Brookfield

Tax Q&A – Combination of BN & BWS

This is intended for informational purposes only for Canadian and U.S. shareholders of Brookfield Corporation ("BN") and is not tax advice. Canadian and U.S. shareholders should consult their tax advisors with respect to the tax implications of the Transaction. Also, please refer to the discussion under the headings (i) "Certain Canadian Federal Income Tax Considerations", and (ii) "Certain United States Federal Income Tax Consequences" in the joint circular supplement attached as Appendix B to the Management Information Circular of BN ("Transaction Supplement") posted on the Brookfield website June 5, 2026. Defined terms are as referenced in the Transaction Supplement.

Corporate Structure

- Brookfield Corporation Ltd. ("New BN") will be established as the new parent company of the group and will be formed in BWS's current domicile. BN and Brookfield Wealth Solutions Ltd. ("BWS") ("together with their subsidiaries referred to herein as Brookfield") will become subsidiaries of New BN.
- Brookfield Canada Corporation ("New BNC") will be established as a subsidiary of New BN to provide a tax deferral option for current Canadian-domiciled shareholders of BN. The shares of New BNC will be exchangeable into shares of New BN ("Exchangeable Shares").
- The Class A Shares of New BN will be listed on the TSX and NYSE and trade under the symbol "BN" and the New BNC Exchangeable Shares will be listed on the TSX and trade under the symbol "BNCC".

Transaction

- Under the terms of the Transaction, all class A limited voting shares of BN will be exchanged on a one-for-one basis for Class A Shares of New BN. Eligible Canadian Holders will have the option to elect instead to receive New BNC Exchangeable Shares or a combination of New BNC Exchangeable Shares and Class A Shares of New BN.

Tax Election

- To qualify for full or partial tax deferral on the transaction, Eligible Canadian Holders must file the Letter of Transmittal and Election Form (directly, or via their broker) and a joint election with New BNC under section 85 of the Income Tax Act (Canada).
- Eligible UK Holders must file a Letter of Transmittal and Election Form (directly, or via their broker) to qualify for tax deferral.
- Refer to the Tax Q&A For Canadian Resident Shareholders, Questions 3 through 6, and Tax Q&A For UK Resident Shareholders sections below for additional information regarding the election process and filing requirements.

Tax Q&A For Canadian Resident Shareholders

1. **Is the exchange of BN class A shares a taxable transaction?**

   The exchange of BN class A Shares for Class A Shares of New BN is a taxable transaction, and a capital gain or loss should be realized with respect to your BN shares.

   However, Eligible Canadian Holders can defer paying tax on some or all of the gain from exchanging their BN class A shares by making a joint tax election with New BNC under section 85 of the Tax Act. In the Transaction Supplement, an opinion is provided by Brookfield's Canadian tax counsel, McCarthy Tétrault LLP, that to the extent a valid election is made the exchange could occur on a tax-deferred basis in respect of your original BN shares.

2. **Do I need to file any tax elections or other tax forms in respect of the exchange of BN class A shares?**

   Yes, for the transaction to qualify for full or partial tax deferral, Eligible Canadian Holders must file a joint election with New BNC under section 85 of the Tax Act.

3. **How do I file a joint election with New BNC?**

   To make a valid joint election with New BNC, both of the following steps must be completed:

   Complete and submit your Letter of Transmittal and Election Form

   a. If you are an Eligible Canadian Holder, and you hold registered shares directly (i.e., not through a broker), you must complete and sign the Letter of Transmittal and Election Form included with your Transaction Supplement and submit it to TSX Trust Company before the applicable deadline, together with:
      (i) your BN class A share certificate(s) (if applicable); and
      (ii) any other required documentation.

      Non-registered shareholders should contact their broker for more details on how to complete the Letter of Transmittal and Election Form.

   b. Complete a section 85 joint tax election using the Tax Election Portal and submit to the Canada Revenue Agency

      Visit brookfieldtaxelection.kpmg.ca to access Brookfield's dedicated online election platform, which will be used to complete and administer the section 85 joint tax election process (the "Tax Election Portal"). Please refer to the Transaction Supplement for more details.

4. **When is the Letter of Transmittal Deadline and where should it be sent?**

   The Letter of Transmittal and Election Form is due before the transaction closes, which is expected to be before year end. BN will issue a news release outlining the exact date on which the Letter of Transmittal and Election Form is due.

   If you hold registered shares directly (i.e., not through a broker), the Letter of Transmittal and Election Form should be provided to TSX Trust Company (who is acting as Depository):

Tenders via Email:	Tenders via In-Person, Courier, Registered Mail:
(only for DRS/book-entry shareholders) tsxt-corpact@tmx.com	TSX Trust Company 301-100 Adelaide Street West Toronto, Ontario M5H 4H1 Attention: Corporate Actions

   If you hold your shares through a broker, they will collect the requisite information and submit the Letter of Transmittal and Election form on your behalf.

5. **When will the Tax Election Portal be available?**

   The Tax Election Portal will be available for submissions the day following the Effective Date and will be open for sixty days. The tax election portal is available at brookfieldtaxelection.kpmg.ca.

6. **Who is an Eligible Canadian Holder?**

   A shareholder is an Eligible Canadian Holder if they own a BN Class A share and are either:

   a. a Canadian resident for purposes of the Tax Act who is not exempt from Canadian income tax; or

   b. a partnership that qualifies as a "Canadian partnership" under the Tax Act.

7. **How many shares will I own after the exchange?**

   If no election is made, in exchange for each BN class A share held, shareholders will receive one Class A Share of New BN.

   Electing Eligible Canadian Holders will receive one New BNC Exchangeable Share for each BN class A share held or a combination of New BNC Exchangeable Shares and

Class A Shares of New BN in the amounts chosen by the Eligible Canadian Holder (on a 1:1 basis). Fractional shares will not be issued.

8. What will be the tax cost of the securities I receive in the exchange?

If no Tax Election is made, the tax cost of any Class A Shares of New BN received will be equal to their fair market value at the time of the exchange.

If a valid Tax Election is made and the shareholder elects to receive only New BNC Exchangeable Shares, the tax cost of those shares will be equal to the Elected Amount.

Where a valid Tax Election is made and the shareholder elects to receive both New BNC Exchangeable Shares and Class A Shares of New BN, the tax cost of the Class A Shares of New BN received will be equal to their fair market value and the tax cost of the Exchangeable Shares will generally be equal to the Elected Amount, reduced by the fair market value of the Class A Shares of New BN received.

The cost basis of a shareholder's Class A Shares of New BN will be reduced over time to the extent of any return of capital distributions received by the shareholder (please see the discussion of distributions below).

9. What is the tax nature of the distributions paid by New BN?

Distributions on the Class A Shares of New BN are expected to be made initially as returns of capital. If a distribution does not take the form of a return of capital, the distribution would be made as a dividend.

10. How will the distributions from New BN be taxed going forward?

Returns of capital will generally not be immediately taxable but will reduce the adjusted cost base of the Class A Shares of New BN, which may increase future capital gains.
Dividends paid on Class A Shares of New BN will generally be taxable as ordinary foreign-source income for Canadian tax purposes and will not qualify for the Canadian dividend gross-up and dividend tax credit.

11. What tax slip will shareholders of New BN receive?

Dividends paid by New BN will be reported annually on Form T5 by your Broker, which will be distributed to shareholders in February. Should New BN's distributions consist entirely of returns of capital in a given year, no T5 slip will be issued. Any return of capital amounts will not be reported on a T5 slip but will be available on our website.

12. What is the tax nature of the distributions paid by New BNC?

Distributions on the Exchangeable Shares will be made as dividends.

13. How will the distributions from New BNC be taxed going forward?

Dividends paid on New BNC Exchangeable Shares will generally be treated as taxable Canadian dividends for Canadian tax purposes. For individual shareholders, these dividends will generally qualify for the dividend gross-up and dividend tax credit regime, including the enhanced treatment for eligible dividends. Corporate shareholders may generally deduct such dividends in computing taxable income, subject to certain anti-avoidance and Part IV tax rules.

14. What tax slip will shareholders of New BNC receive?

Dividends paid by New BNC will be reported annually on Form T5 which will be distributed to shareholders in February.

15. Will distributions from New BNC or New BN be subject to withholding tax?

Canadian resident shareholders will not be subject to Canadian withholding tax on distributions from New BNC. At present, Bermuda does not have a withholding tax regime, as such any dividends from New BN to Canadian resident shareholders should not be subject to Bermuda withholding tax.

16. Will the Class A Shares of New BN and New BNC Exchangeable Shares be qualified investments for purposes of registered accounts (RSP, TFSA, etc.)?

Yes, the Class A Shares of New BN should be eligible investments for purposes of registered accounts.

Registered plans will not be Eligible Canadian Holders and will therefore not qualify to acquire New BNC Exchangeable Shares as part of the transaction.

17. Is New BN a Specified Foreign Property?

New BN is a Specified Foreign Property and therefore does need to be reported on Form T1135 Foreign Income Verification Statement, provided a taxpayer has Specified Foreign Property amounts with a cost exceeding $100,000 CAD. Please note that Specified Foreign Property that is held in an RRSP or TFSA account is excluded from the Form T1135 reporting requirements.

18. **What happens on a future exchange of New BNC shares for New BN shares?**

    A shareholder may exchange their New BNC Exchangeable Shares for Class A Shares of New BN by delivering the required notice to New BNC or TSX Trust Company in accordance with the applicable procedures as outlined in the Description of Exchangeable Shares section of the Transaction Supplement. Upon the exchange, the shareholder may realize a taxable capital gain if the market value of the Class A Shares of New BN received exceeds the shareholder's tax cost in the New BNC Exchangeable Shares.

    The Class A Shares of New BN received will generally have a tax cost equal to their market value at the time of the exchange, which will form the basis for calculating any future gains or losses on a subsequent disposition.

    For additional details regarding the future exchange process, please refer to the Transaction Supplement.

Tax Q&A For U.S. Shareholders

1. **How many shares will I own after the exchange?**

   In exchange for each BN class A share held, shareholders will own one Class A Share of New BN.

2. **Is the exchange a taxable transaction?**

   The exchange of a BN class A share for a Class A Share of New BN should be tax-deferred for U.S. tax purposes, resulting in no capital gain or loss to U.S. shareholders in respect of your BN class A shares. As referenced in the Transaction Supplement, an opinion has been provided by Brookfield's U.S. tax counsel, Weil, Gotshal & Manges LLP, that the exchange should qualify as a tax-free exchange under section 351(a) of the Internal Revenue Code.

3. **How will the tax basis of my Class A Shares of New BN be determined?**

   The total tax cost of the Class A Shares of New BN received will generally be the same as the total tax cost of the BN class A shares exchanged for them. The cost basis of a shareholder's Class A Shares of New BN will be subsequently reduced by return of capital distributions received by the shareholder (please see the discussion of distributions below).

4. **How is my holding period determined?**

   The holding period of the Class A Shares of New BN received will generally carry over from the exchanged BN class A shares.

   Shareholders who acquired different groups of shares at different times or prices should consult their tax advisors regarding how tax cost and holding periods are allocated among the Class A Shares of New BN received.

5. **How will distributions from New BN be taxed going forward?**

   New BN expects that distributions will generally be treated as returns of capital for U.S. federal income tax purposes in the initial period following the Transaction. A return of capital is generally not immediately taxable and instead reduces the shareholder's tax basis in their shares. However, to the extent distributions are paid from New BN's earnings and profits, they would be treated as taxable dividends. The computation of earnings and profits is complex and subject to change, and New BN cannot provide any assurances that its distributions will be reductions in basis or dividends.

6. **Which U.S. tax form will shareholders of New BN receive?**

   Distributions by New BN will be reported on IRS Form 1099-DIV, which will be distributed to shareholders annually.

7. **Will distributions from New BN be subject to withholding tax?**

   Distributions paid by New BN will generally not be subject to withholding tax, as Bermuda currently does not impose withholding tax on dividends.

8. **Will New BN be a Passive Foreign Investment Company ("PFIC") after the Transaction?**

   Based on its anticipated income, assets and operations following the Transaction, New BN is not expected to be classified for U.S. federal income tax purposes as a PFIC for the current taxable year or in the foreseeable future. However, no assurance can be provided in this regard.

Tax Q&A For UK Resident Shareholders

1. **Is the exchange of BN class A shares a taxable transaction?**

   The exchange of BN class A shares for Class A Shares of New BN is a taxable transaction, and a capital gain or loss should be realized with respect to your BN shares.

   However, Eligible UK Holders that wish to defer tax on the disposition of their BN class A Shares must properly complete, sign and return the Letter of Transmittal and Election Form, together with their share certificate(s) and any other required documentation, to the Depositary prior to the Election Deadline.

   Please consult your own tax advisors and consider your unique facts and circumstances in assessing the UK tax implications.

2. **What is the process of filing the Letter of Transmittal?**

   Registered holders (i.e., shareholders that don't hold through a broker) should complete the Letter of Transmittal and Election Form that has been mailed to you (also accessible here on Brookfield's website) and submit it to the TSX Trust Company.

   Non-registered holders (i.e., shareholders that hold through a broker) should contact your broker and request to have your BN shares registered directly in your name through the Direct Registration System (DRS). Your broker will withdraw the shares from its nominee account and should provide you with a DRS statement showing your name, address, and number of shares. If you're unsure who to contact, ask for the Corporate Actions, Custody, or Transfer Services team.

   Once you hold the shares in registered form complete the Letter of Transmittal and Election Form (available here on Brookfield's website) and submit it to TSX Trust Company.

3. **Where should the Letter of Transmittal be sent?**

   The Letter of Transmittal and Election Form should be provided to TSX Trust Company (who is acting as Depository):

   Tenders via Email:
   (only for DRS/book-entry shareholders)

   tsxt-corpact@tmx.com

   Tenders via In-Person, Courier, Registered Mail:
   TSX Trust Company
   301-100 Adelaide Street West
   Toronto, Ontario
   M5H 4H1
   Attention: Corporate Actions

4. **What is the deadline for submitting the Letter of Transmittal?**

   The Letter of Transmittal and Election Form is due before the transaction closes, which is expected to be before year end. BN will issue a news release outlining the exact date on which the Letter of Transmittal and Election Form is due.