	—	205,336	187,544
	12,160	11,390	233,710	214,074
Accounts payable and other	3,359	5,985	58,893	57,065
Deferred income tax liabilities	117	112	24,987	23,190
Subsidiary equity obligations	—	—	4,145	4,188
Liabilities associated with assets held for sale	—	—	118	876
Equity				
Non-controlling interests	230	230	122,465	98,138
Preferred equity	4,103	4,145	4,103	4,145
Common equity	41,674	39,608	41,674	39,608
	46,007	43,983	168,242	141,891
<b>Total capitalization</b>	<b>\$ 61,643</b>	<b>\$ 61,470</b>	<b>\$ 490,095</b>	<b>\$ 441,284</b>
Debt to capitalization <sup>1</sup>	20%	19%	48%	49%

See endnotes.

# Common Share Information

## COMMON SHARE CONTINUITY

FOR THE PERIODS ENDED DEC. 31  
(MILLIONS)

	Three Months		Full Year	
	2023	2022	2023	2022
Outstanding at beginning of period	1,558.6	1,575.5	1,573.4	1,568.8
Issued (repurchased)				
Issuances	0.3	1.3	0.8	1.4
Repurchases	(36.2)	(5.4)	(54.5)	(17.2)
Long-term share ownership plans	0.8	0.9	3.7	19.1
Dividend reinvestment plan	—	1.1	0.1	1.3
Outstanding at end of period	1,523.5	1,573.4	1,523.5	1,573.4
Unexercised options, other share-based plans and exchangeable shares of affiliate	91.6	55.5	91.6	55.5
Total diluted shares at end of period	1,615.1	1,628.9	1,615.1	1,628.9

- The company holds 81.8 million common shares for escrowed stock plans, which have been deducted from the total number of shares outstanding.
- Cash value of unexercised options as at December 31, 2023 was \$1.0 billion (December 31, 2022 – \$1.1 billion).

## DE AND EARNINGS PER SHARE INFORMATION

FOR THE YEARS ENDED DEC. 31  
(MILLIONS, EXCEPT PER SHARE AMOUNTS)

	Distributable Earnings		Net Income	
	2023	2022	2023	2022
DE / Net income	\$ 4,806	\$ 5,229	\$ 1,130	\$ 2,056
Preferred share dividends	—	—	(166)	(150)
DE / Net income available to shareholders	4,806	5,229	964	1,906
Dilutive impact of exchangeable shares of affiliate	—	—	5	5
DE / Net income available to shareholders including dilutive impact of exchangeable shares	\$ 4,806	\$ 5,229	\$ 969	\$ 1,911
Weighted average shares	1,558.5	1,567.5	1,558.5	1,567.5
Dilutive effect of conversion of options and other share-based plans using treasury stock method and exchangeable shares of affiliate	29.7	40.7	29.7	40.7
Shares and share equivalents	1,588.2	1,608.2	1,588.2	1,608.2
Per share	\$ 3.03	\$ 3.25	\$ 0.61	\$ 1.19

# Reconciliation of IFRS to Non-IFRS Measures

## OVERVIEW

We disclose certain non-IFRS financial measures in these supplemental schedules. Reconciliations of these non-IFRS financial measures to the most directly comparable financial measures calculated and presented in accordance with IFRS are presented below. Management assesses the performance of its business based on these non-IFRS financial measures. These non-IFRS financial measures should be considered in addition to, and not as a substitute for or superior to, net income or other financial measures presented in accordance with IFRS.

FOR THE YEARS ENDED DEC. 31  
(MILLIONS)

	2023	2022
<b>Net Income</b>	<b>\$ 5,105</b>	<b>\$ 5,195</b>
Financial statement components not included in FFO		
Equity accounted fair value changes and other non-FFO items <sup>1</sup>	2,902	1,840
Fair value changes and other	1,952	977
Depreciation and amortization	9,075	7,683
Deferred income taxes	(897)	191
Realized disposition gains in fair value changes or prior periods	634	903
Non-controlling interests in FFO <sup>2</sup>	(12,550)	(10,495)
<b>Funds from operations</b>	<b>6,221</b>	<b>6,294</b>
Less: disposition gains in FFO	(2,105)	(1,121)
Less: realized carried interest, net	(570)	(555)
<b>Operating funds from operations</b>	<b>3,546</b>	<b>4,618</b>
Less: Operating FFO from asset management business	(1,540)	(2,313)
Less: Operating FFO from operating businesses	(1,731)	(2,371)
Distributions from asset management	2,554	2,944
Distributions from operating businesses	1,462	1,534
Add back: equity-based compensation costs	108	62
Preferred share dividends	(176)	(160)
<b>Distributable earnings before realizations</b>	<b>4,223</b>	<b>4,314</b>
Realized carried interest, net <sup>3</sup>	570	555
Disposition gains from principal investments	13	360
<b>Distributable earnings<sup>4</sup></b>	<b>\$ 4,806</b>	<b>\$ 5,229</b>

See endnotes.

# Entity Basis – Reconciliation to Reportable Segments – Capital

AS AT DEC. 31, 2023  
(MILLIONS)

## Asset Management

Brookfield Asset Management  
Direct investments

Reportable Segments								
Asset Management	Insurance Solutions	Renewable Power and Transition	Infrastructure	Private Equity	Real Estate	Corporate	Total	
\$ 7,126	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$	7,126
12,358	—	—	—	—	—	—		12,358
19,484	—	—	—	—	—	—		19,484
—	6,144	—	—	—	—	—		6,144
—	—	4,302	—	—	—	—		4,302
—	—	—	2,537	—	—	—		2,537
—	—	—	—	3,291	—	—		3,291
—	—	—	—	—	22,413	—		22,413
—	—	585	—	—	—	—		585
—	—	4,887	2,537	3,291	22,413	—		33,128
—	—	—	—	—	—	(589)		(589)
—	—	—	—	—	—	(12,160)		(12,160)
—	—	—	—	—	—	(4,333)		(4,333)
—	—	—	—	—	—	(16,493)		(16,493)
\$ 19,484	\$ 6,144	\$ 4,887	\$ 2,537	\$ 3,291	\$ 22,413	\$ (17,082)	\$	41,674

See endnotes.

# Entity Basis – Reconciliation to Reportable Segments – Three Months DE

FOR THE THREE MONTHS ENDED DEC. 31, 2023  
(MILLIONS)

## Asset Management

	Asset Management	Insurance Solutions	Renewable Power and Transition	Infrastructure	Private Equity	Real Estate	Corporate	Total
Brookfield Asset Management	\$ 435	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 435
Realized carried interest, net	100	—	—	—	—	—	—	100
Direct investments	214	—	—	—	—	—	—	214
	<u>749</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>749</u>

<b>Insurance Solutions</b>	—	253	—	—	—	—	—	253
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## Operating Businesses

Brookfield Renewable Partners	—	—	102	—	—	—	—	102
Brookfield Infrastructure Partners	—	—	—	79	—	—	—	79
Brookfield Business Partners	—	—	—	—	9	—	—	9
Brookfield Property Group	—	—	—	—	—	218	—	218
Other operating businesses	—	—	(8)	—	—	—	—	(8)
	<u>—</u>	<u>—</u>	<u>94</u>	<u>79</u>	<u>9</u>	<u>218</u>	<u>—</u>	<u>400</u>

<b>Corporate and other</b>	—	—	—	—	—	—	92	92
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## Debt and preferred capital

Corporate borrowings	—	—	—	—	—	—	(142)	(142)
Perpetual preferred shares <sup>1</sup>	—	—	—	—	—	—	(43)	(43)
	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>(185)</u>	<u>(185)</u>

<b>Disposition gains</b>	3	—	—	—	—	—	—	3
	<u>\$ 752</u>	<u>\$ 253</u>	<u>\$ 94</u>	<u>\$ 79</u>	<u>\$ 9</u>	<u>\$ 218</u>	<u>\$ (93)</u>	<u>\$ 1,312</u>

See endnotes.

# Entity Basis – Reconciliation to Reportable Segments – Full Year DE

THE YEAR ENDED DEC. 31, 2023  
(MILLIONS)

## Asset Management

	Asset Management	Insurance Solutions	Renewable Power and Transition	Infrastructure	Private Equity	Real Estate	Corporate	Total
Brookfield Asset Management	\$ 1,678	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 1,678
Realized carried interest, net	570	—	—	—	—	—	—	570
Direct investments	876	—	—	—	—	—	—	876
	<u>3,124</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>3,124</u>

## Insurance Solutions

	—	740	—	—	—	—	—	740
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## Operating Businesses

Brookfield Renewable Partners	—	—	417	—	—	—	—	417
Brookfield Infrastructure Partners	—	—	—	319	—	—	—	319
Brookfield Business Partners	—	—	—	—	36	—	—	36
Brookfield Property Group <sup>1</sup>	—	—	—	—	—	733	—	733
Other operating businesses	—	—	(43)	—	—	—	—	(43)
	<u>—</u>	<u>—</u>	<u>374</u>	<u>319</u>	<u>36</u>	<u>733</u>	<u>—</u>	<u>1,462</u>

## Corporate and other

	—	—	—	—	—	—	239	239
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## Debt and preferred capital

Corporate borrowings	—	—	—	—	—	—	(596)	(596)
Perpetual preferred shares <sup>2</sup>	—	—	—	—	—	—	(176)	(176)
	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>(772)</u>	<u>(772)</u>

## Disposition gains

	11	—	—	—	—	—	2	13
	<u>\$ 3,135</u>	<u>\$ 740</u>	<u>\$ 374</u>	<u>\$ 319</u>	<u>\$ 36</u>	<u>\$ 733</u>	<u>\$ (531)</u>	<u>\$ 4,806</u>

See endnotes.

# Entity Basis – Reconciliation to Reportable Segments – Three Months FFO

FOR THE THREE MONTHS ENDED DEC. 31, 2023  
(MILLIONS)

## Asset Management

	Asset Management	Insurance Solutions	Renewable Power and Transition	Infrastructure	Private Equity	Real Estate	Corporate	Total
Brookfield Asset Management	\$ 432	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 432
Realized carried interest, net	100	—	—	—	—	—	—	100
Direct investments	(37)	—	—	—	—	—	—	(37)
	<u>495</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>495</u>

<b>Insurance Solutions</b>	—	253	—	—	—	—	—	253
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## Operating Businesses

Brookfield Renewable Partners	—	—	100	—	—	—	—	100
Brookfield Infrastructure Partners	—	—	—	144	—	—	—	144
Brookfield Business Partners	—	—	—	—	140	—	—	140
Brookfield Property Group <sup>1</sup>	—	—	—	—	—	255	—	255
Other operating businesses	—	—	(8)	—	—	—	—	(8)
	<u>—</u>	<u>—</u>	<u>92</u>	<u>144</u>	<u>140</u>	<u>255</u>	<u>—</u>	<u>631</u>

<b>Corporate and other</b>	—	—	—	—	—	—	66	66
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## Debt and preferred capital

Corporate borrowings	—	—	—	—	—	—	(142)	(142)
	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>(142)</u>	<u>(142)</u>

<b>Disposition gains</b>	103	—	3	—	1,178	(59)	—	1,225
	<u>\$ 598</u>	<u>\$ 253</u>	<u>\$ 95</u>	<u>\$ 144</u>	<u>\$ 1,318</u>	<u>\$ 196</u>	<u>\$ (76)</u>	<u>\$ 2,528</u>

See endnotes.

# Entity Basis – Reconciliation to Reportable Segments – Full Year FFO

THE YEAR ENDED DEC. 31, 2023  
(MILLIONS)

	Reportable Segments							Total
	Asset Management	Insurance Solutions	Renewable Power and Transition	Infrastructure	Private Equity	Real Estate	Corporate	
<b>Asset Management</b>								
Brookfield Asset Management	\$ 1,649	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 1,649
Realized carried interest, net	570	—	—	—	—	—	—	570
Direct investments	(109)	—	—	—	—	—	—	(109)
	<u>2,110</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>2,110</u>
<b>Insurance Solutions</b>	—	740	—	—	—	—	—	740
<b>Operating Businesses</b>								
Brookfield Renewable Partners	—	—	442	—	—	—	—	442
Brookfield Infrastructure Partners	—	—	—	539	—	—	—	539
Brookfield Business Partners	—	—	—	—	554	—	—	554
Brookfield Property Group <sup>1</sup>	—	—	—	—	—	239	—	239
Other operating businesses	—	—	(43)	—	—	—	—	(43)
	<u>—</u>	<u>—</u>	<u>399</u>	<u>539</u>	<u>554</u>	<u>239</u>	<u>—</u>	<u>1,731</u>
<b>Corporate and other</b>	—	—	—	—	—	—	131	131
<b>Debt and preferred capital</b>								
Corporate borrowings	—	—	—	—	—	—	(596)	(596)
	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>(596)</u>	<u>(596)</u>
<b>Disposition gains</b>	392	—	19	114	1,322	256	2	2,105
	<u>\$ 2,502</u>	<u>\$ 740</u>	<u>\$ 418</u>	<u>\$ 653</u>	<u>\$ 1,876</u>	<u>\$ 495</u>	<u>\$ (463)</u>	<u>\$ 6,221</u>

See endnotes.

# Endnotes

## Performance Highlights – Page 5

1. Adjusted for the special distribution of a 25% interest in BAM.
2. Adjusted 2020 to reflect the three-for-two stock split effective April 1, 2020.
3. Excludes share repurchases. Total capital returned to common shareholders, including share repurchases, was approximately \$1 billion during the year ended December 31, 2023.
4. Combined, Brookfield Corporation and Brookfield Asset Management Ltd.'s ("BAM") quarterly dividend would equate to \$0.15 per Class A share held prior to the special distribution; representing a 7% increase compared to the dividend prior to the special distribution, assuming that shareholders retained the BAM shares received upon completion of the special distribution in December 2022.

## Distributable Earnings – Page 6

2. Annualized distributions are calculated by multiplying units held as at December 31, 2023 by the current distribution rates per unit.
3. BAM DE includes \$4 million (2022 – \$25 million) and \$39 million (2022 – \$100 million) of equity-based compensation addback for the three and twelve months ended December 31, 2023, respectively.
4. Annualized distributions for corporate cash and financial assets are calculated as our targeted return on our cash and financial assets portfolio less the cost of amounts on deposit from BAM.
5. Includes \$2 million (2022 – \$2 million) and \$10 million (2022 – \$10 million) of dividends paid on perpetual subordinated notes for the three and twelve months ended December 31, 2023, respectively.
6. Corporate costs and other DE includes \$26 million (2022 – \$18 million) and \$108 million (2022 – \$62 million) of equity-based compensation addback for the three and twelve months ended December 31, 2023, respectively.
7. Refer to page 27 for reconciliation of IFRS to non-IFRS measures.
8. Average number of shares outstanding on a fully diluted, time-weighted average basis for the three and twelve months ended December 31, 2023 were 1,580.9 million and 1,588.2 million, respectively (December 31, 2022 – 1,601.3 million and 1,608.2 million, respectively).

## Capital – Page 7

1. Quoted based on December 31, 2023 and December 31, 2022 public pricing, respectively.
2. The blended values include our invested capital in other unlisted investments within the operating businesses. We determine the blended value of our capital using the quoted value of listed investments, IFRS values for direct investments, and an industry multiple (10x) for target carried interest of our asset management business.
3. Distributed cash flow (current) from our listed investments is calculated by multiplying units held as at December 31, 2023 by the current distribution rates per unit. Corporate cash and financial asset distribution is calculated by applying an 8% total return on our portfolio less the cost of amounts on deposit from BAM. Distributions on our unlisted investments is generally equal to the total distributions received over the last twelve month period.
4. Blended value represents management's view of the fair value of our insurance solutions business.
5. Blended value includes the fair value of comparable assets in our North America residential business.
6. Includes \$230 million of perpetual subordinated notes issued in November 2020 by a wholly owned subsidiary of Brookfield, included within non-controlling interest.

## Capital Allocation – Page 8

2. Subject to timing differences between period when earned and period when cash is received.
3. Includes repurchases of Corporation common and preferred shares.
4. Includes cash used to fund capital calls, seed investments and various risk management trades.
5. Includes adjustments for accrued items, carried interest proceeds subject to clawback, impact of financial asset mark-to-market changes, and other items.

# Endnotes cont'd

## Liquidity and Capital Structure – Page 9

1. Refer to Glossary of Terms starting on page 37.
2. Corporate cash and financial assets includes our proportionate share of the asset management business' cash and financial assets (\$2.0 billion).
3. Draws on commercial paper of \$31 million are excluded from the debt repayment schedule as they are not a permanent source of capital.
4. Corporate borrowings, the average term to maturity and the average rate are presented on a pro-forma basis to exclude the \$577 million of term debt maturing in March and April 2024, which will be repaid with the proceeds from our December 2023 term debt offering.
5. Includes \$230 million of perpetual subordinated notes issued in November 2020 by a wholly owned subsidiary of Brookfield, included within non-controlling interest.

## Distributable Earnings and Net Income – Page 10

1. DE includes gains (net of losses) recorded in net income, directly in equity and the realization of appraisal gains and losses recorded in prior periods.
2. Includes amounts attributable to consolidated entities and equity accounted investments.
3. Net of non-controlling interests. Refer to page 27 for a reconciliation of IFRS to non-IFRS measures.
4. For DE per share purposes, average number of shares outstanding on a fully diluted, time-weighted average basis for the three months and twelve months ended December 31, 2023 were 1,580.9 million and 1,588.2 million, respectively (December 31, 2022 – 1,601.3 million and 1,608.2 million, respectively).
5. For net income per share purposes, average number of shares outstanding on a fully diluted, time-weighted average basis for the three months and twelve months ended December 31, 2023 were 1,580.9 million and 1,588.2 million, respectively (December 31, 2022 – 1,574.8 million and 1,608.2 million, respectively).
6. Net income (loss) per share includes the effects of preferred share dividends, which for the three months and twelve months ended December 31, 2023 were \$43 million and \$166 million, respectively (December 31, 2022 – \$39 million and \$150 million, respectively) and other items.

## Asset Management – Page 12

1. Fee-bearing capital from Oaktree is shown on a 100% basis.
2. We use a 55% – 65% range for margin on Brookfield fee revenue and a range of 25% – 35% on Oaktree fee revenue for planning purposes. For annualized fees, we have assumed a mid-point fee-related earnings margin of approximately 60% and 30% for Brookfield and Oaktree, respectively.
3. Direct costs related to annualized fee revenues include \$852 million related to Oaktree (2022 – \$785 million).

## Carried Interest – Page 13

1. Amounts dependent on future investment performance. Represents management estimate of carried interest if funds were wound up at period end.
2. Carried interest in respect of third-party capital.
3. Carried interest not attributable to Corporation includes our 75% interest in carried interest attributable to BAM, which is reflected in BAM's blended value on page 7.

## Target Carried Interest – Page 14

2. Carried interest is generated once a private fund exceeds its preferred return typically ranging from 5% – 9%. It will typically go through a catch-up period until the manager and limited partner (LP) are earning carry at their respective allocation.
3. Gross target return is before annual fund management fees ranging from 90 bps for core plus funds to 200 bps for certain opportunistic funds.
4. Based on carry eligible capital.
5. Uncalled fund commitments from carry eligible funds.
6. Target carry on uncalled fund commitments is discounted for two years at 10%, reflecting gross target return and average carried interest rate for uncalled fund commitments.
8. Target carried interest not attributable to the Corporation includes our 75% interest in target carried interest attributable to BAM, which is reflected in BAM's blended value on page 7.

# Endnotes cont'd

## Direct Investments – Page 15

1. FFO includes disposition gains, which are gains (net of losses) recorded in net income, directly in equity, as well as the realization of appraisal gains recorded in prior years.
2. Brookfield Strategic Real Estate Partners (“BSREP”).
3. Represents the Corporation’s investments in the funds.
4. On existing carry eligible funds, excluding perpetual funds.

## Operating Businesses – Pages 17, 18, 19

1. Operating FFO excludes disposition gains, which are gains (net of losses) recorded in net income, directly in equity, as well as the realization of appraisal gains recorded in prior years.
2. The blended value represents the quoted value of our publicly listed investments as at December 31, 2023 and December 31, 2022.
3. Prior period results have not been adjusted for the IFRS 17 accounting standard adopted at BBU’s residential mortgage insurer on January 1, 2023.

## Operating Businesses cont’d – Page 20

1. Includes development projects.
2. Net of allocation of corporate leverage at the BPG level.
3. Net Operating Income or NOI is defined as property-specific revenues less direct operating expenses before the impact of depreciation and amortization.
4. Operating FFO excludes disposition gains, which are gains (net of losses) recorded in net income, directly in equity, as well as the realization of appraisal gains recorded in prior years.

## Operating Businesses cont’d – Page 22

3. Excludes our North American Residential business, detailed lower on page 22, as well as our Australian residential business and other transitional and development businesses.
4. Operating FFO excludes disposition gains, which are gains (net of losses) recorded in net income, directly in equity, as well as the realization of appraisal gains recorded in prior years.

## Corporate Activities – Page 23

1. Operating FFO excludes disposition gains, which are gains (net of losses) recorded in net income, directly in equity, as well as the realization of appraisal gains recorded in prior years.
2. Invested capital includes a net deferred income tax asset of \$372 million (December 31, 2022 – \$363 million). FFO includes current tax expense of \$nil and \$1 million for the three and twelve months ended December 31, 2023 (2022 – tax expense of \$4 million and \$4 million).
3. Includes \$230 million of perpetual subordinated notes issued in November 2020 by a wholly owned subsidiary of Brookfield, included within non-controlling interest. FFO excludes preferred shares distributions of \$45 million and \$176 million for the three and twelve months ended December 31, 2023 (2022 – \$41 million and \$160 million).

# Endnotes cont'd

## **Disposition Gains – Page 24**

1. Disposition gains on principal investments are included in DE.

## **Capitalization – Page 25**

1. Determined as the aggregate of corporate borrowings and non-recourse borrowings divided by total capitalization. Draws on revolving facilities and commercial paper issuances are excluded from the debt to capitalization ratios as they are not permanent sources of capital.

## **Reconciliation of IFRS to Non-IFRS Measures – Page 27**

1. Other non-FFO items correspond to amounts that are not directly related to revenue earning activities and are not normal or recurring items necessary for business operations. In addition, this adjustment is to back out non-FFO expenses (income) that are included in consolidated equity accounted income including depreciation and amortization, deferred taxes and fair value changes from equity accounted investments.
2. Amounts attributable to non-controlling interests are calculated based on the economic ownership interests held by non-controlling interests in consolidated subsidiaries. By adjusting FFO attributable to non-controlling interests, we are able to remove the portion of FFO earned at non-wholly owned subsidiaries that is not attributable to Brookfield.
3. Includes our share of Oaktree's distributable earnings attributable to realized carried interest.
4. Comparative periods have been revised to reflect new definitions. Refer to Glossary of Terms starting on page 37.

## **Entity Basis – Reconciliation to Reportable Segments – Capital – Page 28**

1. Includes \$16 million of BPY preferred shares.

## **Entity Basis – Reconciliation to Reportable Segments – Three Months DE – Page 29**

1. Excludes \$43 million of preferred share distributions for the three months, which are included in determining per share results.

## **Entity Basis – Reconciliation to Reportable Segments – Full Year DE – Page 30**

1. Includes nominal amounts of BPY preferred share distributions.
2. Excludes \$176 million of preferred share distributions for the year, which are included in determining per share results.

## **Entity Basis – Reconciliation to Reportable Segments – Three Months and Full Year FFO – Pages 31, 32**

1. Includes nominal amounts of BPY preferred share distributions.

# Glossary of Terms

The “Corporation,” “Brookfield” or “BN” refers to our business which is comprised of our asset management, insurance solutions and operating businesses.

This Supplemental Information contains key performance measures that we employ in analyzing and discussing our results. These measures include non-IFRS measures. We describe our key financial measures below and include a complete list of our performance measures on pages 129 through 135 of our 2022 annual report.

- **Assets under management** refers to the total fair value of assets calculated as: investment that Brookfield, which includes Brookfield Corporation, Brookfield Asset Management, or our affiliates, either: i) consolidates for accounting purposes (generally, investments in respect of which Brookfield has a significant economic interest and unilaterally directs day-to-day operating, investing and financing activities); or ii) does not consolidate for accounting purposes but over which Brookfield has significant influence by virtue of one or more attributes (e.g., being the largest investor in the investment, having the largest representation on the investment’s governance body, being the primary manager and/or operator of the investment, and/or having other significant influence attributes); iii) are calculated at 100% of the total fair value of the investment taking into account its full capital structure — equity and debt — on a gross asset value basis, even if Brookfield does not own 100% of the investment, with the exception of investments held through our perpetual funds, which are calculated at its proportionate economic share of the investment’s net asset value. All other investments are calculated at Brookfield’s proportionate economic share of the total fair value of the investment taking into account its full capital structure — equity and debt — on a gross asset value basis, with the exception of investments held through our perpetual funds, which are calculated at Brookfield’s proportionate economic share of the investment’s net asset value. Our methodology for determining AUM differs from the methodology that is employed by other alternative asset managers as well as the methodology for calculating regulatory AUM that is prescribed for certain regulatory filings (e.g., Form ADV and Form PF).
- **Fee-bearing capital** represents the capital committed, pledged or invested in the perpetual affiliates, private funds and liquid strategies that our asset management business manages which entitles this business to earn fee revenues. Fee-bearing capital includes both called (“invested”) and uncalled (“pledged” or “committed”) amounts. When reconciling period amounts, we utilize the following definitions:
  - Inflows include capital commitments and contributions to our private and liquid strategies funds and equity issuances in our perpetual affiliates.
  - Outflows represent distributions and redemptions of capital from within the liquid strategies capital.
  - Distributions represent quarterly distributions from perpetual affiliates as well as returns of committed capital (excluding market valuation adjustments), redemptions and expiry of uncalled commitments within our private funds.
  - Market activity includes gains (losses) on portfolio investments, perpetual affiliates and liquid strategies based on market prices.
  - Other include changes in net non-recourse debt included in the determination of perpetual affiliate capitalization and the impact of foreign exchange fluctuations on non-U.S. dollar commitments.
- **Carry eligible capital** represents the capital committed, pledged or invested in the private funds that our asset management business manages. The Corporation retains 100% of the carried interest earned on mature funds and is entitled to receive 33.3% of the carried interest on new funds of our asset management business. Carry eligible capital includes both invested and uninvested (i.e., uncalled) private fund amounts as well as those amounts invested directly by investors (co-investments) if those entitle us to earn carried interest. We believe this measure is useful to investors as it provides additional insight into the capital base upon which we have potential to earn carried interest once minimum investment returns are sufficiently assured.
- **Fee revenues** include base management fees, incentive distributions, performance fees and transaction fees presented within our Asset Management segment. Fee revenues exclude carried interest.
- **Base management fees** are determined by contractual arrangements, are typically equal to a percentage of fee-bearing capital and are accrued quarterly.
- **Incentive distributions** are determined by contractual arrangements and are paid to our asset management business by BEP and BIP and represent a portion of distributions paid by perpetual affiliates above a predetermined hurdle.
- **Fee-related earnings** is comprised of fee revenues less direct costs associated with earning those fees, which include employee expenses and professional fees as well as business related technology costs, other shared services and taxes. We use this measure to provide additional insight into the operating profitability of our asset management business.
- **Annualized fees** include annualized base management fees, which are determined by the contractual fee rate multiplied by the current level of fee-bearing capital, annualized incentive distributions based on our perpetual affiliates’ current annual distribution policies, annualized transaction and liquid strategies performance fees equal a simple average of the last two years’ revenues.

# Glossary of Terms cont'd

- **Internal rate of return ("IRR")** is the annualized compounded rate of return of the fund, calculated since initial investment date.
- **Carried interest** is a contractual arrangement whereby we receive a fixed percentage of investment gains generated within a private fund provided that the investors receive a pre-determined minimum return. Carried interest is typically paid towards the end of the life of a fund after the capital has been returned to investors and may be subject to "clawback" until all investments have been monetized and minimum investment returns are sufficiently assured. This is referred to as **realized carried interest**. We defer recognition of carried interest in our financial statements until they are no longer subject to adjustment based on future events. Unlike fees and incentive distributions, we only include carried interest earned in respect of third-party capital when determining our segment results.
  - **Unrealized carried interest** is the change in accumulated unrealized carried interest from prior period and represents the amount of carried interest generated during the period. We use this measure to provide insight into the value our investments have created in the period.
  - **Accumulated unrealized carried interest** is based on carried interest that would be receivable under the contractual formula at the period end date as if a fund was liquidated and all investments had been monetized at the values recorded on that date. Unrealized carry refers to the change in unrealized carry during a specified period, adjusted for realized carry.
  - **Accumulated unrealized carried interest, net** is after direct costs, which include employee expenses and taxes.
  - **Annualized target carried interest** represents the annualized carried interest we would earn on third-party private fund capital subject to carried interest based on the assumption that our asset management business achieves the targeted returns on the private funds. It is determined by multiplying the target gross return of a fund by the percentage carried interest and by the amount of third-party capital, and discounted by a utilization factor representing the average invested capital over the fund life.
- **Capital** is the amount of common equity in our operating businesses.
- **Corporate capitalization** represents the amount of debt issued by the Corporation, accounts payable and deferred tax liability in our Corporate segment as well as our issued and outstanding common and preferred shares.

# Glossary of Terms cont'd

- **Distributable earnings (“DE”)** is our primary performance measure and a non-IFRS measure that provides insight into earnings received by the Corporation that are available for distribution to common shareholders or to be reinvested into the business. It is calculated as the sum of the distributable earnings of our asset management business, distributable operating earnings from our insurance solutions business, distributions received from our ownership of investments, realized carried interest and disposition gains from principal investments, net of earnings from our corporate activities, preferred share dividends and equity-based compensation costs. We also make reference to *DE before realizations*, which refers to DE before realized carried interest and realized disposition gains from principal investments.
- **Funds from operations (“FFO”)** is a non-IFRS measure. FFO includes the fees that we earn from our asset management business managing capital as well as our share of revenues earned and costs incurred within our operations, which include interest expense and other costs. FFO is defined as net income attributable to shareholders prior to fair value changes, depreciation and amortization, deferred income taxes, and includes disposition gains that are not recorded in net income as determined under IFRS. FFO also includes the company's share of equity accounted investments' funds from operations on a fully diluted basis. Brookfield uses FFO to assess its operating results and believes that many of its shareholders and analysts also find this measure valuable to them.
  - **Operating FFO** represents the company's share of revenues less operating costs and interest expenses: it excludes realized carried interest, disposition gains, fair value changes, depreciation and amortization, deferred income taxes, and includes our proportionate share of similar items recorded by equity accounted investments. We present this measure as we believe it assists in describing our results and reconciling variances within FFO.
  - **Realized carried interest** represents our share of investment returns based on realized gains within a private fund. Realized carried interest earned is recognized when an underlying investment is profitably disposed of and the fund's cumulative returns are in excess of preferred returns, in accordance with the respective terms set out in the fund's governing agreements, and when the probability of clawback is remote. Realized carried interest is determined on third-party capital that is no longer subject to future investment performance.
  - **Performance fees** are paid to our asset management business when we exceed predetermined investment returns within BBU. BBU performance fees are accrued quarterly based on the volume-weighted average increase in BBU unit price, using the combined units and shares of BBU and BBUC. Performance fees are not subject to clawback.
  - **Realized disposition gains/losses** are included in FFO as the purchase and sale of assets is a normal part of the company's business. They include gains or losses arising from transactions during the reporting period together with any fair value changes and revaluation surplus recorded in prior periods and are presented net of cash taxes payable or receivable. Realized disposition gains include amounts that are recorded in net income, other comprehensive income and as ownership changes in our consolidated statements of equity, and exclude amounts attributable to non-controlling interests unless otherwise noted.
- **Net Operating Income (“NOI”)** is a non-IFRS measure that refers to the revenues from our operations less direct expenses before the impact of depreciation and amortization within our real estate business. We present this measure as we believe it is a key indicator of our ability to impact the operating performance of our properties. As NOI excludes non-recurring items and depreciation and amortization of real estate assets, it provides a performance measure that, when compared to prior periods, reflects the impact of operations from trends in occupancy rates and rental rates.
- **Adjusted earnings before interest, taxes, depreciation, and amortization (“Adjusted EBITDA”)** is a non-IFRS term that refers to our private equity business' net income and equity accounted income at its share, excluding the impact of interest income (expense), net, income taxes, depreciation and amortization, gains (losses) on acquisitions/dispositions, net, transaction costs, restructuring charges, revaluation gains or losses, impairment expenses or reversals, other income (expense), net and distributions to preferred equity holders. We believe that Adjusted EBITDA is a measure of our private equity business' ability to generate recurring earnings. Refer to pages 27 to 30 of BBU's Q4 2023 Supplemental Information disclosure for a reconciliation of its Adjusted EBITDA to its net income.

# Notice to Readers

Brookfield is not making any offer or invitation of any kind by communication of this Supplemental Information and under no circumstance is it to be construed as a prospectus or an advertisement.

This Supplemental Information 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 and its subsidiaries, as well as the outlook for North American and international economies for the current fiscal year and subsequent periods, and which are in turn 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 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 “target”, “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 Supplemental Information include statements referring to the future state of the economy or the securities market, the AEL acquisition, including its anticipated closing timeline and expected impact on our business, the anticipated allocation and deployment of our capital, our liquidity and ability to access and raise capital, our fundraising targets, our target growth objectives, and our target carried interest.

Although Brookfield 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; (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; (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 renewable power and transition, infrastructure, private equity, real estate, and reinsurance; 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 Supplemental Information. Except as required by law, Brookfield 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.

# Notice to Readers cont'd

## STATEMENT REGARDING PAST AND FUTURE PERFORMANCE AND TARGET RETURNS

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, or 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 Supplemental Information are for illustrative and informational purposes only and have been presented based on various assumptions made by Brookfield 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'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. Prior performance is not indicative of future results and there can be no guarantee that Brookfield will achieve the target returns or growth objectives or be able to avoid losses.

## STATEMENT REGARDING USE OF NON-IFRS MEASURES

We disclose a number of financial measures in this Supplemental Information that are calculated and presented using methodologies other than in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB"), which include but are not limited to Funds from Operations ("FFO") and Distributable Earnings ("DE"). We utilize these measures in managing the business, including for performance measurement, capital allocation and valuation purposes and believe that providing these performance measures on a supplemental basis to our IFRS results is helpful to investors in assessing the overall performance of our businesses. These non-IFRS measures have limitations as analytical tools and 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 may differ from the calculations disclosed by other businesses and, as a result, may not be comparable to similar measures presented by other issuers and entities.