

TRANSCRIPT: Brookfield Corporation 2026 Investor Day September 17, 2026

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OPENING REMARKS

Katie Battaglia, Vice President, Investor Relations

Good afternoon, everyone, and welcome to Brookfield Corporation's 2026 Investor Day. Thank you for joining us this afternoon. Whether you are here with us in person or participating virtually, we really appreciate your interest in Brookfield and are excited to spend the afternoon with you.

We have a great lineup planned. We will begin with opening remarks from our CEO, Bruce Flatt. Then Nick Goodman, our president, will provide an overview in the financial outlook for the corporation. From there, we will hear perspectives across our real estate business in a panel moderated by Brian Kingston, executive chair, joined by Ben Brown, co-president, and Kevin McCrain, managing partner in our real estate group. We will then hear from Sachin Shah, CEO of Brookfield Wealth Solutions, who will take us through the continued growth and evolution of that business.

And finally, we'll wrap it up by opening up the floor for Q&A. When we get to the Q&A, if you're here in the room, microphones will be available. We ask if you please wait until the microphone reaches you before asking your questions so everyone can hear you clearly.

Following the Q&A session, we will display a QR code. We kindly ask you to take a moment and scan the screen and complete our short survey. Your feedback is important and helps us improve future events.

As always, I'd like to remind you throughout today's discussion, we may make forward-looking statements, which are predictions about future events and trends and are subject to risks and uncertainties and actual results may differ materially.

For further details, please refer to our filings with the security regulators and the cautionary statement in our presentation, all available on our website.

BROOKFIELD: THE NEXT CHAPTER

Bruce Flatt, Brookfield, Chief Executive Officer

The presentation that I have is really about what we're intending to do with the next chapter of Brookfield. And I just go back. The last five years, we've spent significant effort to reposition BN as a leading global investor in wealth for institutions and individuals. And that took many steps along the road, both creating the insurance company that exists today in session, we'll talk about repositioning the balance sheet, spinning off the asset management business, and directing a number of our efforts across the board.

On top of that, we've had decades of work, creating the businesses that we have between infrastructure, renewables, asset management, and turning them into powerful compounding annuities. And even the carry that we now have in BN, is a royalty on the performance of the asset management business, which 25 years from now will be incredibly valuable asset. Over that period of time, over the last 30 years, we've compounded from \$200 million of earnings to \$6.2 billion of distributed earnings, which is a 13% compound rate of earnings growth.

That enabled us to compound at 19% in the stock markets against 11% S&P 500, which amazing compound earnings over time is a 10x what you would have done within the S&P 500. It's also enabled us to now have a very large discretionary pool of capital that we can invest with our clients and otherwise, into opportunities for Brookfield Corporation. The balance sheet combined is about \$345 billion today, and the total assets within the franchise are about \$1.3 trillion.

Despite all of that change over the five years ... and thank you for enduring with us while we did it, because when we started, many of you said, "That seems confusing. What are you doing? But what you did is trusted us that we'd get here." So, what I can report to you is that we are here, but the objective we have is really simple and is still unchanged. We want to build long-term returns and wealth for institutions and individuals.

And by doing that, we want to compound at 15% over a very long period of time. And if you do that, the same miracle will happen that happened over the last 30 years. If you reflect on the environment today and the conditions we have versus the last period, there's no doubt the world is evolving faster today than it's ever evolved before. But I'd say as a personal statement, I'd say it's always been evolving, and it is faster, but one just has to pay attention and change with what's going on.

We are though and hopefully; this came through for those that were in the Brookfield Asset Management presentation. We are though in the very early innings. Many of you think, where are

we? There is all this money going out and there's going to be a problem. But we are in the very early innings of an investment cycle in technology, energy, industrials, and real assets, which I think has 15 years to run as we really rewire the economy in every single country for the future that is going to be different than what it was before.

It's like building the railways and the roads and the infrastructure of yesteryear. What's going to go on with now, what's going on now is the rewiring of really the whole economy as we look out. This opportunity is tens of trillions. I know that sounds really large and I don't make light of the fact that it is really large, but it is tens of trillions of dollars. On AI build out, it's \$3 trillion, \$4 trillion, \$5 trillion. It's being led by the largest, most sophisticated, highest credit quality companies on the planet and countries, which aren't as high-quality credit as them, those companies.

But it's led by companies that are like countries and countries, and that's the difference. It's led by countries and companies that are like countries. That's really, really important. The power needed to do all this, both for electrification of, I won't say everything, but many, many things and the computing power stacked on top of that is what's going on is an unprecedented build out of power that we are starting to see and should and will last probably for 10 to 15 years.

And it's hard to build this stuff. You need skills to do it, but it's very large. And this is reinforcing grids; it's putting batteries in to stabilize. It's building more power, and it's a whole enormous build out of the electricity grid, which contributes to very significant rewiring also of all of the things around AI and power. Lowell Baron at the BAM presentation talked about industrial warehouses.

Those are being re-utilized, but also reformed where they are, what they do, what you do in them. And that all takes enormous amounts of capital and new investment into the future. This is creating, on top of the equity investments, very significant credit opportunities because the banks don't have the capacity to be able to deal with this size of credit. And that's what private credit is. And remember, what private credit really is, is outside of the banking system, we access sovereign funds and pension funds.

And they can buy bonds on a public basis, or they can put money on a direct basis into private credit into these opportunities. And to do that, many of them need sponsors like us to create products for them so that they can invest into them. And as simple as it is, that's what private credit is. And the situation that is developing needs an enormous amount of that because the banking system does not have enough capital to be able to deal with this.

The good news is that at the same time, we need an unprecedented amount of capital in the world to deliver these investments. The opportunity is expanding because the savings in the world in sovereign plans, pension funds and individuals is growing. The aging populations with retirement savings are growing dramatically. They're \$7 trillion. There are new pathways opening specifically in the United States and then, it will go elsewhere for a lot of these products to fit into US defined contribution market.

And that \$14 trillion that's there is zero penetration in these types of products. And the products that we have are ideally suited to be able to fit into those and earn return over long periods of time. So, this market is opening up and will become very significant investor into these products over time, and it will go all over the world and this money continues to compound. But capital alone does not get the job done. Capital combined with the skills of execution are required.

To emphasize the point, it is not easy to run electricity grids, install batteries, build nuclear plants, operate industrial facilities. These take sophisticated, large-scale individuals and people to be able to do them. So, it's a combination of capital and operating skills which will win in this environment. In addition to that, the relationships that we have with many of the very large institutional investors in the world allow us to source the capital and the relationships we have with many of the great corporations in the world that are leading this next chapter in investment are very valuable for us to be involved in this.

Over the last five years, we have accelerated the depth and scale of our competitive advantages, our access to capital, our operating capabilities, and the relationships. Each one of those is incredibly important to the value. We expanded our access to capital. We spun out, as you know, Brookfield Asset Management. We scaled the institutional capital business. We built a long duration insurance flow that's heading towards \$200 billion, and we enhanced our access to retail capital in a very methodical basis.

We're raising \$8 billion a year today. It could be more if we so choose, but we go slow because we want to get it right. And we've created a very diversified, flexible, and growing capital base, which almost no other sponsor between all the things that I showed you has what we have. Some are better in some things; some are worse in some things. We're different, but not many have the scale that we have. This has enabled us to pursue a much broader set of opportunities, equity strategies, preferred structured, mezzanine, senior debt across all the different sectors across the world.

And with clients where we have extremely broad relationships between some of the sovereign funds, helping them deploy infrastructure within their countries, running mandates across all of our strategies, helping their people grow, and these are very long-term multifaceted relationships. We've also broadened our capabilities and we've tried to learn, we've tried to get better, we've tried to evolve.

And three things we've done, AI infrastructure didn't exist four years ago, and we've tried to be at the leading edge of that and understand everything that's going on. On energy, we're dominant, but we continue to as I mentioned earlier, when some of you would've heard this, we continue to move into areas that didn't exist before. Batteries did not exist before. They weren't relevant because they cost so much today. They're very relevant because the costs have come down dramatically and private credit did not exist 10 years ago and we're a leader today.

So, all of those things have broadened our capabilities. We've also deepened our relationships with companies, and we can always do better, but I like to think we're one of the calls when people need capital between hyperscalers, governments and strategics when they're thinking about what they

want to do with their business. We now sit at the intersection of capital and the real economy, and our goal is to be able to deliver something to our counterparties that is differentiated from almost anything that everyone else does.

And because of our scale, sometimes we have more confidence than others, or said differently, they may have the same confidence, but they can't act like we can act because of our history, our balance sheets and our scale and all of the things that we have. And this allows us to put together businesses which are extremely unique and ahead of everyone else and at greater scale. And it's allowed us to create opportunities which I think we're only getting started but are very differentiated and just three of them.

We recently committed with Naver, which most of you probably don't use, but Naver is the Google and Google Maps of Korea. And it's the local mapping and the local search in Korea. It's a \$24 billion company. It's an amazing little company. Has no debts. A rated. We bought \$10 billion of chips from Nvidia. We're providing the capital to them and they're going to use it in their compute capacity. We recently, separate from the other deal we announced a year ago, we agreed a \$17.5 billion program to support long lead time items on five nuclear plants, five further nuclear plants that we will build in the United States and Westinghouse.

And the government is supporting us to order early so we can build fast. And this is going to change the entire industry of nuclear in the United States. And as Sam mentioned earlier, we have a partnership with Bloom Energy where we're building fuel cells behind the meter and we're providing them \$25 billion of capital. There is not many others that could provide \$25 billion of capital in that. And it's a super exciting opportunity for our AI infrastructure fund.

What you should be worried about with all of this is, yeah, yeah, yeah, there's lots of growth, but you're going to blow your brains out. Just to be clear, we've been doing this a long time. We try to make small mistakes, not big ones. We grow methodically. We've never compromised our financial performance to do anything, and we do not plan on ever starting now. We never compromise our credit checks, and we do not plan on starting now.

So, we're very, very disciplined even though this is a large growth period for the company. Over the last five years, we doubled the scale of our investment platform to \$1.3 trillion of total assets. We matched that growth with earnings. Growth for the sake of growth does not matter. Growth for the sake of franchise building and profitability matters a lot. In fact, it compounds even more. But now, we're entering what I'd say is a larger phase of growth. Our evolution has been about adapting what we have to facilitate what we see coming.

And what we saw coming five years ago was we needed more capital to be able to facilitate exactly what I've been talking about. So, we did what we did over the last five years to set us ourselves up. The last step was creating the flexibility of the entire structure by pushing together the investment assets we have with the five years of work that Sachin and his team did to build a \$200 billion insurance company.

So, we will now push together, we will have a \$400 billion balance sheet to be able to capitalize on these opportunities. And to facilitate Brookfield Asset Management doing things nobody else can do and to earn an excellent return on capital. It allows us to have a more efficient capital structure. We will be more flexible than anyone else and it will lead to broader index inclusion in the future. All three of those things are only facilitated by the steps that we've taken over the past five years. The combination of the two businesses which you approved, thank you, allows us to take the permanent capital base of \$175 billion with the insurance float of \$170 billion and create new BN, which will have a balance sheet of about \$345 billion of capital to invest.

That will allow us, if we chose, we may not choose, but if we choose to grow our insurance book to a trillion dollars and be way over-capitalized. So, we're ready for opportunities if they so should come along. It enhances our ability therefore, why do all these things? Why not just sleep on Saturday morning? We did all of these things because what we're trying to do is continue to grow at 15% without taking undue risk. That's the whole goal of the organization and we continue to grow.

Nick will come up in a minute and talk about our plan. Our plan shows and he'll show you what we showed you five years ago, our plan shows this business should compound without too much effort at 16% from the current \$67 that you own today to \$140 a share in 2031. Therefore, the opportunity is large. The compounding engine we have is very strong and we remain very, very laser-focused on returns.

THE FUTURE IS COMPOUNDING

Nick Goodman, Brookfield, President

Thank you, everyone, for joining us both in the room and online. I want to echo the sentiment of Connor and Bruce. We really appreciate your support and taking the time to join us today. So, in keeping with the prior years, my approach is going to be about taking the comments that you've heard from Bruce, what you're going to hear in the rest of the presentation, and putting it into the numbers. Providing a look back at our past performance, touching on some of our key achievements, and then rolling forward our five-year plan and giving you an update on our outlook for the business.

Before I end on our key takeaways, I will touch on New BN as well, going through some of the advantages that we see, and then also some of the changes that we expect in our financial reporting moving forward.

Starting with an overview, and in these next five slides, I effectively want to give you the conclusion and some of the key points that I'm going to make throughout the presentation. Over the last five years, we have doubled our core earnings. We have grown them at a compound annual growth rate of 16%.

Now, as Bruce touched on, over the last five years, we have grown the scale of our business. We've added depth. We've broadened out our capabilities, but as we've done that, we've done it with a strong focus on profitability and returns, which means that as the business has grown, the earnings power has grown in lockstep. And we think about that in the next five years, it leaves us well

positioned to double our core earnings again over the next five years, taking our DE before realizations to just north of \$11.5 billion, a compound annual growth rate of 17%. Now, when we add on the benefits of carried interests and capital allocation, it takes the total DE in the plan at the end of the five-year period to \$16.8 billion.

That's an annualized growth rate of 24% over the plan period. Now, if we put that in the context of our current share price, that is a six times multiple on five-year forward earnings, six times multiple on five-year forward earnings. If we are successful in executing the plan, our plan value at the end of the plan period will grow to \$140 a share from \$67 today, exceeding our long-term targets of 15% plus total returns.

Now, taking a look back at past performance. Our growth over the last five years, as we've stated, has accelerated, and it's been supported by several powerful tailwinds, electrification, digital infrastructure.

In real estate, we started to see the early stages of a recovery. We moved from an oversupply and lack of demand into a phase where we started to see supply really fall off and demand really start to pick up over the last five-year period, significantly improving fundamentals across the sector. And capital formation continued to accelerate, with alternatives continuing to capture a growing share of institutional high-net-worth and individual, and especially retirement savings over the last five years.

At the same time, we had a macroeconomic environment that continued to evolve. What was consistent was economic growth was resilient, but we saw inflation come back, moderate, starting to come up and being sticky above central bank targets. We saw interest rates increase, decline, destabilized somewhat. Now we're seeing the back end of the yield curve moving up. With inflation and rates moving almost in lockstep, it's been a very constructive environment for our business. We saw financing markets, they really tightened for some sectors five years ago, liquidity dried up, spreads blew out, but over the last five years, again, we've seen the markets turn incredibly constructive for our assets.

But what is very evident in the last five years is that the long-term tailwinds in our business are significantly more powerful than any short-term macroeconomic environment. And we saw that in our earnings, and we've seen it in how we've been able to scale our business over this period. If we just look at this page, over the last five years, we have doubled our asset management business. We've doubled it in the size over five years. And our wealth solutions business, effectively a business that did not exist five years ago, we've scaled it to almost \$200 billion in assets.

And our operating businesses, high-quality assets backed by regulated and contracted cash flows, essential service nature of our private equity businesses, and the improving fundamentals of real estate have allowed us to continue to grow these resilient cash flows. And you can see that here in this chart, where our earnings on a consistent basis have scaled over the five-year period, underscoring the fact that the long-term tailwinds are more powerful than the short-term macroeconomic environment. And it also highlights the real return nature of the cash flows that are underlying our business.

Now, five years ago, when I would've stood up and laid out our plan for you for our core earnings growth or the five years, I would've said our plans sometimes appear aspirational. We don't view them that way. We look at the scale of our operating capabilities and of our platforms. We almost view the growth as somewhat predictable and consistent based on what we have. It's about execution. As I said, we have the businesses, we have the platforms, we have the capability. It's just about executing the plan. And so, we lay out these plans. We view them as very realistic and achievable over the five-year period.

We planned for \$5.6 billion of cumulative DE before realizations over this five-year period, and we marginally exceeded it over that, over that five years. This is really important context, I think, as we start to move forward to the next five years and give context to why we have conviction in our new plan.

Now, very importantly, and Bruce touched on this, we scaled the business without changing our risk profile. We continue to operate with a conservative capitalization, with strong liquidity and proven access to capital, very active risk management, meaning that we are managing other... managing risks to try and limit and protect downside in our investments, and we're maintaining a very diversified exposure across the business, meaning we have no significant counterparty exposure.

If we zoom in on the last 12 months, again, we've delivered very strong financial performance. Our asset management business had its largest fundraising year ever, \$163 billion of capital raised and grew its fee-related earnings by 19%. Our wealth solutions business increased its asset base by 40% and grew its annualized distributable earnings to \$2 billion and 18% increase. And in operating businesses, we continue to see strong FFO growth, and in our real estate business achieve record rents in markets around the world, driving strong growth in NOI and, importantly, embedding future growth into the earnings profile of that business.

Now, on top of that, we also returned \$1.3 billion to shareholders, \$700 million in opportunistic share repurchases and \$600 million in dividends. The timing of this is done June to June. If you actually look back at the last two calendar years, we've repurchased a billion dollars of shares in each of those calendar years, and we're on pace to achieve the same this year.

Now we continue to value our business as the sum of its parts. We take our public holdings, and we add to that our private holdings. Our direct investments, these are the investments that we have directly into funds managed by Brookfield Asset Management, our carried interest, our share of the profits generated by the funds managed by BAM, our wealth solutions business, and our commercial real estate business.

When you net off that, our debt and preferred capital, it's \$158 billion plan value or \$67 a share, which, if you look at the share price today, offers a very attractive opportunity or entry point for investors and a very, very large margin of safety. That's the past. What now? What is next for the business? Well, let me provide you with the updated five-year plan. The tailwinds that we talked about that supported the growth over the last five years are only accelerating. You've heard it today in the BAM session, and you heard it from Bruce across energy and AI, and digitalization. The capital needs are

unprecedented. The quality of the investment opportunities is there, and the opportunity to drive growth and deliver excellent returns is in front of us.

In real estate, what we're now seeing is those improving fundamentals that I talked about means that different to five years ago, today we have pricing power in our real estate business. We are now in a market where there is a chronic shortage of supply of the highest-quality real estate. There's an excess of demand, and the movement in rents that we're able to achieve is significantly greater than any impact that interest rates would have. So, the real estate business is now moving from improving fundamentals to converting that into improving cash flows, and capital formation continues to accelerate. We're seeing the institutional grow, high-net-worth, individual, and potential new pools of capital opening up, supporting the growth in alternative investments.

At the same time, I would say that the interest rate and inflation backdrop continues to be supportive for our business. I think if you look at the energy and infrastructure business that we have, with rates and inflation moved together, that's a very constructive environment for those two businesses. In real estate, I touched on the pricing power that we have today, and a piece we often don't talk about, and we should, is in BWS, we have a natural hedge against the rest of the business, and Sachin will touch on this more. But it means, as a business, the backdrop today is incredibly supportive of our future growth.

And that leaves us well positioned to continue to scale the earnings of the business, planning for that 24% compound annual growth rate, as I said, over the next five years, with the large bulk of that coming from our core businesses, from our existing platforms where it's just about execution. So, let's start with the core businesses. Our three core businesses span both our public and private holdings across asset management, wealth solutions, and our operating businesses. We will focus our comments today on our private holdings. I will go through the totality of our earnings growth. I will spend specific time on carried interest.

We have a real estate panel to talk about our real estate portfolio, and then Sachin will talk in greater detail about wealth solutions. So, with asset management, the earnings growth comes from two sources. It comes from Brookfield Asset Management, as you heard earlier, their plans to scale fee-bearing capital to \$1.3 trillion and 18% annual growth rate in DE. And direct investments, our investments into funds with a proven track record of delivering strong returns, we expect over the plan period to earn and resurface up to \$6 billion of capital that will be available for reinvestment.

Now, within Wealth Solutions, we expect to grow insurance assets to \$375 billion over the plan period. The business has the benefit of a tailwind from demographics, from significant growth in the need for retirement savings products. At the same time, we have scaled a platform in North America that is now focused on broadening and deepening its distribution capabilities, providing an organic engine for growth in assets. Our global expansion, we've invested into a new business in the UK and recently started in Asia, focusing on Japan, and plans to grow more broadly in the region.

When you pair that with our investment capabilities, our ability to source long-duration investment opportunities to match long-duration liabilities and, importantly, as was just discussed on the panel,

it's an ability to invest larger amounts of capital into larger deals but without sacrificing returns. That's a huge advantage for our business as we continue to grow. And then when you pair that with the permanent capital of BN, it gives us the confidence that we can grow earnings in this business at a 23% compound annual growth rate over the plan period, but with a focus on returns, i.e., we will maintain or focus on maintaining a 15% plus return on our equity.

And our operating businesses, as we said, continue to benefit from the tailwinds across infrastructure, energy, private equity, and real estate. We expect these businesses to continue to deliver strong FFO and earnings growth over the plan period. So, if we put all that together, it provides a strong base of growth in our core earnings. The 17% compound annual growth rate I touched on at the start, again, a doubling of our earnings over the plan period, with growth from BAM, our direct investments, asset management in totality, then wealth solutions, and our operating businesses continuing to drive cash flow growth, being slightly offset by the capital recycling that we have planned over the period.

So, touching on carried interest, as we know, it provides a significant source of additional growth for BN. Last year, we said that we felt carried interest was approaching an inflection point, and we absolutely believe that to be the case. Over the last 10 years, we have realized \$4 billion of carried interest into income. Over the next 10 years, we expect that number to be \$25 billion, of which we expect \$5 billion to be realized into income over the next three years on a net basis. Now, I think it's important to do a quick refresher of how we earn and recognize carried interest into income.

We earn carried interest from two sources. The first is from the funds that were raised before Brookfield Asset Management was separately listed. Against those funds, we earn 100% of the carry. We also incur 100% of the costs. We earn a roughly 65% margin on that income stream. The second is what we call the royalty. We earn a 33% share of gross carry, and we incur no costs, so it's effectively a royalty at a 100% margin. Now, when it comes to recognition of carried interest, we adopt a conservative approach that effectively backends the realization of carry towards the end of a fund life.

We wait for all of the original capital to be returned to clients, to work our way through the preferred return, and when there's a very remote risk of claw back, we realize carry on incremental dollars realized. It does create a delay in the realization of carry. It creates greater alignment, on the other hand, with our clients, and it also creates greater visibility as to when we expect that carried interest to be realized.

Let's look at the life cycle of carry. The first step is to raise capital against which we have the opportunity to earn carried interest. This is a signal of future earnings potential. The more capital we raise, the more carry we have the potential to raise in the future. The next step is to take that capital and deploy it for value. We then drive value creation. We implement our operating and business improvement plans, roll up strategies, and create value in our investments. Then, when we've executed our growth plans, value creation plans, and the markets are constructive, we look to monetize investments. Once we've returned the capital, earned a preferred return, then we realize carried interest into income.

So, if I take each of those in turn, first, the earnings potential coming from carry. Well, we've doubled our carry-eligible capital over the last five years. Today, it sits at \$273 billion, so we continue to scale the earnings potential of carried interest.

Second is deployment. And again, we've doubled our capital deployment over the last five years. Last 12 months, we deployed \$160 billion of capital into new investments. Then let's think about how do we create value once that capital is invested. A good measure of this is the carry that we're generating in the background. That reflects the value that's been created in the capital that's at work. We have \$7 billion of generated unrealized carried interest today. That means in those investments, the value has been created. It's now just a waiting realization, which means as we monetize assets, that carry will be coming into income.

And as you've heard today, you heard on the panel, and you've heard repeatedly, monetization activity is strong, and it's picking up. It's 3x what it was five years ago, is \$90 billion of monetizations over the last 12 months, and the pipeline continues to grow, and it's this pipeline that gives us the conviction that we will be seeing that inflection point in carried interest.

\$5 billion of net carried interest expected to be realized into income over the next three years. 60% of that comes from funds where 100% of the invested capital has already been returned to clients. That gives us that strong visibility into the recognition of carried interest.

And so, my key point on carry to you is the foundations are in place. As we now enter a meaningful period of realizations and monetizations, carry will be at that inflection point, and we should expect to see a significant pickup into income over the next 3, 5, and 10 years. And the carried interest potential, which talks to how we think about valuing carried interest, if we run forward the plan that BAM had laid earlier, carry-eligible capital scales to \$600 billion five years from now, it's a 17% annualized growth rate. It will triple the net generated carry that we expect BN to be benefiting from an annual basis.

You can see the scaling potential and value of carried interest to us, and we value that the same way we've always valued it. A 10x multiple on the annualized target number, plus that \$7 billion of carry that's been realized and now is just waiting to be recognized, gives you a total value of \$34 billion. So, when we add carry to the earnings that we're projecting from our core businesses, it's a 20% growth rate from those two sources, and it will create significant excess cash flow for reinvestment back into the business or to be returned to shareholders. If we are successful in executing the plan, we will generate \$54 billion of free cash flow over the next five years, and here you can see the different sources contributing to that \$54 billion.

At the risk of stating the obvious here, the value that we can create with that cash depends entirely on what we do with it. Now, our approach to capital allocation, as we've talked about in the past, is centralized. It's a disciplined, institutionalized approach to how we think about reinvesting our capital. We distribute all of our cash flow up from our companies to the corporation to centralized reinvestment decisions, where we have a unique lens on the investment opportunities at any point

in time across the entire organization. Once we identify the highest and best use of the capital, we then allocate it and reinvest it back into the business.

The checklist, the focus areas for that capital is to support the growth and invest alongside our existing businesses. It's to invest in new businesses that offer attractive returns and afford us the ability to build and learn, build knowledge that will benefit the entire franchise, is to pursue strategic transactions. We always focus on retaining ample liquidity to defend against downside risk and to afford financial flexibility to the entire organization. And after that, there will be return of capital to shareholders. Now, if we look at the potential uses of the cash over the plan period with the \$54 billion, we net off against that the dividends that we expect to pay over the plan period, and then we have the reinvestment that is built into the plan.

Importantly, this is not reinvestment that is committed to today, that will be entirely subject to us being able to earn and achieve our desired returns for that capital, and assumed in the plan that we can, and there's nothing to suggest we won't be able to. That leaves \$26 billion of excess cash flow available for reinvestment. Now, absent attractive reinvestment and the bar is high, the entirety of that capital will be available to be returned to shareholders. Now, one example of our capital allocation that we've profiled recently that we thought would be worth touching on is investing in new businesses shaping the real economy.

We've made some targeted allocations of capital over the last few years to new businesses, again, that we think afford strategic benefit to us and what we think we can assist them to build scale. We've put some of them up on the page here. It is not significant dollars in the context of BN's balance sheet, about \$2.8 billion today. Now, the way we think about these investments is we have large relationships and partnerships around the world, and we're always talking about potential to partner and invest with through our relationships, and I'm going to focus specifically on technology companies, as I showed on the page before.

If you think about our relationship with technology companies today, we are bringing capital, we're bringing operating and execution capabilities and energy to them today, and through every one of these avenues, we are developing deeper and deeper relationships, and that is affording us the opportunity to look at investments at the intersection of technology and real assets. And I think about these in a couple of ways. First, it's the opportunity to earn attractive returns on our capital. But two, it brings strategic benefits to our firm. First, it makes us better operators.

I think Anuj touched on it in his panel. But being at the forefront of the understanding of how technology can be applied to our businesses and to our operations to ensure that we can maximize returns and operational efficiency is a huge advantage. And two, it makes us better investors. So, we think about these as having many benefits to the organization. It's not significant amounts of capital, but they are proving to be more and more strategic.

If we look at SpaceX as just one example of those investments, we invested \$325 million, spent \$1.5 billion of total value. That's a billion dollars of value created for the organization, a nearly 5x multiple on our capital, and a 55% IRR.

Again, these are attractive investments. They in no way cannibalize in a material way the other uses of capital that I've talked about, but they are attractive, and they're in front of us today. So, bringing it all together. We are set up to deliver a 17% growth in our DE annually, our DE before realizations and carried interest, DE before carry and reinvestment over the next five years. That's a double of our core earnings again over the next five years. When you factor in the benefits of carried interest and capital allocation, it takes up to a 24% compound annual return over the plan period.

And if we're successful in executing the plan, we should be able to grow plan value in excess of our long-term targets, going at 16% annualized to \$140 a share at the end of the plan period. Now, before I go to the key takeaways and hand over, I'll just touch briefly on New BN. New BN, as we stated, is a simpler structure that expands the set of growth opportunities available to us. The pairing of our permanent capital with our insurance float, we believe, gives us the capacity to sustain the returns on equity that we've achieved in the past, not just for the next 2, 3, 4, 5 years, but for the next 20, 30, 40, 50 years. It is very powerful structure.

It gives us flexible capital to pursue growth, to participate in the generational investment opportunities that we see in front of us, and the ability to preserve greater balance sheet flexibility. And ultimately, as Bruce touched on, we believe over time, it could open up a path to broader index inclusion.

Now, in connection with the transaction, as we've said, we will be transitioning our financial reporting to US GAAP starting in Q1 of 2027. We believe that moving to US GAAP will simplify our financial reporting. Effectively, our financial reporting will be more reflective of our underlying business, and it will enhance comparability with US peers.

We will provide a lot more detail on how to think about the transition and the key changes, but two key ones that we just wanted to touch on. We make significant investments directly or through the list affiliates into our private funds. Under US GAAP, we will be able to present this at NAV, again, more accurately reflecting how we invest and earn earnings and cash flow from these investments rather than having to consolidate them line by line. Unrealized carried interest that today does not appear on our financial statements is recognized under US GAAP and will start to be included in our audited financial statements.

Two key advantages we think in helping the comparability and the understanding of our financial statements moving forward, and we'll provide more details.

So key takeaways. Our business is larger, more diversified, and more cash-generative than it was five years ago. Our core businesses are positioned to deliver very strong growth in earnings. As we've said, we have the platforms, we have the operational capability, we have the depth. Now it's about execution. Carried interest is becoming a larger and more recurring source of earnings and cash flow, and we expect it to scale significantly over the plan period.

That will afford us significant free cash flow with substantial capacity to invest that back into the business, and our global scale gives us access to a vast range of investment opportunities. When we package that all together with the power of New BN, we believe it will expand our capacity to grow beyond the plan period and deliver 15% plus annualized returns to our shareholders over the long term.

REAL ESTATE PERSPECTIVES

Brian Kingston, Executive Chair, Real Estate

Good afternoon, everyone. I think everyone would know Kevin and Ben, but just in case you don't, Ben is the co-president of our real estate business and Kevin runs our retail shopping business. And we thought for a discussion today about real estate rather than walking through a number of slides in a presentation, we'd try to set it up as a bit more of a conversation, but this is a Brookfield event, so there will be slides.

So, I thought I would maybe just start out before we get to the guys and their views on the markets, just a bit of a refresher on the real estate business. Most of you will remember, our real estate business really is in two pools of capital. Lowell talked a little bit earlier about our various real estate fund strategies where we invest alongside our institutional partners. That's a broad-based multiple asset class business.

In addition to that, we own a number of assets directly on the balance sheet. Both of these businesses are important, but for the conversation this afternoon, we are going to focus on the balance sheet investments because Lowell covered it off earlier. It's about \$38 billion of equity of Brookfield's equity that is tied out in next plan value that is invested in real estate. Two thirds of it is what we describe as our super core portfolio. These are the best of the best assets, and we are going to spend a little time talking about those. But in addition to that, there is about \$9 billion of core plus, some value added, about a \$3 billion residential land business. The super core business is roughly split 50-50 between office and retail. And as I say, this is sort of the core of the business. It's about 46% leverage, a very low levered business.

And importantly, it is concentrated in a relatively small number of assets. So, our super core office portfolio is really just 10 complexes in major cities like New York, London, Toronto, Dubai, and Berlin. These assets are 95% occupied, very long-term lease profile.

Similarly, we own a hundred shopping centers in the business. Only 18 of them are what we define as super core. And this is where the bulk of our capital is invested. And just like the office business, these are fortress-like irreplaceable assets with very high-productivity retail tenants in them and conservative leverage on them. The balance of that super core portfolio is made up of some residential and urban retail that really compliments the large office complexes and shopping centers in sort of a mixed-use environment.

So really, I think our strategy with these has been pretty straightforward, which is to work the assets hard and continue to drive value out of them. The last five years, I suppose, have been a little eventful for real estate. We've certainly seen a lot of disruption from higher interest rates, from disrupted

capital markets, from disrupted leasing markets, et cetera. But we're now in a place where Nick touched on this a little bit earlier, fundamentals are very strong and that's really as a result of stabilizing interest rates to some extent, certainly stabilizing tenancy changes. And we're really in a position now where the portfolio is set up. So, Ben, maybe why don't we start there? Before we get into office or retail specifically, maybe just start out more broadly on real estate. Where are we in the cycle right now and what are you seeing?

Ben Brown, Co-President, Real Estate

Yeah, so I'd say across global real estate markets, we've entered a new cycle. Real estate markets are in recovery now. And it starts with how you framed it up, which is the operating fundamentals. I think we've seen across our business and we've been pretty consistent. And I think if you say something long enough, you are proven right at some point. But the fundamentals across pretty much every sector in our business for the past handful of years, even through turbulent times and some volatility in markets have been really good and really strong.

The debt capital markets have recognized that and they've been really supportive. They've been wide open to finance real estate assets and now I'd say much more broadly and deeply across sectors and geographies. And when the financing markets start to open up, that really facilitates a lot more transaction volume. And that's really what we've seen over the last 12 to 18 months is transaction volume has picked up and all of those things are contributing to a much healthier framework, a much more active framework, but frankly improving markets. And that's really what is going to drive the performance that I think we'll see out of markets broadly, but more specifically out of our real estate business over the next couple of years.

Brian Kingston, Executive Chair, Real Estate

Yeah. And so that's sort of true, but obviously office has had plenty of headlines over the last five years. So maybe let's turn to office directly. What are you seeing in that market now? And we talk a lot about the importance of quality, but how's that actually sort of flowing through?

Ben Brown, Co-President, Real Estate

Yeah. And this is very specific, specifically true to office. It's true to retail, but frankly, it's true to most real estate sectors today. The most important thing I think to realize on real estate sector, and Lowell mentioned this in one of the earlier panels is demand has been robust, supply is really constrained and supply is really constrained across the board. We want to talk about office specifically. That's probably where it's most acute. We've seen office construction really fall off of a cliff and future supply is really non-existent. And when you think about all the contributing factors of both the economics around new office development, the inflation and costs, the cost of labor, and now obviously with financing costs increasing more and more, the likelihood that you'll see new supply come on even as the occupier fundamentals are strong, rents continue to grow, I still think it's multi-years off of seeing any real meaningful amount of supply come to the market.

So that does mean, and Nick said it a couple times, that means we start to have pricing power again. And I think you're starting to see that show up in markets. For sure, we've seen it show up in occupancy and net absorption. We've had going on nine quarters now, at least in the US of positive net absorption. That's a great signal, but where we're really starting to see it is the growth in the rents

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where that demand is obviously outpacing no new supply, but in many places supply is actually coming down because we're actually taking existing static office supply out of the market and that is starting to be a flywheel of growth.

Brian Kingston, Executive Chair, Real Estate

But how does that translate specifically into our portfolio?

Ben Brown, Co-President, Real Estate

Yeah, so as you said, our strategy for decades now has had us focus on the best global gateway markets and the best assets in those respective markets. And so, as we've seen performance in operating fundamentals, that means we have been able to ramp occupancy. So, we're now at a stabilized occupancy really across the entirety of our office portfolio. And then when you look across the globe, what we're really seeing is not only is there performance in rent growth, but we're actually starting to see that flow through into our leasing activity and our future revenues and earnings where the existing embedded mark to market's pretty meaningful. We show it on the slide here where you see averages, but I would tell you in many cases, while those mark to markets look pretty healthy and we'd be really happy with those, many individual deals are multiples of that.

So the last, to give you an example, the last three deals that we signed at our Manhattan West project would've been 100 to 120% mark to market over those initial leases that were done.

Brian Kingston, Executive Chair, Real Estate

And those are like 10-year-old leases?

Ben Brown, Co-President, Real Estate

Yeah, 10 years old. I would tell you probably 75% of that rental growth has happened in the last five years. I think the next five years you will still continue to see a lot of that performance. We're seeing it in London, we see it in Toronto, and that has everything to do with the demand still focusing on a finite amount of the supply in the market, which is the higher quality buildings that are amenitized, that have institutional landlords that have been investing in those assets. And that's really what makes up the bulk of our portfolio. So I think the backdrop of an improving market is helpful. I think when you own the right assets, you get disproportionately rewarded.

Brian Kingston, Executive Chair, Real Estate

And Kevin, you were in the papers for a while, then Ben was in the papers, and now you're back in the papers, but for a good reason. There was an article this week, Wall Street Journal on how retail's been performing. But contrast that with what we're talking about in office here. What's happening with the higher quality retail centers?

Kevin McCrain, Managing Partner, Real Estate

Well, it's a very similar story, right? It's about consolidation. It's about limited supply. It's about the customer and tenants all wanting to go to the same place. But if you really look at the twofold, there is no new supply coming online, but that's a broad metric that you see on all types of retail.

Brookfield

The centers that we own, it is virtually impossible to recreate a center, a mall, a big shopping center where 20 million people, 30 million people are going to walk through that singular center every day. And the tenants want that kind of concentration, that scale, because they feed off of each other. They want that environment.

The flip side is the customer. The customer continues to shop. These aren't malls of the past where it's, here's 30, 40 apparel places. These are shopping, dining, entertainment hubs that people congregate at. Customers want to go, people want to go, and the retail sales continue to perform. And that compounds to us and we're able to continue to grow NOI. So, it's really the pricing power that we have through the customer and tenant demand with an inability for new supply to come online.

Brian Kingston, Executive Chair, Real Estate

Give us an example in the portfolio of where you're seeing that. How does that translate when you look at our portfolio?

Kevin McCrain, Managing Partner, Real Estate

I've got a million examples. Look, on the stats here, we are virtually fully occupied in Super Core and Core Plus, and we create vacancy in these assets to upscale our tenants. And that leads to significant leasing and positive releasing spreads. But let's talk specifically, which is where I think you want me to go.

So if any of you guys have teenage daughters or teenage girls in your life that shop, they likely shop at a brand called Edikted. Edikted is a digitally native brand that's rolling out a store strategy. We see this everywhere. Whenever we open an Edikted store, it's 3,000, 4,000, 5,000 foot store. Our operating team has to set up queues because it's a two-hour wait every weekend because the women and girls are lining up to shop there. But it's not just Edikted. The demand from the tenancy, we've got Uniqlo out of Japan doing massive store expansion, Korean beauty brands doing massive store expansion. Aritzia, who's probably the most prominent retail brand today, maybe the most powerful retail brand today, expanding both in place and growing in store size as well as growing stores.

This demand creates pricing power for us and ability to drive rents and continue to drive leasing spreads. So we stand in a great position. We're able to consolidate because there's virtually no competition in our markets and we're well-positioned for growth.

Brian Kingston, Executive Chair, Real Estate

Okay. So the markets for both of them are getting better. Tenant demand is there. So it's pretty easy, but the boss said we have to work on Saturday mornings. So, talk a little bit about, we always talk about the importance of the operational advantages that we have. How do you take some of that and then actually compound on it?

Ben Brown, Co-President, Real Estate

Brookfield

Yeah, I think we've heard this example throughout the day cause I think it's pretty universe across all of our businesses. But it's again that roll your sleeves up approach of active asset management. We are not passive owners of real estate. It's the fact that we run a global business where we have tenant relationships that we are the go-to landlord around the world, whether it's for large corporations for their office space or it's for multinational retailers that rely on us to provide them the storefronts for those experiences and that growing customer cohort that they have.

But then I think it's all the other things that we've really situated our business around for the past two decades to be able to execute on, which is the experience. And I think today in real estate, we see this across our broader real estate business, experience is everything. That's true if you're talking about a housing asset or a hospitality asset.

In those B2B businesses or B2C businesses, your customer is expecting and wanting and desiring a great experience. And I think we've built an entire organization around delivering just that. And then it's actually being able to execute on that, having the teams in market, speaking to a local customer base. And frankly, I think providing a differentiated experience and relationship, which means it's great if we own great buildings people want to be in. It's really great if we're a trusted provider of those services and those experiences to those tenants. And I think that's what's driving and has driven a lot of our outperformance.

I want to give you a couple examples of where we've done that in our office business. Kevin, you can touch on a couple of the retail, but a perfect example, we obviously own 8 million square foot mixed use complex next door, but we are one of the largest landlords of office space in Lower Manhattan. We own an office building, One Liberty Plaza, which is just on the other side of the World Trade Center. And I would tell you, three years ago, we started to see a real momentum around tenants' interest back in Lower Manhattan, but for a really high quality, mixed use, amenitized destination for their office space.

And so we captured a lot of that at Brookfield Place. We're virtually full at Brookfield Place. Where we didn't see it was in assets like One Liberty Plaza, unbelievably well-located asset, sits on the cross section of pretty much every subway line and transit hub that goes through Lower Manhattan. But it was an asset that needed to be repositioned. It needed to be re-energized. It needed to be re-imagined. And we embarked on that a couple of years ago.

We've now seen the fruits of our labor. We're doing a meaningful amount of leasing there, but we're finally starting to see a real ability to push rents. And it's a great example of if you invest capital and you invest it creatively, but you're providing the sort of environment that tenants want, you'll get paid for it today. And I think that's part of the calculus around how you have to think about investing in an office.

Take Canary Wharf, for example. What we've done there is probably a little bit more around placemaking, not a singular asset where we really need to reimagine that asset for a specific tenant, but a place that has living, it has retail, it has office. And we needed to bring all of those things together and make it the best example of itself, which really has been what we've been doing for the last

decade there. It's finally come to maturity and this has been, I don't know, probably the best leasing year on record for Canary, for us. And we've seen diversity of tenants. We've seen increase in rents, but it's a flywheel where the retail benefits the office, the office benefits the housing and we're seeing performance across all of those things.

But that takes vision, it takes capital, it takes time, it takes hard work. But I think that's exactly what we set our business up to be able to execute on.

Kevin McCrain, Managing Partner, Real Estate

So, retail on the asset management and leasing side is very similar. It does start with the customer and knowing what that customer in any geography or area wants and then truly understanding your tenant. The tenants expect us to understand who they think their customer is and where they want to go so that when we present them opportunities, they can move quickly on it.

One anecdote and then I'll get into a couple of these examples. I went down to Little Rock a few months ago to see a tenant. We have an asset called Pinnacle Hills in Bentonville, Rogers, Arkansas, about 3 – 4 hour drive north of there. That's where Walmart's executives are hunted. It's actually a very high net worth demographic market, high household incomes. The asset is fantastic.

So drove up with one of our senior leasing guys, toured the asset, went through the plan and I said to our team, "If you could have one tenant," because it's a virtually full asset, "if you could have one tenant come here, who would it be?" And they said, "Everybody wants Cheesecake Factory." I said, "Great. We'll call Cheesecake Factory." It's a great tenant. It does really well.

I went out to dinner that night with our senior leasing guy. I'm standing in line waiting for dinner and I'm talking to people in line, getting to know who the people are and told them we own Pinnacle Hills and asked them, "If you could have one tenant at Pinnacle Hills, who would it be?" "Cheesecake Factory."

But that connectivity to what your customer wants allows us to pick up the phone and call Cheesecake Factory who we have 50 or 60 stores with and say to them, "You need to get here." And that anecdotally is how our operating team runs and thinks about our assets and how our local leasing rep who is grinding every day on the ground in Northwest Arkansas is calling our head of F&B to say, "Let's get those guys down here."

Two more practical real world examples of how we reinvest and reposition our assets are Plaza Frontenac and Stonebriar. So, Plaza Frontenac is probably the best retail asset in St. Louis. More boutique, luxury-driven, had two department stores, Saks and Neiman's. We got one of the Saks boxes back out of the bankruptcy and three, four, five years ago, people probably thought that was a challenge. Empty boxes are opportunities. The tenant demand is there. This created a massive opportunity for us to get rid of a tenant who is probably paying a few hundred thousand dollars a year for 50 or 60 years and allow us to invest into this asset, take advantage of the massive tenant

demand that we have there. And we're projecting a 15% unlevered yield on cost on that repositioning and having it fully occupied before we've even committed to cost.

The other is Stonebriar Centre, which is in North Dallas, Frisco, Plano. It's a fortress asset for us. We had an empty Sears box at the asset and Dick's Sporting Goods. Dick's is rolling out their house of sport concept. They're moving from 80,000 foot stores to these 150,000 foot experiences where they have tracks and turf fields and climbing walls and they wanted to move. So we secured a move for them to move to the empty Sears box. And now we had the empty Dick's box on the other side of the asset. And our team said, "We really have a dearth of quality restaurants. Let's create a whole node here." We've created a complete restaurant cluster on the other side of the asset. We've pre-leased the second floor, only entrance from the mall to an international restaurant chain that will do \$30 million to \$35 million a year in sales.

That anchor is letting us re-lease the balance of the space. It's projected to do 9% unlevered yield on cost, but what that doesn't include is the effect that that \$30 million restaurant is going to have on the second floor of that wing and that traffic. We're going to be able to continue to push rents and recurate that space over that time. And it's going to be significantly accretive. We want to be intellectually honest when we do our yield on costs, so we just focused on that. But the benefit to the entire center when you do things like that and you move tenants around is huge. So those are a few examples of-

Ben Brown, Co-President, Real Estate

We just need more Cheesecake Factories

Brian Kingston, Executive Chair, Real Estate

More Cheesecake Factory is the answer I heard. So look, all of that, everything so far we've talked about sounds really good. On my way up here, Nick wanted me to ask you, when does that actually start to translate into earnings?

Ben Brown, Co-President, Real Estate

Yeah. It's coming. Look, leasing today is tomorrow's earnings. And so specifically when you think about the office side and sort of the customer acquisition life cycle, these are large, tend to be, especially in our business, large companies moving large premises and they make those decisions with plenty of advanced notice and out in time, which is a really good thing. And Nick should be really happy because we've got really predictable earnings and we've a great visibility into earnings, but it does take some time to sort of yield into our earnings. But I think there's a couple of other levers, Kevin, you could probably touch on in terms of not just when we sign leases, but where we also find value.

Kevin McCrain, Managing Partner, Real Estate

Yeah, sort of two things. One, retail leases are generally a little bit faster because we have simple build outs, white box space. It's usually about six months between when a tenant leaves that you've sort of kicked out because you want to improve it to when the next one opens it's really all about permits. But how we bridge this 4% CAGR on NOI growth, particularly in the retail business is our leases have

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embedded growth rates in them on average about 3%. So that's sort of one in just regular embedded growth. When our retailers outperform expected sales, we get a percentage of the overage of those sales. It's negotiated in every lease, but there's always a break point where we get top ups there. So, on the expected sales, we get extra rent there.

Then there's general leasing and repositioning. As I said, we're constantly moving tenants in and out in order to increase our overall sales, increase our rents, increase our overages over time. And then look, there's operational placemaking. Is it right that we should be doing events? Is it right that we should be bringing in entertainment concepts or more restaurants? And ultimately that will drive sales up overtime and our rents. And that'll be accretive to our 4% compounded annual growth.

Brian Kingston, Executive Chair, Real Estate

Okay. So, in addition to running the assets hard, one of the other key parts of our strategy is recycling capital. And once you get these assets leased up and mature, selling out of them. So let's maybe talk about transaction markets for a second. What are you seeing there in terms of volumes? What are buyers looking for? What's trading?

Ben Brown, Co-President, Real Estate

Yeah, look, I think across the board, as we showed earlier, transaction volume's up both across office and retail. We're seeing a renewed focus from the investor environment of returning to think about these assets that have proven to have very resilient, robust, and pretty attractive growth profile. So, I'd say liquidity is returning. The debt capital markets have probably returned faster and more robust, specifically in office. They actually were pretty supportive for quite some time across retail. And my expectation is when we have the benefit of sitting with our clients all around the world and obviously in many ways we're telling them what we think we should be investing in, but we're listening too and we're taking all those inputs. And I would tell you that the anecdotal conversations that we're having, the renewed interest in office specifically is much greater. And I would say the lack of office investment desire had less to do with it looking like an attractive asset class for new capital deployment and frankly, a lot of legacy challenges many of the investor environment had with existing assets that they hold that they haven't been able to get liquidity on.

I would tell you bid pools are up. There's a much broader depth of liquidity for office, but it's nuanced. It's not monolithic. People have recognized the assets that perform really well are the assets they want to buy. And so, I'd say there's a lot of liquidity and appetite for really good assets with really good credits, all the obvious stuff that you would assume. Financing markets are there to support these transactions. But I think as the broader recovery sets in off of a larger swath of the office market, you'll start to see those buyer pools broaden out their appetite both by market and quality. And I think you'll just see a much bigger return of investment dollars going back into the space.

Kevin McCrain, Managing Partner, Real Estate

Yeah. On the retail side, there's real depth in the market on the transaction side. I think the investor market was hesitant for a while, but the belief and the durability of the cash flows, the stickiness of the tenant and the stickiness of the customer are really being believed in now. A few years ago, there was probably a bit of an implied cap on transactions at about \$100 million, setting apart some one-

off transactions that happened. Now there isn't really a cap. It's really just about price. There are a number of bidders that are in there looking for these types of assets because there's huge desirability and huge value in what is the growth profile.

And it is underpinned by a much better CMBS market. We're up only two times and has been noted, it's been supportive, the debt markets of retail assets. But what we've seen over the last year is credit spreads really tightening for retail assets, specifically the best ones. We just refined one of our super core malls a couple months ago and our credit spread was 109 basis points. That's approaching historically tight credit spreads, base rates are base rates and there isn't much you can do about that, but that shows you where the CMBS and SASB bond buyers are in where the CMBS and SASB bond buyers are in where they think the credit worthiness on the underlying tenants and cash flows are. So, we're being really supported by the debt markets and that's only going to benefit ultimately the acquisition and disposition markets.

Brian Kingston, Executive Chair, Real Estate

Yeah. I think most people have the impression that the market for malls and office buildings, frankly, has been very quiet. It's actually been pretty active. Do you want to maybe, Ben, touch on a couple of deals we've done, but we've sold 37 assets over three years?

Ben Brown, Co-President, Real Estate

We've gotten plenty done. I think in a pretty challenging environment and our pace over the last 12 months is up 40-ish percent on, sort of, a run rate in terms of assets sold. But I'd say we're finding the spots in the pockets where there is for an idiosyncratic reason, really aggressive and keen capital. So, One Churchill Place is the perfect example of this. An office building leased to Barclays. They were about to embark on a refurbishment of their space. They had a lease with some term left, but not a tremendous amount of term relative to the investment that they were going to make into that asset. And notwithstanding, when their lease was going to be up, they knew that their rent was going to go up pretty tremendously. And so, we were able to actually sell that asset onto them at a really great price.

A large asset, 750 million pounds, is not where I would tell you traditional liquidity is for office today, but it was a spot where we had the right asset in the right market with the right user or the right buyer. I think we're starting to see that in plenty of markets around the globe that we operate in where there are reasons people want exposure to certain types of assets or certain quality of assets in certain locations and they're scarce. And we're starting to see scarcity premium on pricing. It's selective. And I think that's the point I'd make on our pace. We will take advantage of that when it's there, but we won't rush into a market if we think that the market is not properly valuing assets just for the sake of monetizing.

Brian Kingston, Executive Chair, Real Estate

Yeah, that's a great example. That 750-million-pound price is a hundred million above where we were carrying it on the books as well. So, I think when you find opportunities like that, you got to—Yeah, you have to be opportunistic about it. And so, look, if the fundamentals are good and the markets are still relatively quiet, are we putting any money to work in our office or retail right now? Where are you investing these days?

Ben Brown, Co-President, Real Estate

Yeah. Look, as you know, and all of you can imagine, our teams are always looking for the right opportunity to invest capital. Capital is not the constraint on investing for us. It's finding the right opportunities and frankly, the opportunities that make sense and that are accretive to what we have. You saw on Nick's slide, we have the optionality when we recycle capital, what we can do with it. So, the bar is pretty high because the bar isn't, "Hey Ben, go find the best office deal." The bar is if we have capital at the end, let's figure out the best risk adjusted return for that. So, the aperture is pretty wide, which means when we are looking at potential retail investments or potential office investments, they've got to be highly strategic. They've got to be highly accretive. I think the market still got enough dislocation in it that we will always find interesting opportunities.

Sometimes that's where we can add a tremendous amount of value and those things come to us because of the platform we have. Or sometimes it's because of the information asymmetry we have with some of our occupiers where we can go find assets where we know we can add value. There's something that we'll announce shortly in New York, which is highly strategic to what we have, exactly that sort of opportunity where the existing incumbents probably felt like it was under managed, wanted a partner that could add a lot of value, a partner that could invest alongside with them and be aligned, and a partner that could actually bring some tenants in demand and reposition it in placemaking. Those are the kinds of opportunities that I think we can earn a lot of upside and a lot of alpha on when we find the right one. So, I'd say we're selective, we're patient, and we're looking at everything on a relative basis across all the investment opportunities in the business.

Kevin McCrain, Managing Partner, Real Estate

On the retail side, it's similar. We are looking at opportunities to deploy capital into our business for growth and externally. Inside our business, we saw two examples earlier like Plaza Frontenac and Stonebriar. We think we're going to be able to surface a lot more opportunities like that in the near to medium term, just with where tenant demand is and where customer demand is. But as Ben said, look, we're going to deploy when we do those sorts of redevelopments in our best assets at compelling risk adjusted returns with a really clear business plan and strategy over what we want to do.

Another avenue where we've been successful very recently this year about deploying capital into our assets, one of our JV partners at one of our core-plus assets was looking for liquidity and we were able to buy their interest out at a compelling cap rate. We had clear line of sight to what our business plan was, real conviction around it. It was the dominant center in its market, and we were able to put capital out at double-digit cash yields and approaching 20% returns. And that's what we're really looking for.

When we look to buy assets, new assets, it's not a dissimilar approach. We're looking at everything that comes out so that we have perfect information, but we want to make sure we're buying the best assets in their markets, in growing demographic areas, high household incomes, but really a clear business plan and strategy where our platform can come in and create value at the right risk adjusted returns. We don't just want to put capital out there, but we're going to do things that are

complementary to our business where we can leverage our expertise and get outsized returns. Those opportunities are there, but as Ben noted across our business, we're going to be pretty selective about how we deploy capital in those ways.

Brian Kingston, Executive Chair, Real Estate

Okay. So, I think we're running toward the end of our time here, but I'll maybe just try and bring it together. But look, I think obviously in terms of objectives for the portfolio, a lot of the focus today is on the operational improvements and taking advantage of this tremendous, embedded mark-to-market opportunity as leases are rolling over to really drive that NOI and FFO growth. Nick, the earnings are coming. But also at the same time, being thoughtful about how we're allocating capital both to the existing assets, the ones that we're choosing to invest in versus the ones that we're choosing to sell versus things we may be acquiring down the road.

So, I think that has always been the focus. I think that continues to be. I think as we look at how the plan rolls out and what's built into Nick's numbers, if we're successful in doing all that, renewing those leases and marking them to market, it drives a 4% same store NOI growth across the business over the next five years. That's going to allow us to pay \$3 billion of distributions up to BN out of the real estate business just from regular operating cash flows. And if the transaction markets continue to be supportive, we're able to execute on some of these asset sales and recycling programs, there's another \$10 billion net of new investments that is potentially available for either redistribution up to BN or investing into new larger opportunities out there.

So that really is pretty consistent with how we've run the business for a long period of time. I think hopefully the impression or the sense you're all getting from this is the market has turned, fundamentals are good and we feel pretty confident about this plan.

BUILDING OUR FUTURE IN WEALTH SOLUTIONS

Sachin Shah, Chief Executive Officer, Brookfield Wealth Solutions

I hope you explain the business. I hope I leave you with something that you can look forward to that's exciting for the future, which is what we're building here. Sadly, no Cheesecake Factory stories on my part of the presentation. But what I want to lay out is what we've achieved and where this business is going. And there's been a lot of questions about it, so hopefully I can answer most of them through this presentation.

I'll start with where we are today. We have built Brookfield Wealth Solutions into a global leader in retirement, and that's a meaningful step change from where we started. And I'm going to explain a little bit about how we got here.

The easy story is that we bought a bunch of companies, stitched them together and built a large platform. Maybe the more important piece of it is we acquired companies for value that were highly scalable in the markets we want to be with a demographic backdrop that is super important that we can service. And each of the companies that we acquired has the operational foundation, the risk management culture, the technological backbone, the regulatory moat, and the distribution

capabilities that position us to scale for many years to come. And so, it leaves us in this tremendous position where we are not reliant on M&A for further growth in this business.

We have geographic diversification in all the Western markets. We're going to grow in the UK. We have ambitions to grow meaningfully in Asia. We're in Japan, but Hong Kong, Singapore are important markets for us and I can explain why. And all of this is facilitated because we invest in all of the strengths of Brookfield. I won't belabor each of these. You've heard every one of the groups come up and talk about it, but the skill sets we have at Brookfield are uniquely complimentary to the business that we have. And so, what that's meant is five years of work, building out the business, acquiring companies, repositioning, growing, and what do we have to show for it today?

First, every one of our insurance companies is rated A by S&P, by AM Best, by a number of the rating agencies. Number two, we've scaled up to almost \$200 billion of insurance assets. Size is important, but it's not the most important thing. We generate \$2 billion of distributable earnings annually in this business. We generate over three and a half billion of capital in the business per year. We have stayed true to our compounding objectives that we set out five years ago. Year over year, we've been able to deliver mid-teens compounded returns on all of our equity capital. And we've done it by using our own capital at Brookfield rather than relying on clients or third-party investors.

And it's meant that we could be highly flexible, we could be nimble, we could move quickly, and most importantly that we're aligned with policy holders, which in today's environment is very, very important. You've heard all the themes today. They're all exciting. AI is super exciting. Compute is going to solve many problems that have been a mystery to people for many decades. Health innovation is happening at a rapid pace. There's cancer treatments, there is longevity treatments, GLP-1s, all the things you read about. Private credit has been, to a degree, highly innovative. It's a new source of capital and it's flown into the markets and provided capital for all the growth that you're seeing.

But the one piece of, or the one theme that maybe doesn't get talked about as much but may have the most profound implications over the next 40 years is longevity and demographics. All of the topics of the day are interesting and exciting, but in the Western world, people are getting older and living longer and the implications of that at the exact same time as global migration patterns are changing and people are putting up walls and barriers will have dramatic implications to the way we service people in older age. Let's start with the Western world, the US, Europe, Japan, parts of Asia. Today, one in six Americans is 65 and older. That's going to go to one in four in 25 years.

If you go to Europe in 25 years at the same time, you're going to have a population in Europe where everybody who's over 20 years old, so let's say everybody over 20 is working age. Two thirds of that population will be over 65, one third will be under 65. That has a dramatic implication on productivity, on fiscal responsibility, on social safety nets, and there's no government program that can solve for that. And what we're building here today directly addresses that problem and therefore retirement deficits are large, they're going to keep growing and the need for wealth products is growing every day.

Brookfield

Maybe the most amazing thing and why we've been successful is that what Brookfield does has been solving for that problem for 30 years and the business we have built is uniquely at the intersection of that phenomenon. We invest in the global economy, in backbone assets that allow people to increase their productivity. And when you have less and less in the labor force, there's going to be more pressure on technology improving productivity. And then those returns accrue back to our investors who are solving for a problem far down the road. Think of a pension plan who would have been a traditional investor in Brookfield Asset Management. No different, that problem exists for individuals.

And so, with that backdrop, with our scaled platform, without the reliance on M&A, we have a growth plan that we think is highly credible. It's ambitious, but it will change the face of Brookfield. First, let's stick to what's not going to change our approach to investing. We maintain a very flexible approach on the insurance balance sheet. We've talked about last year, it's called a barbell approach. Half of our assets are liquid assets, bonds, equities, cash. On any given day, we're sitting on \$10 to \$15 billion of treasuries and cash in the business. We operate with very strong ratings. This is a trust business.

In a trust business, you need a fortress-like balance sheet, and A ratings helps validate that and a lot of liquidity. And then we plug in the other half of the balance sheet into Brookfield Asset Management. And all of the expertise that you heard about today really help drive maybe the most important differentiator, excess returns. We can generate excess returns by virtue of having expertise in private real assets relative to just investing in the public markets and being a price taker on value. And if you look at an illustrative portfolio, and this moves around.

But in general, this is our portfolio, you can see it's well diversified between the things we do, real estate, infrastructure, energy, industrials, corporates, and it cuts across the capital stack from senior lending all the way down to equity. And that half of the pie generates very, very meaningful excess returns for us underpinned by a strong capital base and allows us to build this business out very thoughtfully. Maybe more importantly, and the thing that never gets seen is in the middle of consistent results as our results are stable year over year and growing, that strategy insulates us from volatility, inflation, and rates.

You hear it all the time from my colleagues who talk about our assets, real assets have inflation pass through, appreciate in value over time. And that ability to be insulated from the volatility of the short-term market allows us to grow with confidence and to deliver consistent results. On top of that, we obviously have to be thoughtful. We can't just plug and play and drive on. And by being thoughtful, it means understanding where you are in the economic cycle. Early part of the decade, private credit spreads were very wide. Access to capital was scarce. Of course, we were going to inflect more into private credit, pick up all of that value.

As we saw spreads come in, we moved more into our traditional equity strategies because we saw that real estate and infrastructure and other pockets of what we do well presented better relative value. Today, we see elevated rates. We kept our asset portfolio pretty short for this entire period, and we kept our liability profile very long. Our average cost of funds and the liabilities we have on \$200 billion of liabilities is 4%. So, in effect, we have a 4% pool of liabilities that we need to out earn,

and we have kept our asset position short. Why? Because we want it to be ready if the back end of the curve steepened, and we're seeing that today and we're starting to term out. I think this week the 10-year hit 5%.

So, think about it. We can buy a 10-year treasury at 5%. We wrote a pension at 375 three years ago for 15 years, call it, zero capital charge. It's infinite leverage and you can earn 125 basis points. That's an example of the types of things we can do in this business. And where you do see it, you don't see all the day-to-day decisions, you don't see us allocating to our different strategies, but where you see it in the very simplified way is credit spreads tightened 300 basis points over the last several years. Everyone's seen it, the drive to credit. At the same time, annuity rates went up in excess of 200 basis points.

So, what happened is for most of our peers, margins compressed and margins we call spreads here. Our spreads have stayed largely the same. That is one data point that demonstrates the power of the Brookfield asset management platform to source grace investments, our ability to then pivot as the markets evolve and the ability to generate consistent results over a long period of time. And this investment strength allows us to confidently scale this business. In the early days, we were learning and we were figuring it out, and once we saw the power of our platform in practice and our ability to actually allocate these inflows that were coming in, it gave us that conviction.

I think Connor touched on it earlier, we start small, we start small, and then we have conviction and scale, and that's effectively what we did here. And what that means is we are now in stage two of this business, organic growth. The M&A is behind us, the seeds have been planted, we have all the platforms we want to have. Of course, things come up from time to time and if we see a value opportunity, we'll execute, but we are now in a position where we can scale every one of our platforms around the world based on what we have in place. And this is an example, but in the US today, there's \$350 billion of fixed annuities that get sold annually. Two thirds of that gets sold through banks and broker dealers.

We bring in \$25 billion of inflow a year. Only one third of our product gets sold through banks or broker dealers. And in the US, it's only 20%. So, you can see how much opportunity we have just to grab market share as we start to look like everybody else in terms of the wealth channels. And it's early days, we are on five bank channels today. We expect to be on a dozen or so in the next couple of years. And as we increase our penetration with the banks and because of our franchise, we have excellent relationships with the large financial wealth houses, you will see natural growth in our distribution and our sales.

We acquired Just in the UK and a number of people today at lunch were asking about Just, just to level set, \$45 billion of assets, a platform that specialized in small pensions in the UK. They have a technology backbone that allows them to aggregate small pensions much more efficiently than most. And they also have a retail annuity business. And again, with the same demographic dynamics, we think both of those will be very important. And \$40 to \$60 billion of pension schemes sterling, \$40 to \$60 billion Sterling of pension schemes in the UK come to market every year. So, it's enormous opportunity. That's just one of our markets that we think we can grow.

And what that means is in this next stage, as we look at the next five years, without heroic assumptions, our annuity business, which is largely in the US, can grow from \$17 billion a year to \$25 billion. Our pensions in the UK, the US and the United States can double. Our funding agreements, our property casualty business, modest increases in that. And you can start to see a path where we're generating between \$40 and \$50 billion a year of inflows. And again, these are modest increases to everything that we've built out. None of it relies on M&A and you can see dramatic increase in the size of this business. What would it do if we executed down this path?

Our assets will grow to almost \$400 billion in the next five years, net of outflows. Our assets will grow to almost \$400 billion net of outflows in the current environment we're in with the business we have. And our distributable earnings will grow to almost five billion a year from over two billion today. And if we get there, the value of this business, just this business is almost \$40 a share. Brookfield Corporation today trades at almost \$40 a share. Forget what its value is much higher, but this business will be worth \$40 a share. So, we have planted the seeds, we have the platforms in place, we have all the distribution capabilities, we have an incredible demographic backdrop.

We have the investment capabilities through Brookfield Asset Management. And in this environment, in the next five years, we can recreate the value that's in the share price of Brookfield today. So, where does that leave us? As I said, there's an enormous retirement deficit. This is not going away. This is not a short term phenomenon. This is a 50-year phenomenon that will have profound implications. Our business can serve in all of these markets. BAM is truly a unique differentiator given its diversity and what it does. We are focused on compounding our capital and in conclusion, I'll leave you with these three things.

When we were up here five years ago and we said we would do this, we did what we said we would do. Number two, we have a tremendous platform with very meaningful upside from here. Combining back into Brookfield, the integration into Brookfield Asset Management, the synergies that this business has with the entire ecosystem across Brookfield, there's nothing like it. It's entirely unique and it will deliver tremendous value to our shareholders.