

Brookfield Corporation Shareholders

Business has been Strong

We had another quarter of strong operating results as we continue to benefit from both our leading position in the asset classes across alternatives which have been experiencing strong growth, and the resiliency of the cash flows generated by our \$140 billion of perpetual capital.

Across the franchise, we are capturing increasing allocations from institutions, pension plans, sovereigns and individuals towards real assets and private credit. And the increasing allocation to alternatives is also growing in our retail and wealth distribution channels, which today raise approximately \$800 million a month and should grow to over \$1.5 billion a month in 2024. Overall, our asset management business has raised \$61 billion of capital to date this year, and our insurance solutions business is set to more than double its assets to over \$100 billion in the coming months. This sets us up well for a strong end to the year and step-change growth as we head into 2024.

At the same time, our ability to execute buyouts, partner or lend at scale across a wide spectrum of real asset classes is differentiating the franchise now more than ever. Over the last 12 months, we have deployed \$65 billion of capital to acquire high-quality businesses for value and have recycled over \$35 billion through monetizations. As the macroeconomic picture becomes clearer, we expect transaction activity to continue to pick up through 2024, with next year slated to be another strong investment year.

Our success is in large part due to our significant levels of liquidity across the group, which today stands at nearly \$120 billion, and our access to multiple sources of capital. Through our deep relationships with leading global banks and our strong reputation as a responsible borrower, we have been able to successfully finance and refinance our existing assets and businesses and raise fresh capital to support growth, at a time when many are finding financing tougher to access.

Transaction Activity is Picking up as Interest Rates Crest

Central banks have made significant progress in lowering headline inflation. At the same time, while slowing, economic activity has been resilient and labor markets have remained tight, particularly in the United States. We believe that interest rates have crested around the world and will remain at or around their current levels before coming back down in the medium term.

With this backdrop, market participants' confidence in pricing risk has increased, which has in turn improved liquidity in the capital markets. And with record levels of dry powder currently on the sidelines, we expect a very busy period of transaction activity through to the end of next year.

Geopolitics, as is often the case, is the wild card that could lead to heightened volatility in the near term, but we expect that this will not impact the long-term outlook for the overall global economy. More specifically for Brookfield, owning businesses and assets that form the backbone of the global economy is a safe place to be in all markets.

Operating Results were Strong

During the quarter, each of our businesses generated strong cash flows and exhibited solid underlying fundamentals. Our positioning around the global demand for alternative investments and real assets is a key driver of performance and a differentiator for our franchise.

Financial Results

Distributable earnings before realizations were \$1.1 billion in the quarter and \$4.2 billion for the last 12 months. This represents an increase of 11% per share over the prior year, after adjusting for the special distribution of 25% of our asset management business that we completed in December last year.

Asset Management – Our asset management business delivered strong results, generating \$634 million of distributable earnings in the quarter and \$2.6 billion over the last 12 months. Fee-related earnings increased by 13%, when excluding performance fees, compared to the prior year. This growth was driven by recent fundraising momentum, which increased fee-bearing capital to \$440 billion at the end of the third quarter. We closed our largest ever private equity fund, bringing the total raised for the strategy to \$12 billion, which is a testament to our strong track record and longstanding investment approach focused on high-quality, cash-generative, essential businesses. Shortly after quarter end, we also closed our third global infrastructure debt fund, which at \$6 billion is more than two times larger than the predecessor fund. We also expect a further acceleration in fundraising through the end of the year and heading into 2024, with closes anticipated on our large flagship funds focused on global secular trends. We remain on track towards achieving our \$150 billion capital raising target.

Insurance and Retail Wealth – Our insurance solutions business benefited from strong investment performance, with distributable operating earnings of \$182 million in the quarter and \$657 million over the last 12 months, significantly higher compared to the prior periods. We continue to originate new annuity policies and redeploy our liquid, short-duration investment portfolio into higher yielding assets, further expanding the spread earnings of our existing business. During the quarter, our average investment portfolio yield was 5.5% on approximately \$50 billion of assets, about 200 bps higher than the average cost of capital. Annualized earnings from this business remain on track to reach \$800 million by the end of 2023. With the anticipated closing of the acquisitions of Argo Group and American Equity Life, our insurance assets will be over \$100 billion and annualized earnings will be over \$1.2 billion by next year. We also continue to increase our distribution to retail and wealth through various channels, raising about \$800 million a month through our Manager from retail products for high-net-worth clients and through origination of annuities within our insurance solutions business. This should increase to over \$1.5 billion a month in 2024, and we expect this capital source to continue to grow in the future.

Operating Businesses – Our operating businesses continue to deliver stable and growing cash flows, underpinned by demand for our inflation-linked, highly cash-generative assets. Cash distributions were \$366 million in the quarter and \$1.5 billion over the last 12 months. Our renewable power and transition, infrastructure and private equity businesses generated resilient and growing cash flows, supported by the solid earnings and essential nature of the businesses and assets that we own. We continue to achieve strong performance in our core real estate portfolio, with growth in same-store net operating income (“NOI”) of 9% compared to the prior year. Foot traffic increased by 7% versus the comparable period at our core retail portfolio, while leasing activity remains robust, with 0.8 million square feet completed in the quarter across our office assets.

Monetization Activity

Our global deal pipeline remains robust. Year to date, we have sold approximately \$25 billion of assets at strong valuations and have completed over \$35 billion of monetizations over the last 12 months—substantially all transacting at values higher than our IFRS carrying values. We recently sold or agreed to sell, a manufactured housing portfolio in the U.S. for approximately \$390 million, a partial stake in a technology services business at an implied enterprise value of over \$1 billion (and a 3.5x multiple of capital), and a partial interest in our telecom business in India for \$250 million. Year to date, we have recognized \$470 million of net realized carried interest

into income, and we remain on track to realize well over \$500 million of net realized carried interest into income in 2023.

Share Repurchases

Overall, since the end of the last quarter, we continued to reinvest in our businesses but also returned over \$400 million to shareholders through regular dividends and share repurchases, taking total share buybacks over the last 12 months to approximately \$750 million. With the disconnect between intrinsic value and trading price for both BN and our listed affiliates, we are continuing to allocate capital opportunistically to buy back shares. It is worth noting that we recently started repurchasing BIP and BEP shares in the open market, in addition to the BBU shares already repurchased this year. All of these repurchases are highly additive to the net asset value of a BN share.

Balance Sheet Strength Matters

Over many decades and through various cycles, we have developed a simple set of core principles with regards to financing our business. These principles still guide us today, and they are as follows:

- Always maintain significant and multiple sources of liquidity at the Corporation. Opportunities come to those with capital.
- Finance investments using non-recourse, asset-level debt, without cross collateralization.
- Ensure our businesses and assets can be financed on a standalone basis, but act as a long-term owner and support businesses to ensure we create long-term value.

Last quarter, we highlighted how our access to multiple sources of capital throughout the organization is a significant competitive advantage in the current environment. Building on that, we felt it important to highlight the significant liquidity that we have as a franchise; reinforce the advantages of asset level non-recourse financing; and describe how our businesses continue to successfully finance their operations on a standalone basis.

Cash is King

During periods of volatility or heightened uncertainty, we are reminded of how important it is to have significant amounts of liquidity and how crucial it is to match the duration of one's capital with the life cycle of an investment. The most damaging position to be in is to be forced to sell assets or raise equity capital at the low point in a cycle, subsequently removing the ability to participate in the recovery as a result of undue dilution at the wrong time. This dilutive process is one of the most destructive forces that exists in long-term wealth creation.

With nearly \$120 billion of deployable capital, we are in a very strong position. At the Corporation, in addition to holding \$4 billion in cash and financial assets, we have liquid securities of a further \pm \$60 billion on our balance sheet, and another \pm \$50 billion of insurance float which will soon be \pm \$100 billion. We also have the ability to raise additional capital through public debt offerings in the capital markets, with significant headroom in our current credit ratings—not to mention the approximately \$5 billion of distributable earnings we receive annually.

As a result, we are well prepared to withstand any adverse cycle and, most importantly, are able to focus on growth at a time when we believe excellent value investment opportunities are coming in 2024. This should see us emerge from this cycle in an even stronger position.

The Advantage of Asset-Level Non-Recourse Financing

We take a bottom-up approach to financing the investments we own. This means that the vast majority of our debt is at the individual asset (or portfolio company) level and is sized appropriately for that specific investment to be

sustainable through a cycle. Each loan has recourse only to the specific asset that it finances and, importantly, gives lenders no recourse to BN, BAM, or our perpetual affiliate balance sheets.

Our approach to leverage has been designed to optimize our capital structure and insulate the Corporation and our broader business from issues at specific assets that may arise from time to time. This has stood the test of time over the past 30 years, including during periods of stress far greater than what the markets are seeing today. We pride ourselves on being a responsible and strong counterparty to those who lend to us—but at the same time we, along with our lenders, approach financings on an asset-by-asset basis. Our approach to financing our business, along with our reputation and our relationships, are core strengths, enabling us to have continued access to capital at a time when many others find it harder to raise financing.

In just the past few months, despite the market uncertainty and volatility, our businesses have been able to access the capital markets **executing on approximately \$25 billion of financings**, increasing the duration, and in many cases tightening the spreads of the debt. To illustrate this point, we note some of the financings below—all of which are non-recourse to BN, BAM, our listed affiliates, or any associated fund; they are also not cross-collateralized to anything. They stand alone, like virtually all our financings.

A few highlights include:

- Our Renewable Power and Transition business continues to see strong demand from lenders for transition opportunities and recently sourced ~\$1.5 billion of financing for the acquisition and future build-out of Duke Energy's renewables portfolio.
- Our Infrastructure group completed a refinancing of over \$1 billion of its North American residential decarbonization business. Despite tight conditions in financing markets more broadly, we were able to achieve the strongest pricing for any first-time issuer in the finance market this year, due to the high-quality operating model of the business and our strong reputation as a sponsor.
- Our Private Equity business opportunistically took advantage of the improved tone in the finance markets recently and was able to refinance \$3.6 billion of debt at our automotive dealer software and technology services operations, leading to meaningful interest savings with an all-in cost approximately 50 bps below the cost of the debt it replaced. This is the fourth operating company refinancing completed within our Private Equity business in the last few months. In total, we have refinanced nearly \$15 billion of debt since the start of the year, **all completed with effectively no increase to the overall cost of debt**.
- Our Real Estate business continues to access the capital markets globally at meaningful scale. Year to date, **we have completed \$23 billion of refinancings**, which consisted of 131 individual loans, with no material impact to liquidity. We expect to fund our upcoming maturities with similar success. A few highlights this year include approximately \$9 billion of office financings closed in the U.S., Europe, Brazil, Australia and India. This included approximately \$600 million for an office asset in Australia to refinance existing debt and support growth. We also refinanced \$700 million on a luxury retail asset in Chicago, which included a net capital repatriation to our cash accounts of over \$200 million.

Overview of Investor Day

We hosted our annual Investor Day in September. For those who were unable to attend, the webcast and materials are posted on our website.

As we outlined at Investor Day, the Corporation is uniquely positioned as a premier global wealth manager. Through BAM, one of the world's largest alternative asset managers, and our insurance solutions business, we are capturing increased global demand for alternative investments. Our goal for all our constituents is to compound wealth at strong returns, while taking moderate risk.

We remain well positioned in the current environment, given our central position around the global secular trends of decarbonization, digitalization and deglobalization. The scarcity of capital for many others and an investment environment today that puts a premium on operating expertise bodes well for our continued scaling of the business.

Our significant competitive advantages of scale capital, global footprint, deep investment and operating expertise, and our reputation as a superior partner are differentiating the franchise. This is important now more than ever.

Our plan is to grow distributable earnings and intrinsic value by $\pm 20\%$ on a compound annual basis over the next five years. Your entry point today could lead to even better returns, as you can acquire shares at a cheaper price than their current intrinsic value.

At Investor Day, we placed extra focus on the components of our business that are held privately and, in our view, are therefore less understood – our insurance solutions business, real estate business and carried interest.

Insurance Solutions

Our insurance solutions business is growing rapidly, with the goal of scaling to \$500 billion of assets over the next 10 years. With the significant increase in demand for annuity and retirement products, particularly in the U.S., we see a significant opportunity to further grow this business now that we have scale origination capabilities.

With the ability to deploy insurance capital into our alternative strategies, we expect that this business will continue to provide excellent returns on capital and create significant value for the Corporation over a long period of time.

Real Estate

Separate and distinct to the globally diversified portfolio of real estate owned within our private funds, we own a portfolio of world-class real estate directly on our balance sheet. Backed by our perpetual capital, our goal with this portfolio is to own the highest quality assets that compound cash flows and value over long periods and provide attractive risk-adjusted returns through cycles. Our perpetual investment horizon enables us to be patient and remain focused on the fundamentals. This portfolio of premier properties continues to perform well. We think of the real estate owned directly on our balance sheet in two categories:

The first is our **Core** real estate portfolio, which is comprised of 35 of the highest quality retail, office and multifamily residential assets in key markets around the world. This portfolio continues to outperform the overall market, seeing growth in NOI driven by strong underlying fundamentals and tenant demand. This is important because while interest rates have impacted cash flows in the near term, values are driven by underlying fundamentals which have remained strong. We plan to hold our core portfolio on our balance sheet or within our insurance solutions business for a very long time and expect that it will compound and generate compelling returns for us.

The second category is our **Transitional and Development** portfolio, which consists of office and retail assets that we plan to enhance and sell over time. We continue to make good progress on our buy-fix-sell strategy across this portfolio, and as we execute on monetizations, the proceeds will be recycled into opportunities across our broader business.

We also continue to refinance the in-place debt across our real estate business which has a well-laddered maturity profile, with all 2023 refinancings completed and no material liquidity impacts expected as we look ahead to 2024.

Carried Interest

Carried interest is our hidden jewel, and we expect that it should drive significant growth in earnings for the Corporation over the next five years. Our Manager is planning to build on its excellent track record by continuing to scale its fund offerings, achieving at or above target returns and generating significant carry for us by executing on monetizations over time.

The carry we are expecting to earn is diversified across real asset classes, risk profiles and strategies, reducing the volatility of carry realizations. Over the next 10 years, our plan is to realize \$26 billion of carried interest, net to the Corporation, which should provide meaningful cash for us to grow our business. We will likely direct a meaningful portion of this \$26 billion of cash towards share repurchases of BN and/or BEP, BIP and BBU should the current disconnect between the intrinsic value and share price for all of these securities continue to exist.

Our Infrastructure and Renewables businesses are in Excellent Shape

Our Manager (BAM) and each of our listed affiliates also had Investor Days of their own, with the webcast and materials posted on their respective Investor pages of our website.

These businesses all have a strong foundation for growth, are well positioned around global secular trends, and benefit from being part of the broader Brookfield Ecosystem, providing them with access to scale capital, deep operating and investment expertise, and global proprietary investment deal flow.

Given the impact that interest rates and broader sector challenges have had on the trading prices of all “dividend yield” securities in the renewables and infrastructure sectors—our renewables security (BEP) and infrastructure security (BIP) being no exception—it is important to reiterate why we continue to expect to earn very attractive returns on the capital we have invested in these businesses over the long term.

First, each of these businesses is highly diversified by sector and geography, generating stable and often inflation-linked cash flows with high cash margins. In almost all instances, they own companies or assets with market-leading positions and high barriers to entry, all of which makes the earnings of these businesses very resilient and stable.

Second, given the nature of the cash flows of these businesses, they are financed on a long-term, fixed-rate, non-recourse basis, which means the impact of the recent rise in rates has been nominal. In fact, since the rise in rates has largely been brought about by higher-than-target inflation levels for many of the developed economies around the world, the cash margins for these businesses are expanding more rapidly than in the past.

Third, these businesses offer great opportunities to invest additional capital to enhance returns. Some of our best risk-adjusted returns are often earned by reinvesting in the underlying operations of these businesses, which we have done for the past decades at excellent returns. Each business today also faces a very visible pipeline of organic growth opportunities over the next several years and, therefore, has good prospects for growth.

Last but not least, given the diversity of the portfolios from a scale, sector, and geography perspective, they are well positioned to execute on capital recycling initiatives to further enhance returns. Real assets with high-quality cash flows and leading market positions are highly sought after; the resilient performance of these assets over the past couple of years demonstrates this well.

And so, while many in the renewables and utilities sectors are on the defensive and looking inward, our businesses, with their access to our institutional capital, are well positioned to strengthen their franchise even further. We expect the recent volatility in the markets to provide them with the opportunity to leverage their scale, access to capital and operating expertise to deploy significant amounts of capital for value in the months ahead. Given the current trading prices for BEP and BIP, along with our strong conviction in the intrinsic value of these businesses, we have begun allocating capital to buy more of their shares in the open market, similar to what we have been doing with BBU this year.

The Backbone of the Global Economy for AI is Powered by Brookfield

A large part of the business discussion of the last year has been about AI—specifically, how it will change business and who will win and lose. We believe that, unlike some “new technologies”, this is a very real possibility and investors need to pay attention.

Less frequently discussed, however, is the impact AI is having on the backbone of the global economy and the amount of funding required to launch us into the AI generation. This digitalization investment, which is powered by renewables, requires tens of trillions of dollars in investment.

As one of the largest developers of renewable power, data centers and real estate for this industry, we are seeing a very dramatic impact on the scale of the investment which is required. The bottom line is that we have never seen greater demand for these products at any time in our history.

Our Ecosystem Positions Us as a Partner of Choice

By leveraging Brookfield’s ecosystem, we are providing turnkey solutions for green data centers on a global basis with a large portfolio that can provide unique and flexible options for customers.

As AI increasingly becomes a more vital, growing and valuable segment for many large corporates around the world, the ability to execute global scale solutions for green data centers is becoming more critical. We expect that a few global scale solution providers will emerge as the winners.

Our data center, renewables and real estate businesses are leaders in their respective sectors; however, we believe the greatest opportunity lies in what we can achieve by having these businesses work together to provide unique integrated solutions to some of the largest global players in AI.

Our Infrastructure business owns and operates one of the largest global data center platforms across five continents. Our operating capacity is close to 500 megawatts and, when combined with a 775-megawatt capacity backlog to be built over the next several years, we will soon have nearly 1,275 megawatts of operating capacity. As a result, we can provide a highly flexible and consistent offering to meet global capacity requirements for large corporations.

Our renewables business is a global leader, with 31 gigawatts of operating capacity in approximately 30 markets and 20 countries around the world, and approximately 144 gigawatts development pipeline. With this operating and development capability, we can provide green power to practically every major power market globally, combine multiple technologies, and leverage our development, procurement, construction, financing and operational capabilities to deliver cost-competitive solutions to AI customers. This power is increasingly being contracted for data centers globally.

Lastly, as one of the largest global investors in real estate across a large footprint, particularly in many of the global gateway cities around the world, we also provide bespoke facilities to support the build-out of green data centers. We expect that, as demand accelerates, our global office, logistics and retail portfolios will provide interesting options for those looking for well-located space for their data infrastructure needs. Our ability to offer this range of solutions is creating exciting partnership opportunities.

The Amount of Capital Required is Very Substantial

The build-out of data centers and renewables is very capital-intensive, and our significant access to large scale capital differentiates us. Equity and debt capital across the risk-return spectrum will be required to support this build-out, and we have the relationships, scale and diversity of capital across our business to support this.

All of this means we expect that AI should be highly additive for our business, and this process is only just getting started.

Closing

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

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

Sincerely,

A handwritten signature in black ink, appearing to be 'B. Flatt', with a stylized flourish at the end.

Bruce Flatt
Chief Executive Officer

November 9, 2023

Cautionary Statement Regarding Forward-Looking Statements and Information

All references to “\$” or “Dollars” are to U.S. Dollars. This letter to shareholders contains “forward-looking information” within the meaning of Canadian provincial securities laws and “forward-looking statements” within the meaning of Section 27A of the U.S. Securities Act of 1933, as amended, Section 21E of the U.S. Securities Exchange Act of 1934, as amended, “safe harbor” provisions of the United States Private Securities Litigation Reform Act of 1995 and in any applicable Canadian securities regulations. Forward-looking statements include statements that are predictive in nature, depend upon or refer to future events or conditions, include statements which reflect management’s expectations regarding the operations, business, financial condition, expected financial results, performance, prospects, opportunities, priorities, targets, goals, ongoing objectives, strategies, capital management and outlook of Brookfield Corporation and its subsidiaries, as well as the outlook for North American and international economies for the current fiscal year and subsequent periods, and include words such as “expects,” “anticipates,” “plans,” “believes,” “estimates,” “seeks,” “intends,” “targets,” “projects,” “forecasts” or negative versions thereof and other similar expressions, or future or conditional verbs such as “may,” “will,” “should,” “would” and “could.” In particular, the forward-looking statements contained in this letter include statements referring to the impact of current market or economic conditions on our operating businesses, the future state of the economy or the securities market, share repurchases, the expected future trading price of our shares or financial results, the results of future fundraising efforts, the expected growth, size or performance of future or existing strategies, future opportunities, or the results of future asset sales.

Although we believe that our anticipated future results, performance or achievements expressed or implied by the forward-looking statements and information are based upon reasonable assumptions and expectations, the reader should not place undue reliance on forward-looking statements and information because they involve known and unknown risks, uncertainties and other factors, many of which are beyond our control, which may cause the actual results, performance or achievements of Brookfield Corporation or Brookfield Asset Management Ltd. to differ materially from anticipated future results, performance or achievement expressed or implied by such forward-looking statements and information.

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 including as a result of COVID-19 and related global economic disruptions; (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 insurance solutions, real estate, renewable power and transition, infrastructure, private equity, and credit; 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 its results. Investors and other readers are urged to consider the foregoing risks, as well as other uncertainties, factors and assumptions carefully in evaluating the forward-looking information and are cautioned not to place undue reliance on such forward-looking information.

Except where otherwise indicated, the information provided herein is based on matters as they exist as of the date hereof and not as of any future date. Unless required by law, we undertake no obligation to publicly update or otherwise revise any such information, whether written or oral, to reflect information that subsequently becomes available or circumstances existing or changes occurring after the date hereof.

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

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

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

Cautionary Statement Regarding the Use of Non-IFRS Measures

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

We make reference to Distributable Earnings, which refers to the sum of distributable earnings from 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 preferred share dividends and equity-based compensation costs. We also make reference to Distributable Earnings before realizations, which refers to Distributable Earnings before realized carried interest and disposition gains from principal investments, and net operating income, which refers to the revenues from our operations less direct expenses before the impact of depreciation and amortization within our real estate business. Our outlook for growth in Distributable Earnings assumes growth in fee-related earnings and realized carried interest in line with our business plans, which assume growth in our fee bearing capital consistent with our fundraising plans, capital deployment expectations, maintaining the fee rates we earn on fee bearing capital and earning margins consistent with our current margin. Actual results may vary materially and are subject to market conditions and other factors and risks set out above. For more information on non-IFRS measures and other financial metrics, see Brookfield Corporation’s Q3 2023 Press Release, which includes reconciliations of these non-IFRS financial measures to their most directly comparable financial measures calculated and presented in accordance with IFRS.