



BROOKFIELD ASSET MANAGEMENT

Q4 2021 Supplemental Information

2021 Full Year Highlights

\$688B

TOTAL ASSETS
UNDER MANAGEMENT

\$364B

FEE-BEARING CAPITAL

\$71B

INFLOWS

PERFORMANCE UPDATE

We generated \$1.3 billion of distributable earnings (“DE”) during the quarter and \$6.3 billion during the year.

- Fee-related earnings were \$552 million in the quarter and \$1.9 billion for the year, representing increases of over 30% compared to the prior periods, driven by significant capital inflows and strong capital deployment efforts.
- DE before realizations was \$3.5 billion for the year, which is 29% higher than last year, driven by the higher fee-related earnings as well as increased distributions from our principal investments.
- Total DE for the year increased by 49% compared to last year due to the aforementioned increases along with \$2.8 billion of earnings from realized carried interest and disposition gains.

Inflows were \$71 billion for the year as a result of strong fundraising activity.

- Inflows were driven by our fourth flagship real estate fund and our inaugural transition fund, having raised \$12 billion each to date. We also completed the raising of our \$16 billion opportunistic credit fund and had capital inflows of \$45 billion from a variety of other strategies.
- We expect a first close for our sixth flagship private equity fund in the coming months and expect the total fund size to be larger than its prior vintage. Our latest flagship infrastructure fund is approximately 75% committed and we have now launched fundraising for the next vintage.
- Fee-bearing capital has increased by \$53 billion or 17% over the year, to \$364 billion.
- Perpetual fee-bearing capital now totals \$115 billion, an 11% increase from last year, primarily driven by increases across our perpetual affiliates and inflows for our perpetual private funds.
- We currently have \$40 billion of additional capital that is committed and will earn annual fees of approximately \$400 million once invested.

We surfaced \$42 billion of capital and generated significant gains from the monetization of mature investments.

- Earnings from these monetizations were \$2.8 billion for the year, comprised of disposition gains on principal investments of \$2.1 billion and net realized carried interest of \$0.7 billion.
- We generated \$1.3 billion of carried interest during the quarter and \$5.0 billion during the year as a result of the execution of our business plans and the resulting value appreciation across our underlying investments. Our total accumulated unrealized carried interest now stands at \$7.7 billion, representing a 107% increase during the year.

We made significant progress across a number of our strategic initiatives.

- We advanced our insurance solutions strategy during the year with the spin-out of BAMR and by signing \$45 billion of insurance agreements, including the acquisition of American National which we expect to close in the first half of this year.
- During the fourth quarter, we launched our non-traded REIT which is now approved on four wealth platforms, and we expect to begin raising meaningful amounts of retail capital for this new product during 2022.

2021 Full Year Highlights cont'd

OPERATING RESULTS

FFO¹ was \$1.7 billion in the quarter and \$7.6 billion over the year, 46% higher than the prior year, driven by strong performance across the business.

- Our operating FFO was \$1.2 billion in the quarter, 17% higher than the prior year, due to strong results in our asset management franchise, same-store growth across a number of our operations, as well as a higher contribution from our real estate business due to the privatization of BPY.
- Operating FFO was \$3.8 billion for the year, a 15% increase over the prior period, as a result of growth in same-store results and contributions from recent acquisitions.

Net income in the quarter was \$3.5 billion, or \$1.1 billion attributable to shareholders. For the year, net income was \$12.4 billion, or \$4.0 billion attributable to shareholders.

- In addition to strong operating performance, the value of our investments increased significantly as we continue to deploy capital into strategies centered around global investment themes.

LIQUIDITY

Deployable capital at December 31, 2021 was approximately \$92 billion.

- At December 31, 2021, we had \$15 billion of core liquidity and \$77 billion of uncalled private fund commitments.
- Subsequent to year-end, we added to our strong liquidity position by issuing \$400 million of 30-year green bonds at 3.63% and raised \$400 million by re-opening our 2028 notes at 2.55%.

Our balance sheet continues to be extremely conservatively capitalized, with a corporate debt to market capitalization ratio of 10% at quarter-end.

- As of December 31, 2021, our corporate debt totaled \$11 billion, with a weighted-average interest rate of 4.2% and a weighted-average remaining term of 13 years.
- Our corporate debt is supplemented with \$4 billion of perpetual preferred shares, which carry an average cost of 4.0%.

1. Refer to the Glossary of Terms starting on page 39.

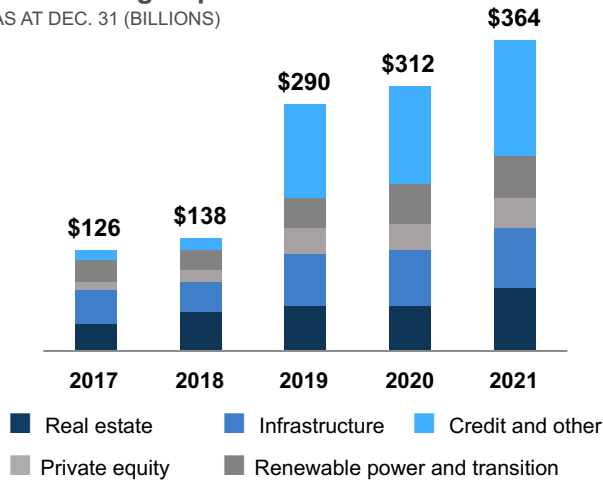
CONTENTS

Highlights and Overview	2	Reconciliation of IFRS to non-IFRS Measures	32
Detailed Analysis		Common Share Information	33
Asset Management Operating Results	13	Glossary of Terms	39
Invested Capital – Overview	25		

Performance Highlights

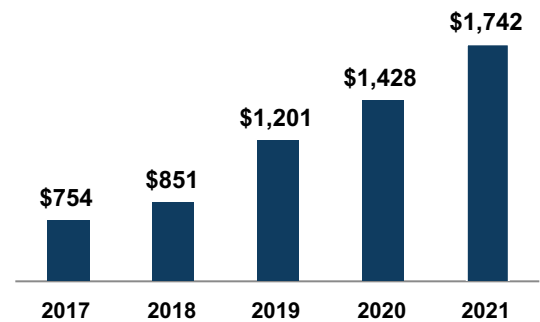
Fee-Bearing Capital

AS AT DEC. 31 (BILLIONS)



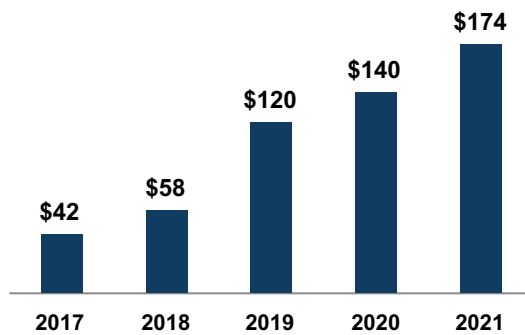
Fee-Related Earnings excluding performance fees

FOR THE YEARS ENDED DEC. 31 (MILLIONS)



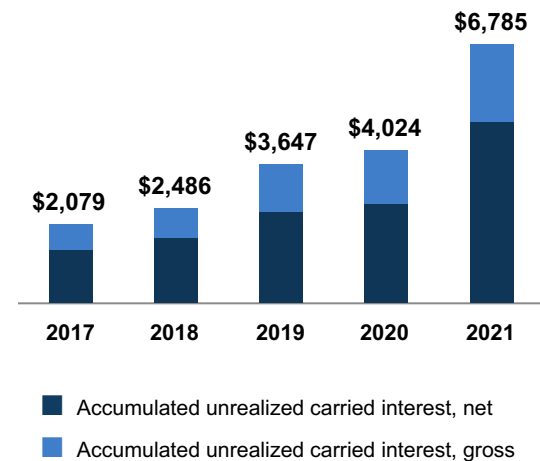
Carry Eligible Capital

AS AT DEC. 31 (BILLIONS)



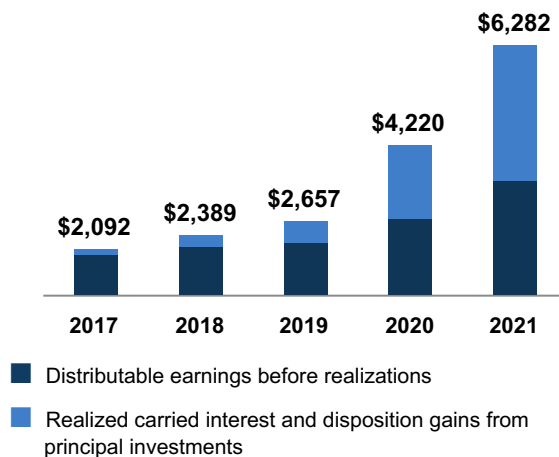
Accumulated Unrealized Carried Interest

AS AT DEC. 31 (MILLIONS)



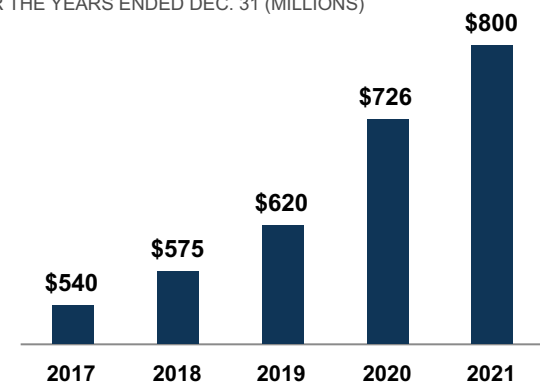
Distributable Earnings

FOR THE YEARS ENDED DEC. 31 (MILLIONS)



Distributions to Common Shareholders¹

FOR THE YEARS ENDED DEC. 31 (MILLIONS)



See endnotes.

Distributable Earnings (“DE”)

DE was \$6.3 billion for the year, an increase of 49% over the prior period

DE represents the deconsolidated earnings of the corporation. It is predominantly made up of our asset manager earnings, as well as the cash flow we receive from our principal investments, including disposition gains from these investments.

FOR THE PERIODS ENDED DEC. 31 (MILLIONS, EXCEPT PER SHARE AMOUNTS)	Three Months		Full Year		Annualized ¹	Page Ref.
	2021	2020	2021	2020		
Fee revenues	\$ 975	\$ 771	\$ 3,523	\$ 2,840	\$ 3,777	pages 15-16
Direct costs	(380)	(325)	(1,468)	(1,296)	(1,844)	
	595	446	2,055	1,544	1,933	
Amounts not attributable to Brookfield shareholders	(43)	(35)	(156)	(116)	(130)	
Fee-related earnings	552	411	1,899	1,428	1,803	page 14
Perpetual affiliates	551	359	1,870	1,460	2,247	
Corporate cash and financial assets ²	(22)	163	42	377	282	
Other principal investments ³	131	76	286	9	284	
Distributions from investments	660	598	2,198	1,846	2,813	page 26
Corporate activities	(152)	(144)	(592)	(539)	(606)	
Preferred share dividends ⁴	(38)	(37)	(157)	(142)	(152)	
	(190)	(181)	(749)	(681)	(758)	
Add back: equity-based compensation costs	30	25	119	94	120	
Distributable earnings before realizations	1,052	853	3,467	2,687	\$ 3,978	
Realized carried interest, net	141	231	715	348		
Disposition gains from principal investments	108	548	2,100	1,185		
Distributable earnings⁵	\$ 1,301	\$ 1,632	\$ 6,282	\$ 4,220		
Per share						
Distributable earnings before realizations ⁶	\$ 0.64	\$ 0.55	\$ 2.18	\$ 1.74		
Distributable earnings ⁶	\$ 0.80	\$ 1.06	\$ 3.96	\$ 2.74		

Our share of Oaktree’s distributable earnings is \$138 million for the quarter (2020 – \$113 million) and \$632 million for the year (2020 – \$273 million).

BBU pays a modest distribution as the majority of its FFO is reinvested within the business. For comparability to industry metrics, we have provided a proxy distribution for BBU below based on our ownership in BBU and an assumed payout ratio of 70%, aligned to the payout ratios of our other perpetual affiliates.

FOR THE PERIODS ENDED DEC. 31 (MILLIONS, EXCEPT PER SHARE AMOUNTS)	Three Months		Full Year	
	2021	2020	2021	2020
Distributable earnings	\$ 1,301	\$ 1,632	\$ 6,282	\$ 4,220
Add: proxy for BBU distribution payout, at our share	143	113	418	349
Add: proxy for payout of disposition gains at BBU, at our share	—	18	213	36
Less: distributions from BBU currently within DE	(6)	(6)	(24)	(24)
Distributable earnings with proxy for BBU	\$ 1,438	\$ 1,757	\$ 6,889	\$ 4,581
Distributable earnings with proxy for BBU, per share⁶	\$ 0.88	\$ 1.14	\$ 4.34	\$ 2.97

See endnotes.

Asset Management

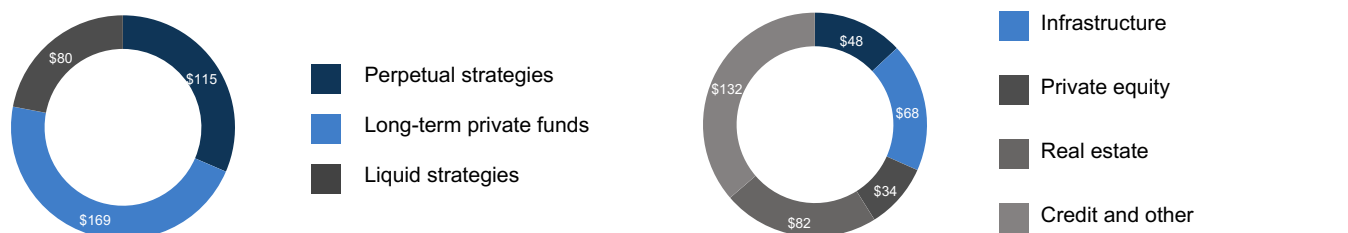
We create value for our shareholders through increasing the value of our asset management franchise by: i) increasing fee-bearing capital, which increases our fee-related earnings; and ii) achieving attractive investment returns, which enables us to earn performance income (carried interest).

Our asset management activities generated annualized fee-related earnings of \$1.8 billion and target carried interest of \$2.2 billion, representing growth of 15% and 30%, over the year, respectively. These increases were primarily due to growth in fee-bearing capital of 17% and carry eligible capital of 25% over the year.

AS AT AND FOR THE YEARS ENDED DEC.31 (MILLIONS)	Fee-Bearing Capital ¹		Actual		Annualized	
	2021	2020	2021	2020	2021	2020
Fee-related earnings ²						
Renewable power and transition	\$ 47,525	\$ 45,440	\$ 487	\$ 420	\$ 539	\$ 532
Infrastructure	67,736	62,535	870	774	959	824
Private equity ³	34,395	30,931	538	365	514	476
Real estate ³	82,282	61,519	769	562	836	691
Credit and other ³	132,195	111,195	859	719	929	760
	<u>\$ 364,133</u>	<u>\$ 311,620</u>	<u>3,523</u>	<u>2,840</u>	<u>3,777</u>	<u>3,283</u>
Direct costs ⁴			(1,468)	(1,296)	(1,844)	(1,606)
			<u>2,055</u>	<u>1,544</u>	<u>1,933</u>	<u>1,677</u>
Earnings not attributable to BAM			(156)	(116)	(130)	(112)
			<u>1,899</u>	<u>1,428</u>	<u>1,803</u>	<u>1,565</u>
Carried interest						
Carried interest ^{5,6,7}			1,713	684	4,053	3,189
Direct costs ⁴			(786)	(273)	(1,503)	(1,218)
			<u>927</u>	<u>411</u>	<u>2,550</u>	<u>1,971</u>
Carried interest not attributable to BAM			(212)	(63)	(312)	(251)
			<u>715</u>	<u>348</u>	<u>2,238</u>	<u>1,720</u>
Total fee-related earnings and carried interest, net			<u>\$ 2,614</u>	<u>\$ 1,776</u>	<u>\$ 4,041</u>	<u>\$ 3,285</u>

Fee-Bearing Capital Diversification

AS AT DEC. 31, 2021 (BILLIONS)



Perpetual strategies include capital in our perpetual affiliates and perpetual private funds, which includes core and core plus strategies that can continually raise new capital.

Long-term private funds are long duration in nature and include closed-end value-add and opportunistic strategies. Capital is typically committed for 10 years from the inception of the fund with two one-year extension options.

Liquid strategies represent publicly listed funds and separately managed accounts, focused on fixed income and equity securities across a number of different sectors.

See endnotes.

Invested Capital

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

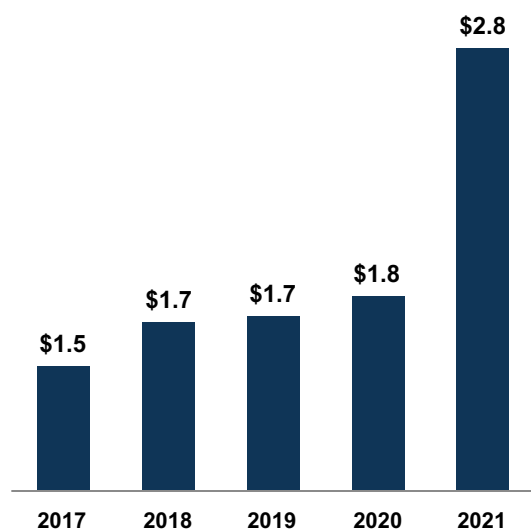
Our invested capital was \$68.0 billion on a blended basis as at December 31, 2021, on which we earn diversified, long-term, stable cash flows via dividends. Our invested capital generates \$2.8 billion of annualized distributions from our investments (December 31, 2020 – \$1.8 billion). The balance of the earnings is retained for reinvesting in our investments.

The following table provides a breakdown of our invested capital as at December 31, 2021 and December 31, 2020. We provide three methods for you to review: quoted prices, our IFRS values, and the blended values. We recommend you focus on the blended values as we have control over these assets and believe we could liquidate for these values. Nonetheless, we provide this information so you can choose how to assess the numbers.

AS AT DEC. 31 (MILLIONS)	No. of Units	Quoted ¹		IFRS		Blended ²		Cash Flow
		2021	2020	2021	2020	2021	2020	Annualized ³
BEP ⁴	312.0	\$ 11,214	\$ 15,015	\$ 4,641	\$ 4,573	\$ 11,214	\$ 15,015	\$ 399
BIP	139.6	8,552	6,743	2,696	1,920	8,552	6,743	301
BBU	94.5	4,351	3,546	2,803	2,175	4,351	3,546	24
Corporate cash and financial assets ⁵	Various	3,522	4,456	3,522	4,456	3,522	4,456	282
		27,639	29,760	13,662	13,124	27,639	29,760	1,006
BPG	N/A	N/A	N/A	32,004	19,331	32,004	19,331	1,523
Other investments ^{6,7}	Various	N/A	N/A	6,190	7,001	7,685	8,445	284
Total investments				51,856	39,456	67,328	57,536	2,813
Working capital, net				699	742	699	742	N/A
Invested capital				52,555	40,198	68,027	58,278	\$ 2,813
Debt and preferred capital ⁸				(15,250)	(13,452)	(15,250)	(13,452)	
Invested capital, net				\$ 37,305	\$ 26,746	\$ 52,777	\$ 44,826	

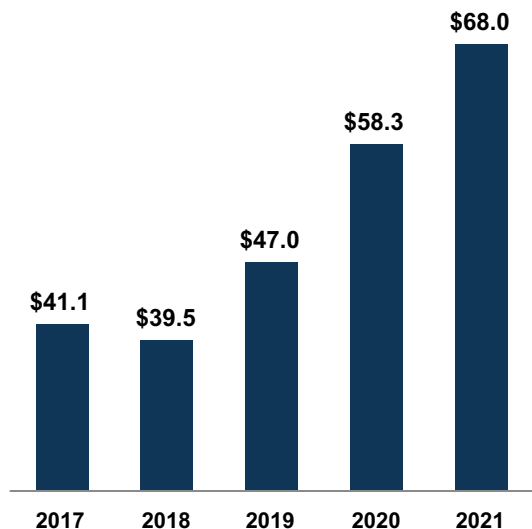
Annualized Cash Flow

AS AT DEC. 31 (BILLIONS)



Invested Capital

AS AT DEC. 31 (BILLIONS)



See endnotes.

Liquidity and Capital Structure

We manage our liquidity and capital resources on a group-wide basis; however, it is organized into three principal tiers:

1. The Corporation¹;
2. Our perpetual affiliates (BEP, BIP, BBU and BPG); and
3. Managed funds or investments, either held directly or within perpetual affiliates.

LIQUIDITY

The Corporation has very few non-discretionary capital requirements. We maintain significant liquidity (\$5 billion in the form of corporate cash and financial assets and undrawn credit facilities) at the corporate level to further enable the growth of the broader business. This does not include our ability to issue debt at the Corporation to replenish our cash resources on an otherwise very conservatively leveraged corporate balance sheet.

On a group basis, as at December 31, we had approximately \$92 billion of liquidity, which included corporate liquidity, perpetual affiliate liquidity, and uncalled private fund commitments. Uncalled fund commitments include third-party commitments available for drawdown in our private funds.

AS AT DEC. 31 (MILLIONS)	Corporate Liquidity		Group Liquidity	
	2021	2020	2021	2020
Cash and financial assets, net	\$ 3,522	\$ 4,456	\$ 6,233	\$ 6,823
Undrawn committed credit facilities	1,618	2,526	8,778	9,194
Core liquidity	5,140	6,982	15,011	16,017
Third-party uncalled private fund commitments	—	—	77,079	60,594
Total liquidity	\$ 5,140	\$ 6,982	\$ 92,090	\$ 76,611

CAPITAL STRUCTURE

Virtually all of the debt within our business is issued by entities or assets within the funds, or other investing entities, that we manage and generally has no recourse to the Corporation. Only 6% of our consolidated debt is issued by, or has recourse to, the Corporation.

Our Corporate capitalization was \$63 billion as at December 31, 2021, with a debt to capitalization level of approximately 17% at the corporate level based on book values, which excludes virtually all of the value of our asset management operations (see page 23 for details). Based on our market capitalization the corporate debt to capitalization level was 10%.

- Corporate borrowings totaled \$11 billion, with a weighted-average term of 13 years, and a weighted-average interest rate of 4.2%.
- Our corporate borrowings are supplemented by \$4 billion of perpetual preferred shares with a weighted-average cost of 4.0%.

AS AT DEC. 31 (MILLIONS)	Average Term (Years)	Total	Maturity				
			2022	2023	2024	2025	2026+
Corporate borrowings							
Term debt	13	\$ 9,963	\$ —	\$ —	\$ 1,146	\$ 500	\$ 8,317
Revolving facilities ²	4	912	—	—	—	—	\$ 912
		10,875	—	—	1,146	500	9,229
Perpetual preferred shares ³	perp.	4,375	—	—	—	—	n/a
		\$ 15,250	\$ —	\$ —	\$ 1,146	\$ 500	\$ 9,229

See endnotes.

Liquidity Profile

CORE AND TOTAL LIQUIDITY

AS AT DEC. 31 (MILLIONS)	Corporate	Renewable Power and Transition	Infrastructure	Private Equity	Real Estate	Credit and Other	Total 2021	Dec. 2020
Cash and financial assets, net	\$ 3,522	\$ 691	\$ 683	\$ 720	\$ 74	\$ 543	\$ 6,233	\$ 6,823
Undrawn committed credit facilities	1,618	2,062	2,532	456	1,515	595	8,778	9,194
Core liquidity	5,140	2,753	3,215	1,176	1,589	1,138	15,011	16,017
Uncalled private fund commitments ¹	—	12,278	11,643	9,863	25,831	17,464	77,079	60,594
Total liquidity	\$ 5,140	\$ 15,031	\$ 14,858	\$ 11,039	\$ 27,420	\$ 18,602	\$ 92,090	\$ 76,611

- We have total liquidity of \$92 billion at the end of the year, comprised of \$15 billion of core liquidity and \$77 billion of uncalled private fund commitments.
 - Core liquidity represents our principal sources of short-term liquidity, which consists of our cash and financial assets, net of deposits and other associated liabilities, and undrawn committed credit facilities.
- At the corporate level, we have \$5.1 billion of liquidity, consisting of \$3.5 billion of cash and financial assets and \$1.6 billion of undrawn credit facilities.

UNCALLED FUND COMMITMENTS – EXPIRY PROFILE

AS AT DEC. 31 (MILLIONS)	2022	2023	2024	2025	2026+	Total 2021 ²	Dec. 2020
Renewable power and transition	\$ 64	\$ —	\$ —	\$ —	\$ 12,214	\$ 12,278	\$ 4,748
Infrastructure	98	—	148	391	11,006	11,643	12,236
Private equity	—	87	5	1,193	8,578	9,863	9,144
Real estate	600	445	692	242	23,852	25,831	16,501
Credit and other	—	23	1,162	469	15,810	17,464	17,965
	\$ 762	\$ 555	\$ 2,007	\$ 2,295	\$ 71,460	\$ 77,079	\$ 60,594

- Approximately \$33.0 billion of the uncalled fund commitments are currently earning fees. The remainder will become fee bearing once the capital is invested.
- We invested approximately \$12.1 billion of third-party fund capital (including private funds and co-investments) during the quarter and \$35.0 billion during the year.
- \$19.6 billion of third-party capital is committed to investments not yet funded as at December 31, 2021 (renewable power and transition – \$0.3 billion; infrastructure – \$10.6 billion; private equity – \$2.6 billion; real estate – \$4.8 billion; and credit and other – \$1.3 billion).

See endnotes.

Summary of Results – Funds from Operations

We generated \$7.6 billion in FFO during the year, including \$1.7 billion in the current quarter

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

	Three Months		Full Year		Page Ref.
	2021	2020	2021	2020	
Operating FFO					
Fee-related earnings					
Base management fees	\$ 814	\$ 692	\$ 3,040	\$ 2,509	pages 14-16
Incentive distributions (“IDRs”)	75	77	315	306	
Transaction and advisory fees	8	2	11	25	
Total fee revenues	897	771	3,366	2,840	
Direct costs	(380)	(325)	(1,468)	(1,296)	
Fee-related earnings before performance fees	517	446	1,898	1,544	
Performance fees	78	—	157	—	
Fee-related earnings not attributable to BAM	(43)	(35)	(156)	(116)	
Fee-related earnings	552	411	1,899	1,428	page 14
Invested capital					
Perpetual affiliates	773	439	2,206	1,736	page 30
Corporate cash and financial assets	(22)	163	42	377	page 31
	751	602	2,248	2,113	
BBU performance fee, net to BAM	(50)	—	(101)	—	page 30
	701	602	2,147	2,113	
Other investments	136	186	307	278	page 31
Corporate activities					
Corporate interest expense	(113)	(106)	(438)	(388)	
Corporate costs and taxes	(39)	(38)	(154)	(151)	
	(152)	(144)	(592)	(539)	page 27
	685	644	1,862	1,852	
Total operating FFO	1,237	1,055	3,761	3,280	
Realized carried interest, net					
Realized carried interest	393	434	1,713	684	
Direct costs	(211)	(172)	(786)	(273)	
	182	262	927	411	page 17
Realized carried interest, net, not attributable to BAM	(41)	(31)	(212)	(63)	
	141	231	715	348	
Disposition gains	351	810	3,082	1,552	page 28
Total funds from operations^{1,2}	\$ 1,729	\$ 2,096	\$ 7,558	\$ 5,180	
Per share					
Total operating FFO ³	\$ 0.74	\$ 0.66	\$ 2.27	\$ 2.04	
Total FFO ³	1.04	1.34	4.67	3.27	

See endnotes.

Funds from Operations and Net Income

	Three Months				Full Year			
	FFO ¹		Net Income ¹		FFO ¹		Net Income ¹	
	2021	2020	2021	2020	2021	2020	2021	2020
FOR THE PERIODS ENDED DEC. 31 (MILLIONS, EXCEPT PER SHARE AMOUNTS)								
Operating activities								
Fee-related earnings	\$ 552	\$ 411	\$ 552	\$ 411	\$ 1,899	\$ 1,428	\$ 1,899	\$ 1,428
Invested capital	685	644	685	644	1,862	1,852	1,862	1,852
	1,237	1,055	1,237	1,055	3,761	3,280	3,761	3,280
Realized carried interest, net	141	231	141	231	715	348	715	348
Realized disposition gains ^{2,3}	351	810	57	(52)	3,082	1,552	357	(31)
Fair value changes ³	—	—	290	(98)	—	—	1,387	(2,023)
Depreciation and amortization ³	—	—	(483)	(445)	—	—	(1,835)	(1,729)
Deferred income taxes ³	—	—	(124)	(48)	—	—	(419)	21
	\$ 1,729	\$ 2,096	\$ 1,118	\$ 643	\$ 7,558	\$ 5,180	\$ 3,966	\$ (134)
Per share ⁴	\$ 1.04	\$ 1.34	\$ 0.66	\$ 0.40	\$ 4.67	\$ 3.27	\$ 2.39	\$ (0.12)

See endnotes.

Detailed — Analysis

Asset Management Operating Results

FEE-BEARING CAPITAL

AS AT AND FOR THE PERIODS ENDED DEC. 31, 2021 (MILLIONS)	Three Months						Full Year					
	Renewable Power & Transition	Infrastructure	Private Equity	Real Estate	Credit and Other	Total	Renewable Power & Transition	Infrastructure	Private Equity	Real Estate	Credit and Other	Total
Opening	\$ 40,321	\$ 64,864	\$32,927	\$ 78,926	\$124,364	\$341,402	\$ 45,440	\$ 62,535	\$30,931	\$ 61,519	\$111,195	\$311,620
Inflows	9,819	2,191	888	2,984	9,574	25,456	10,510	4,619	2,435	16,406	28,821	62,791
Outflows	—	—	—	(153)	(1,765)	(1,918)	—	—	—	(385)	(8,970)	(9,355)
Distributions	(268)	(1,639)	(146)	(873)	(458)	(3,384)	(1,427)	(3,708)	(1,175)	(2,943)	(1,855)	(11,108)
Market valuation	(1,348)	2,703	419	1,603	1,033	4,410	(6,169)	5,426	1,922	6,707	4,921	12,807
Other	(999)	(383)	307	(205)	(553)	(1,833)	(829)	(1,136)	282	978	(1,917)	(2,622)
Change	7,204	2,872	1,468	3,356	7,831	22,731	2,085	5,201	3,464	20,763	21,000	52,513
End of period	\$ 47,525	\$ 67,736	\$34,395	\$ 82,282	\$132,195	\$364,133	\$ 47,525	\$ 67,736	\$34,395	\$ 82,282	\$132,195	\$364,133

Fee-bearing capital increased by \$23 billion during the quarter and \$53 billion during the year

Inflows to fee-bearing capital represent additional capital which began earning fees in the period.

Renewable power and transition: Inflows of \$9.8 billion were largely driven by the \$9.3 billion raised for our transition fund, which was partially offset by a lower market capitalization of our perpetual affiliate (BEP).

Infrastructure: The capitalization of our perpetual affiliate (BIP) increased by \$4.3 billion with \$1.6 billion raised from capital market issuances and \$2.7 billion coming from a higher trading price. This was partially offset by distributions in the period.

Private equity: Our growth equity and technology funds contributed inflows of \$0.1 billion in the period with a further \$0.4 billion raised from co-investment capital related to our fifth flagship fund. The strong trading price of our perpetual affiliate (BBU) contributed \$0.4 billion of additional fee bearing capital in the period.

Real estate: Inflows of \$3.0 billion were predominantly from our fourth flagship real estate fund (\$1.7 billion) and our sixth real estate debt fund (\$0.2 billion), in conjunction with \$0.6 billion of higher valuations for our perpetual private funds.

Credit and other: Inflows of \$9.6 billion were from capital associated with recently closed reinsurance agreements (\$4.8 billion) and capital raised and deployed across our credit strategies, specifically our flagship opportunistic credit fund (\$1.4 billion). Our liquid strategies had approximately \$1.5 billion of outflows, which were mostly offset by \$1.2 billion of higher valuations across our liquid and perpetual strategies.

Fee-bearing capital includes Brookfield capital of \$48.1 billion (Dec. 31, 2020 – \$41.3 billion) in perpetual strategies and \$5.0 billion (Dec. 31, 2020 – \$0.2 billion) in long-term private funds. Base management fee revenues include \$143 million (2020 – \$105 million) and \$503 million (2020 – \$320 million) earned on Brookfield capital for the three months and year, respectively.

Of our total fee-bearing capital of \$364 billion, \$284 billion or 78% is long-dated or perpetual in nature

AS AT DEC. 31, 2021 (MILLIONS)	Renewable Power & Transition	Infrastructure	Private Equity	Real Estate	Credit and Other	Total
Long-Term Private Funds ¹	\$ 20,682	\$ 31,119	\$ 26,079	\$ 52,332	\$ 39,067	\$ 169,279
Perpetual Strategies ¹	26,843	36,617	8,316	29,950	12,898	114,624
Liquid Strategies	—	—	—	—	80,230	80,230
Total	\$ 47,525	\$ 67,736	\$ 34,395	\$ 82,282	\$ 132,195	\$ 364,133

1. Long-term private funds and perpetual strategies include \$22.7 billion of co-investment capital (Sep. 30, 2021 – \$22.4 billion, Dec. 31, 2020 – \$22.1 billion), which earn minimal or no base fees.

Asset Management Operating Results cont'd

FEE-RELATED EARNINGS

FOR THE PERIODS ENDED DEC. 31
(MILLIONS)

	Three Months			Full Year		
	2021	2020	Variance	2021	2020	Variance
Base management fees						
Renewable power and transition	\$ 96	\$ 116	\$ (20)	\$ 405	\$ 353	\$ 52
Infrastructure	174	159	15	661	576	85
Private equity	101	90	11	374	355	19
Real estate	212	141	71	741	506	235
Credit and other	231	186	45	859	719	140
Incentive distributions	75	77	(2)	315	306	9
Transaction and advisory fees	8	2	6	11	25	(14)
	897	771	126	3,366	2,840	526
Direct costs						
Compensation and benefits	(284)	(242)	(42)	(1,128)	(992)	(136)
Other expenses	(96)	(83)	(13)	(340)	(304)	(36)
	(380)	(325)	(55)	(1,468)	(1,296)	(172)
Fee-related earnings before performance fees¹	517	446	71	1,898	1,544	354
Performance fees	78	—	78	157	—	157
Total fee-related earnings	\$ 595	\$ 446	\$ 149	\$ 2,055	\$ 1,544	\$ 511
<i>Margin before performance fees</i>	58%	58%		56%	54%	
Fee-related earnings attributable to:						
Brookfield	\$ 552	\$ 411	\$ 141	\$ 1,899	\$ 1,428	\$ 471
Non-Brookfield shareholders ²	43	35	8	156	116	40
Total fee-related earnings	\$ 595	\$ 446	\$ 149	\$ 2,055	\$ 1,544	\$ 511
<i>Margin before performance fees – at our share³</i>	60%	60%		59%	57%	
<i>Margin including performance fees – at our share³</i>	64%	60%		61%	57%	

1. Oaktree contributed fee-related earnings of \$111 million (2020 – \$92 million) for three months ended December 31, 2021, and \$406 million (2020 – \$302 million) for the year. Oaktree standalone margin was 40% for the quarter (2020 – 39%) and 38% for the full year (2020 – 34%).

2. See endnotes.

3. Margin at our share is calculated using our 62% share of Oaktree's fee-related earnings. Brookfield margin on a standalone basis was 65% for the three months ended December 31, 2021 (2020 – 66%) and 65% for the year ended December 31, 2021 (2020 – 64%).

Renewable power and transition: Fee revenues were higher as a result of the increased average market capitalization of BEP over the year, partially offset by the privatization of TERP in the second half of prior year.

Infrastructure: Fee revenues were higher as a result of the increased market capitalization of BIP and capital market issuances at both BIP and BIPC, partially offset by the end of an earlier vintage fund's investment period in the prior year.

Private equity: Fee revenues were higher due to the increased market capitalization of BBU compared to the prior year, partially offset by the end of the fourth flagship fund's investment period in 2020.

Real estate: Fee revenues increased due to continued fundraising for our fourth flagship fund and higher valuations across BPG and our private funds compared to the prior year.

Credit and other: Fee revenues increased due to capital deployed within our closed-end funds and market valuation increases in our open-end and evergreen strategies.

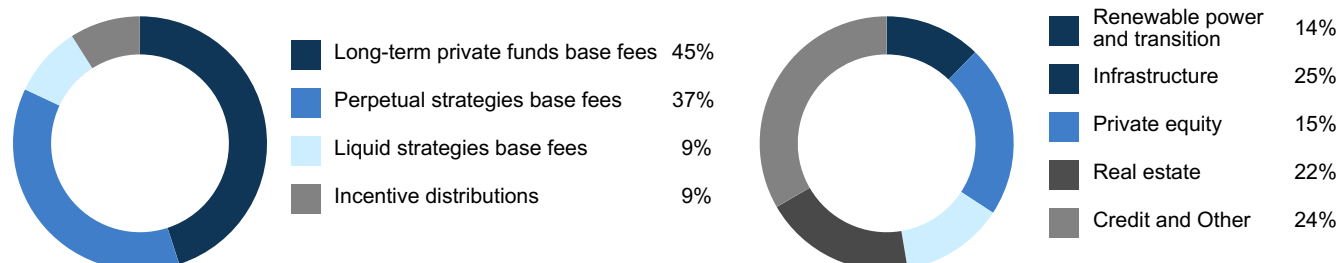
Incentive distributions: Reflects increased distribution levels at BIP and BEP, partially offset by the absence of BPY's IDR following its privatization in Q3 2021.

Performance fees: Fees relate to BBU and represent 20% of the unit price increase over the previous threshold.

Direct costs: Direct costs increased to support the continued growth of the franchise including new product development and the broadening of our distribution capabilities.

Fee Revenue Diversification

FOR THE YEAR ENDED DEC. 31, 2021



Fee Revenues

RENEWABLE POWER AND TRANSITION

	Three Months		Full Year		Annualized ¹	
	2021	2020	2021	2020	2021	2020
AS AT AND FOR THE PERIODS ENDED DEC. 31 (MILLIONS)						
Base management fees						
Long-term private funds						
Flagship funds	\$ 28	\$ 24	\$ 98	\$ 97	\$ 172	\$ 94
Co-investment and other funds	4	5	16	14	18	12
	<u>32</u>	<u>29</u>	<u>114</u>	<u>111</u>	<u>190</u>	<u>106</u>
Perpetual strategies						
BEP ²	64	85	288	211	256	340
Co-investment and other funds	—	1	3	27	—	4
	<u>64</u>	<u>86</u>	<u>291</u>	<u>238</u>	<u>256</u>	<u>344</u>
Total base management fees	<u>96</u>	<u>115</u>	<u>405</u>	<u>349</u>	<u>446</u>	<u>450</u>
Catch-up fees	—	1	—	4	—	—
Incentive distributions	20	17	80	66	92	80
Transaction and advisory fees	—	—	2	1	1	2
	<u>\$ 116</u>	<u>\$ 133</u>	<u>\$ 487</u>	<u>\$ 420</u>	<u>\$ 539</u>	<u>\$ 532</u>

1. Refer to details on annualized fees on page 20. Renewable power and transition fees include fees allocated to renewable power investments in infrastructure funds.

2. BEP fee-bearing capital as at December 31, 2021 is \$27 billion.

INFRASTRUCTURE

	Three Months		Full Year		Annualized ¹	
	2021	2020	2021	2020	2021	2020
AS AT AND FOR THE PERIODS ENDED DEC. 31 (MILLIONS)						
Base management fees						
Long-term private funds						
Flagship funds	\$ 53	\$ 53	\$ 215	\$ 217	\$ 218	\$ 224
Co-investment and other funds	7	9	33	36	39	16
	<u>60</u>	<u>62</u>	<u>248</u>	<u>253</u>	<u>257</u>	<u>240</u>
Perpetual strategies						
BIP ²	110	90	394	301	440	361
Co-investment and other funds	4	2	19	9	16	8
	<u>114</u>	<u>92</u>	<u>413</u>	<u>310</u>	<u>456</u>	<u>369</u>
Total base management fees	<u>174</u>	<u>154</u>	<u>661</u>	<u>563</u>	<u>713</u>	<u>609</u>
Catch-up fees	—	5	—	13	—	—
Incentive distributions	55	46	207	184	238	197
Transaction and advisory fees	2	—	2	14	8	18
	<u>\$ 231</u>	<u>\$ 205</u>	<u>\$ 870</u>	<u>\$ 774</u>	<u>\$ 959</u>	<u>\$ 824</u>

1. Refer to details on annualized fees on page 20. Renewable power and transition fees include fees allocated to renewable power investments in infrastructure funds.

2. BIP fee-bearing capital as at December 31, 2021 is \$35 billion.

PRIVATE EQUITY

	Three Months		Full Year		Annualized ¹	
	2021	2020	2021	2020	2021	2020
AS AT AND FOR THE PERIODS ENDED DEC. 31 (MILLIONS)						
Base management fees						
Long-term private funds						
Flagship funds	\$ 26	\$ 28	\$ 103	\$ 121	\$ 106	\$ 128
Co-investment and other funds	46	46	175	164	177	179
	<u>72</u>	<u>74</u>	<u>278</u>	<u>285</u>	<u>283</u>	<u>307</u>
Perpetual strategies						
BBU ²	27	16	93	63	108	64
Co-investment and other funds	—	—	—	2	1	—
	<u>27</u>	<u>16</u>	<u>93</u>	<u>65</u>	<u>109</u>	<u>64</u>
Total base management fees	<u>99</u>	<u>90</u>	<u>371</u>	<u>350</u>	<u>392</u>	<u>371</u>
Catch-up fees	2	—	3	5	—	—
Performance fees	78	—	157	—	113	90
Transaction and advisory fees	6	2	7	10	9	15
	<u>\$ 185</u>	<u>\$ 92</u>	<u>\$ 538</u>	<u>\$ 365</u>	<u>\$ 514</u>	<u>\$ 476</u>

1. Refer to details on annualized fees on page 20.

2. BBU fee-bearing capital as at December 31, 2021 is \$8 billion.

Fee Revenues cont'd

REAL ESTATE

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

	Three Months		Full Year		Annualized ¹	
	2021	2020	2021	2020	2021	2020
Fee revenues						
Long-term private funds						
Flagship funds	\$ 84	\$ 54	\$ 264	\$ 220	\$ 346	\$ 227
Co-investment and other funds	49	34	183	129	194	193
	<u>133</u>	<u>88</u>	<u>447</u>	<u>349</u>	<u>540</u>	<u>420</u>
Perpetual strategies						
BPG ²	54	42	224	114	214	168
Co-investment and other funds	20	11	65	43	82	46
	<u>74</u>	<u>53</u>	<u>289</u>	<u>157</u>	<u>296</u>	<u>214</u>
Total base management fees	<u>207</u>	<u>141</u>	<u>736</u>	<u>506</u>	<u>836</u>	<u>634</u>
Catch-up fees	5	—	5	—	—	—
Incentive distributions	—	14	28	56	—	57
	<u>\$ 212</u>	<u>\$ 155</u>	<u>\$ 769</u>	<u>\$ 562</u>	<u>\$ 836</u>	<u>\$ 691</u>

1. Refer to details on annualized fees on page 20.

2. BPG fee-bearing capital as at December 31, 2021 is \$20 billion.

CREDIT AND OTHER

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

	Three Months		Full Year		Annualized ¹	
	2021	2020	2021	2020	2021	2020
Base management fees						
Long-term private funds	\$ 115	\$ 85	\$ 414	\$ 325	\$ 460	\$ 352
Perpetual strategies	39	29	144	118	164	122
Liquid strategies ²	77	72	301	276	305	286
Total base management fees	<u>231</u>	<u>186</u>	<u>859</u>	<u>719</u>	<u>929</u>	<u>760</u>
Total fee revenues	<u>\$ 231</u>	<u>\$ 186</u>	<u>\$ 859</u>	<u>\$ 719</u>	<u>\$ 929</u>	<u>\$ 760</u>

1. Refer to details on annualized fees on page 20.

2. Represents open-end funds within our credit strategy, the net share of DoubleLine's fee revenues, and our public securities group.

INCENTIVE DISTRIBUTIONS

We receive a portion of increases in the distributions by BIP and BEP as an incentive to increase FFO per unit, which should lead to increased unitholder distributions over time.

Annualized Incentive Distributions

AS AT DEC. 31, 2021 (MILLIONS, EXCEPT PER UNIT)	Per Unit			Units Outstanding	Annualized Incentive Distributions
	Annualized Distributions	Distribution Hurdles	Incentive Distributions ¹		
Brookfield Infrastructure (BIP) ²	\$ 2.16	\$ 0.73 / \$0.79	15% / 25%	514.0	\$ 238
Brookfield Renewable (BEP) ³	1.28	0.80 / 0.90	15% / 25%	645.8	92
					<u>\$ 330</u>

1. Incentive distributions equate to 18% and 33% of limited partner distribution increases over the first and second hurdles, respectively.

2. Incentive distributions from Brookfield Infrastructure are earned on distributions made by BIP and BIPC.

3. Incentive distributions from Brookfield Renewable are earned on distributions made by BEP and BEPC.

Carried Interest

Carried interest represents our share, as manager, of investment performance in our private funds

We generated carried interest of \$5.0 billion during the year, taking our total gross unrealized carried interest balance to \$7.7 billion

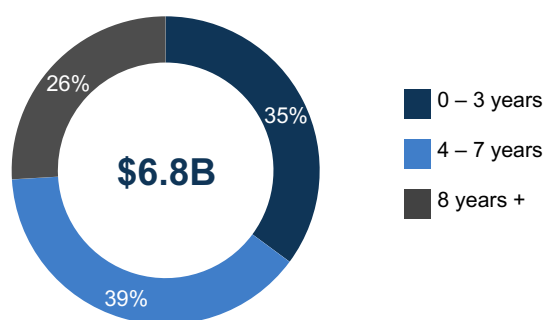
UNREALIZED CARRIED INTEREST CONTINUITY^{1,2}

	Three Months			Full Year		
	Unrealized Carried Interest	Direct Costs	Net	Unrealized Carried Interest	Direct Costs	Net
AS AT AND FOR THE PERIODS ENDED DEC. 31, 2021 (MILLIONS)						
Accumulated unrealized, beginning of period	\$ 6,850	\$ (2,429)	\$ 4,421	\$ 4,695	\$ (1,774)	\$ 2,921
In period change						
Generated in period	1,338	(355)	983	5,001	(1,631)	3,370
Foreign currency revaluation	(48)	11	(37)	(236)	57	(179)
	1,290	(344)	946	4,765	(1,574)	3,191
Less: realized	(393)	211	(182)	(1,713)	786	(927)
	897	(133)	764	3,052	(788)	2,264
Accumulated unrealized, end of period	7,747	(2,562)	5,185	7,747	(2,562)	5,185
Carried interest not attributable to BAM shareholders	(962)	496	(466)	(962)	496	(466)
Accumulated unrealized, end of period, net	\$ 6,785	\$ (2,066)	\$ 4,719	\$ 6,785	\$ (2,066)	\$ 4,719

1. Amounts dependent on future investment performance. Represents management estimate of carried interest if funds were wound up at period end.
2. Carried interest in respect of third-party capital.

Unrealized Carried Interest – Expected Realization Timeline

AS AT DEC. 31, 2021



- \$2.4 billion of carried interest is expected to be realized within the next three years

THREE MONTHS

- Unrealized carried interest before foreign exchange and associated costs increased \$1.3 billion during the current quarter, primarily related to higher valuations in our flagship real estate, infrastructure, private equity, and our credit funds.
- We realized \$393 million of carried interest in the quarter, primarily from realizations in our private equity, infrastructure, and credit strategies.

FULL YEAR

- Unrealized carried interest before foreign exchange and associated costs increased by \$5.0 billion over the year, driven by increases across a number of our strategies.
- We realized \$1.7 billion of carried interest over the year as we returned capital to clients across a number of flagship and other strategies.

Target Carried Interest

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

AS AT DEC. 31, 2021 (MILLIONS)	Carry Eligible Capital ¹	Gross Target Return ^{2,3}	Average Carried Interest	Annualized Target Carried Interest ⁴
Opportunistic	\$ 26,890	18% – 23%	~20%	\$ 929
Value add	1,267	10% – 15%	~20%	31
Credit, core plus and other	44,097	10% – 15%	~15%	796
Oaktree	40,431	10% – 20%	~20%	1,036
	<u>112,685</u>			<u>2,792</u>
Uncalled fund commitments ^{5,6}				
Brookfield	43,269			862
Oaktree	18,304			399
Total carry eligible capital/target carried interest	\$ 174,258			4,053
Target carried interest not attributable to BAM shareholders ⁷				(610)
				<u>\$ 3,443</u>

- As at December 31, 2021, \$112.7 billion of carry eligible capital has been invested and an additional \$61.6 billion of committed capital will become carry eligible once invested.
- Carried interest is generated once a private fund exceeds its preferred return typically ranging from 5% – 9%. It will typically go through a catch-up period until the manager and limited partner (LP) are earning carry at their respective allocation.
- Gross target return is before annual fund management fees ranging from 90 bps for core plus funds to 200 bps for certain opportunistic funds.
- Based on carry eligible capital.
- Uncalled fund commitments from carry eligible funds.
- Target carry on uncalled fund commitments is discounted for two years at 10%, reflecting gross target return and average carried interest rate for uncalled fund commitments.
- Includes Oaktree target carried interest attributable to the 38% of Oaktree not held by Brookfield.

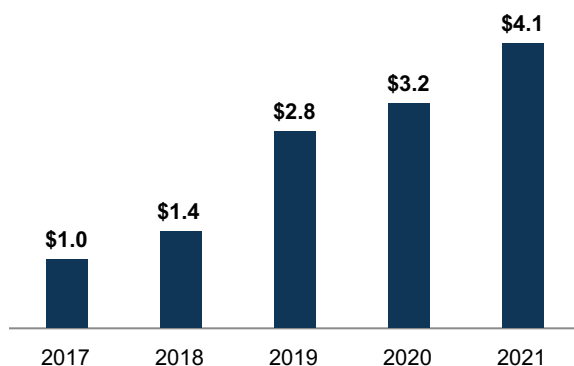
ANNUALIZED TARGET CARRIED INTEREST

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

Target carried interest on capital currently invested is \$2.8 billion per annum, and \$1.3 billion on capital not yet invested. Total target carried interest is \$3.4 billion at our share, or \$2.2 billion net of costs.

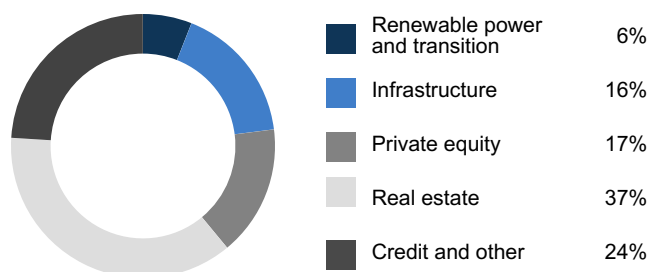
Target Carried Interest

AS AT DEC. 31 (BILLIONS)



Target Carry Diversification

AS AT DEC. 31, 2021



Private Funds Carried Interest

Virtually all of our funds are tracking to meet or exceed their preferred return hurdle

The below returns are actuals and illustrate how we are tracking toward target:

AS AT DEC. 31, 2021 (MILLIONS)	Strategy	Vintage ¹	Target Gross IRR ^{2,3}	Gross Actual IRR ⁴	Uncalled Fund Commitments ⁵	Invested < 3 years	Invested > 3 years	Total	Accumulated Unrealized Carried Interest ⁶
Real estate	Opportunistic – BSREP	2013 – 2019	20%	20%	\$ 9,624	\$ 7,888	\$ 9,400	\$ 26,912	\$ 1,762
	Credit – BREF	2005 – 2017	12% – 15%	10%	3,160	966	1,039	5,165	72
	Other ⁷	2008 – 2018			2,937	10,645	3,950	17,532	313
Infrastructure	Core Plus – BIF ⁶	2010 – 2020	13% – 15%	15%	6,374	15,685	5,730	27,789	2,037
	Other ^{7,8}	2008 – 2018			5,624	4,396	366	10,386	27
Renewable power and transition	Core Plus – BGTF ⁹	n/a	13% – 15%	n/m	7,532	—	—	7,532	—
Private equity	Opportunistic – BCP	2007 – 2019	20%	28%	2,185	3,842	1,996	8,023	863
	Other ⁷	2015 – 2018			5,833	4,988	1,363	12,184	164
Credit and other					18,304	26,459	13,972	58,735	1,547
Total private fund carry eligible capital					61,573	\$ 74,869	\$ 37,816	174,258	\$ 6,785
Non-carry eligible capital¹⁰					15,506			86,315	
					\$ 77,079			\$ 260,573	

1. Year of final close.

2. Gross target return is before annual fund management fees ranging from 90 bps for core plus funds to 200 bps for certain opportunistic funds.

3. Carried interest is generated once a private fund exceeds its preferred return. It will typically go through a catch-up period until the manager and LP are earning carry at their respective allocation.

4. On existing carry eligible funds, excluding perpetual funds.

5. Uncalled fund commitments from carry eligible funds. Additional \$15.5 billion of uncalled fund commitments relate to funds not eligible to earn carry.

6. Total accumulated unrealized carried interest includes Oaktree at our 62% share.

7. Other represents funds and co-investments across the asset classes.

8. Out of \$12.0 billion of total uncalled fund commitments in infrastructure, \$4.7 billion were related to renewable power and transition's investments.

9. BGTF has not yet held its final close. Typically the performance measurement date is within twelve months of acquisition. Accordingly, such performance measures are not meaningful (n/m).

10. Non-carry eligible capital includes various co-investments, separately managed accounts and funds that are not entitled to carry.

Annualized Fees and Target Carried Interest

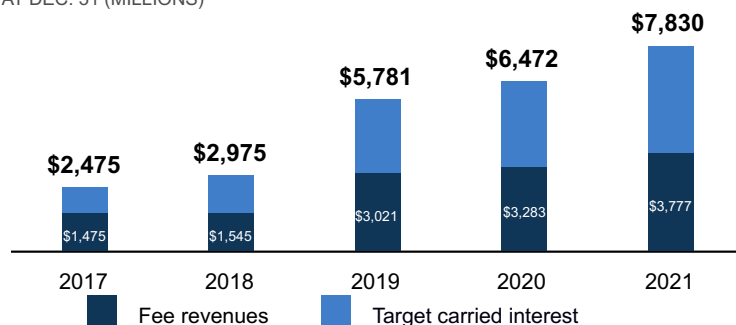
ANNUALIZED FEES AND TARGET CARRY

AS AT (MILLIONS)	Dec. 31, 2021	Sep 30, 2021	Dec 31, 2020
Base management fees			
Renewable power and transition	\$ 446	\$ 398	\$ 450
Infrastructure	713	688	609
Private equity	392	381	371
Real estate	836	802	634
Credit and other	929	895	760
Incentive distributions ¹	330	277	334
	3,646	3,441	3,158
Performance fee ²	113	90	90
Transaction and advisory ³	18	26	35
Fee revenues	3,777	3,557	3,283
Target carried interest⁴			
Brookfield funds	2,618	2,310	1,881
Oaktree funds	1,435	1,365	1,308
	4,053	3,675	3,189
	7,830	7,232	6,472
Revenues not attributable to BAM shareholders			
Management fees	(434)	(423)	(374)
Target carried interest	(610)	(584)	(502)
	\$ 6,786	\$ 6,225	\$ 5,596

- We have approximately \$40 billion of additional capital not in fee-bearing capital today that will earn approximately \$400 million of fees and \$260 million of target carried interest once invested.
- BBU's performance fee is calculated as 20% of the increase in weighted average unit price for the quarter, over the highest previous threshold. There are 146.8 million BBU units outstanding and the high watermark was reset this quarter at \$47.30.
- We include base fees on the capital invested by us in our perpetual affiliates in order to present operating margins and investment returns on a consistent basis. FFO from the associated invested capital is shown net of these fees.
- We use a margin range of 55% – 65% on Brookfield fee revenue and a range of 25% – 35% on Oaktree fee revenue for planning purposes.
- We use a margin range of 65% – 75% on Brookfield carried interest and a range of 45% – 55% on Oaktree carried interest for planning purposes.

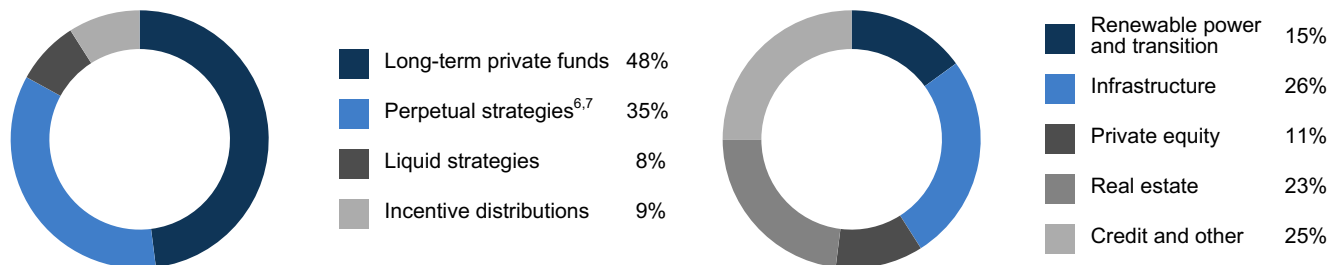
Annualized Fees and Target Carry

AS AT DEC. 31 (MILLIONS)



Fee Revenue Diversification⁵

AS AT DEC. 31, 2021



1,2,3,4,5,6,7. See endnotes

Private Fund Listing¹

AS AT DEC. 31, 2021
(MILLIONS, USD UNLESS OTHERWISE NOTED)

		Committed Capital ²	Brookfield Participation ²	Year ³
BROOKFIELD REAL ESTATE FUNDS				
Opportunistic				
Real Estate Turnaround	\$	5,570	18%	2010
Strategic Real Estate Partners I ⁴		4,350	31%	2013
Strategic Real Estate Partners II ⁴		9,000	26%	2016
Strategic Real Estate Partners III ⁴		15,000	25%	2019
Thayer VI		306	48%	2014
Opportunity Zone		1,011	—%	2019
Value Add				
U.S. Multifamily Value Add II	\$	805	37%	2014
U.S. Multifamily Value Add III		1,005	30%	2018
Core Plus				
U.S. Office	\$	2,200	83%	2006
DTLA		1,100	45%	2013
Premier Real Estate Partners ⁵		3,929	10%	2016
Premier Real Estate Partners Australia ⁵	A \$	1,048	24%	2018
European Real Estate Partnership	€	1,198	17%	2020
Single Family Rental		300	26%	2020
BROOKFIELD INFRASTRUCTURE FUNDS				
Value Add				
Global Infrastructure I ⁴	\$	2,660	25%	2010
Global Infrastructure II ⁴		7,000	40%	2013
Global Infrastructure III ⁴		14,000	29%	2016
Global Infrastructure IV ⁴		20,000	25%	2020
Global Infrastructure IV Renewable ⁴		748	25%	2020
Core				
Super-Core Infrastructure Partners ⁵	\$	6,492	1%	2018
Sustainable Resources				
Timberlands Fund V	\$	351	25%	2013
Brazil Timber I		280	18%	2008
Brazil Timber II		95	19%	2013
BROOKFIELD PRIVATE EQUITY FUNDS				
Opportunistic				
Capital Partners II ⁴	C \$	1,000	40%	2007
Capital Partners III ⁴		1,000	25%	2012
Capital Partners IV ⁴		4,000	26%	2016
Capital Partners V ⁴		9,000	33%	2019
Growth II		516	19%	2021
BROOKFIELD CREDIT FUNDS				
Credit Funds				
Real Estate Finance I	\$	600	33%	2005
Real Estate Finance IV		1,375	18%	2014
Real Estate Finance V		2,949	14%	2017
Real Estate Finance VI		4,017	10%	2021
Senior Mezzanine Real Estate Finance ⁵		1,269	1%	2017
Infrastructure Debt I		884	17%	2017
Infrastructure Debt – Euro	€	202	30%	2018
Infrastructure Debt II		2,701	13%	2020
Peninsula Brookfield India Real Estate		95	—%	2013

1. Excludes Oaktree funds. Includes discretionary funds managed by Brookfield Asset Management Inc. or a management affiliate thereof and all investments made by a consortium of investors formed and managed by Brookfield. Excludes direct investments made through managed accounts, joint ventures, co-investments, publicly perpetual affiliates or investment funds for which Brookfield did not serve as the manager during the investment period. Also excludes closed-end funds currently in the market and fully divested funds.

2. Inclusive of Brookfield commitments; Brookfield participation includes commitments from Brookfield directly held as well as BPG, BEP, BIP and BBU.

3. Year of final close. For perpetual funds, year of first close.

4. Flagship funds.

5. Perpetual funds.

Capital Invested or Committed

We invested \$61 billion of capital over the year, with a further \$21 billion committed to fund future investments

CAPITAL INVESTED OR COMMITTED (FUNDING SOURCE)

FOR THE YEAR ENDED DEC. 31, 2021 (MILLIONS)	Renewable Power and Transition	Infrastructure	Private Equity	Real Estate	Credit and Other	Total
Capital Invested						
Perpetual strategies ¹	\$ 483	\$ 3,497	\$ 2,619	\$ 4,597	\$ 4,446	\$ 15,642
Long-term private funds ²	1,190	3,491	3,794	9,134	12,704	30,313
Co-investments ²	19	387	1,242	592	1,037	3,277
Direct ³	—	400	—	9,162	2,432	11,994
Total invested	1,692	7,775	7,655	23,485	20,619	61,226
Capital Committed						
New commitments entered ⁴	459	11,456	3,554	5,790	4,917	26,176
Previous commitments that were invested in the current period ⁴	(1,070)	(224)	(1,685)	(1,575)	(482)	(5,036)
Total committed	(611)	11,232	1,869	4,215	4,435	21,140
Total invested or committed⁴	\$ 1,081	\$ 19,007	\$ 9,524	\$ 27,700	\$ 25,054	\$ 82,366

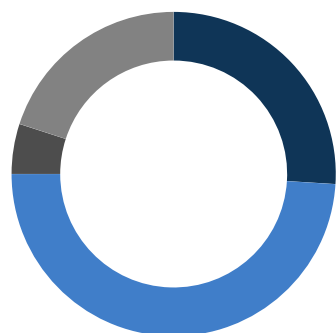
1. Includes investments made by perpetual affiliates (BPG, BIP, BEP and BBU) and Oaktree on their balance sheets, or investments in perpetual private funds.
2. Reflects third-party investments in long-term private funds managed by Brookfield and Oaktree.
3. Investments made by Brookfield in financial assets or on balance sheet assets.
4. New commitments represent those commitments entered into during the period. Invested commitments represent the amounts invested during the period for commitments which were entered into during the prior period (shown as an outflow to commitments and an inflow to invested). Where capital was both committed and invested in the same period, it is presented as invested only.

CAPITAL INVESTED (GEOGRAPHY)

FOR THE YEAR ENDED DEC. 31, 2021 (MILLIONS)	Renewable Power and Transition	Infrastructure	Private Equity	Real Estate	Credit and Other	Total
North America	\$ 962	\$ 6,055	\$ 4,226	\$ 17,084	\$ 15,584	\$ 43,911
South America	225	303	571	356	549	2,004
Europe	253	1,177	2,802	4,997	2,921	12,150
Asia and other	252	240	56	1,048	1,565	3,161
Total invested	\$ 1,692	\$ 7,775	\$ 7,655	\$ 23,485	\$ 20,619	\$ 61,226

Capital Invested (by capital type)

FOR THE YEAR ENDED DEC. 31, 2021



Perpetual Strategies	26%	Long-term private funds	49%
Co-investments	5%	Direct	20%

SIGNIFICANT INVESTMENTS

- Opportunistic credit investments (\$8.1 billion)
- BPY privatization (\$6.5 billion)¹
- Inter Pipeline (\$4.5 billion)
- alstria (\$1.7 billion)
- Modulaire (\$1.6 billion)
- Sagen (formerly "Genworth Canada") (\$1.3 billion)
- DexKo (\$1.1 billion)

SIGNIFICANT COMMITMENTS

- AusNet Services (\$5.8 billion)
- American National (\$3.6 billion)
- Scientific Games (\$2.5 billion)
- FirstEnergy Corp. (\$2.0 billion)
- SGN Ltd. (\$2.0 billion)
- King Street Properties (\$1.5 billion)
- Opportunistic credit portfolios (\$1.1 billion)

1. Balance represents \$3.0B of capital invested in cash, \$3.0B of Brookfield shares and \$0.5B of BPY preferred shares issued.

Capitalization

Our corporate debt has a weighted-average term to maturity of 13 years, while our recourse debt to corporate capitalization is conservative at 17%

AS AT DEC. 31 (MILLIONS)	Average Rate	Average Term (Years)	Leverage	
			2021	2020
Corporate borrowings				
Term debt	4.2%	13	\$ 9,963	\$ 9,077
Revolving facilities ¹	n/a	4	912	—
Total corporate borrowings			10,875	9,077
Perpetual preferred shares ²	4.0%	perp.	4,375	4,375
Debt and preferred capital			\$ 15,250	\$ 13,452

1. Reflects \$912 million of commercial paper and credit facility draws outstanding as at December 31, 2021.

2. Includes \$230 million of perpetual subordinated notes issued in November 2020 by a wholly owned subsidiary of Brookfield, included within non-controlling interest.

DEBT TO CAPITALIZATION

AS AT DEC. 31 (MILLIONS)	Corporate		Consolidated	
	2021	2020	2021	2020
Corporate borrowings	\$ 10,875	\$ 9,077	\$ 10,875	\$ 9,077
Non-recourse borrowings				
Subsidiary borrowings	—	—	17,189	10,768
Property specific borrowings	—	—	147,868	128,556
	10,875	9,077	175,932	148,401
Accounts payable and other	5,104	4,963	53,017	50,682
Deferred income tax liabilities	299	432	20,328	15,913
Subsidiary equity obligations	—	—	3,837	3,699
Liabilities associated with assets held for sale	—	—	3,148	2,359
Equity				
Non-controlling interests	230	230	88,386	86,804
Preferred equity	4,145	4,145	4,145	4,145
Common equity	42,210	31,693	42,210	31,693
	46,585	36,068	134,741	122,642
Total capitalization	\$ 62,863	\$ 50,540	\$ 391,003	\$ 343,696
Debt to capitalization ¹	17%	18%	45%	43%

1. Determined as the aggregate of corporate borrowings and non-recourse borrowings divided by total capitalization.

Sources and Uses of Cash

We continue to source significant cash flows from our operations and principal investments

	Three Months		Full Year	
	2021	2020	2021	2020
FOR THE PERIODS ENDED DEC. 31 (MILLIONS)				
Corporate cash and financial assets, beginning of period	\$ 3,042	\$ 3,675	\$ 4,456	\$ 2,181
Sources				
Distributable earnings, before realizations ^{1, 2}	1,052	853	3,467	2,687
Proceeds from realized carry ²	92	—	566	75
Dispositions of principal investments ²	29	667	2,426	1,419
	1,173	1,520	6,459	4,181
Uses				
Share repurchases ³	(41)	(89)	(307)	(419)
Dividends paid to common shareholders	(204)	(181)	(800)	(726)
Capitalization of reinsurance agreements	(368)	—	(481)	—
Capital calls for LP investments and other ⁴	(468)	(896)	(1,783)	(2,155)
BPY privatization	—	—	(3,426)	—
Debt/preferred share repayment ⁵	(600)	—	(2,600)	—
Perpetual affiliate unit/share purchases	(400)	(230)	(400)	(709)
	(2,081)	(1,396)	(9,797)	(4,009)
Net financing activities	462	630	1,635	2,184
Other sources / (uses)⁶	926	27	769	(81)
In-period change	480	781	(934)	2,275
Corporate cash and financial assets, end of period	\$ 3,522	\$ 4,456	\$ 3,522	\$ 4,456

1. Refer to page 32 for reconciliations of IFRS to non-IFRS measures.

2. Subject to timing differences between period when earned and period when cash is received.

3. Includes repurchases of BAM common and preferred shares.

4. This includes cash used to fund capital calls, seed investments and various risk management trades.

5. Relates to cash utilized to opportunistically repay high coupon debt and preferred shares of our perpetual affiliates.

6. Includes adjustments for accrued items, carried interest proceeds subject to clawback, financial asset mark-to-market changes and other items.

Invested Capital – Overview

PERPETUAL INVESTMENTS

Our **perpetual affiliates** are **BIP, BEP, BBU and BPG**, the flagship entities that hold most of the investments in our four largest operating segments. BEP, BIP and BBU are publicly traded in the United States and Canada.

- We own 48% of **Brookfield Renewable Partners (BEP)**, one of the world's largest publicly traded renewable power platforms with generating facilities in North America, South America, Europe and Asia.
- We own 27% of **Brookfield Infrastructure Partners (BIP)**, one of the largest owners and operators of critical and diverse global infrastructure networks which facilitate the movement and storage of energy, water, freight, passengers and data.
- We own 64% of **Brookfield Business Partners (BBU)**, our flagship private equity perpetual strategy that invests primarily in business services and industrial companies focused on long-term capital appreciation.
- We own 100% of **Brookfield Property Group (BPG)**, a diversified global real estate portfolio that owns, operates and develops one of the largest portfolios of office, retail, multifamily, logistics, hospitality, triple net lease, student housing and manufactured housing assets.

Our **corporate cash and financial assets** portfolio includes corporate cash, assets held as part of our liquidity management operations, seeding investments in new strategies and financial contracts to manage market risk.

OTHER INVESTMENTS

- **Residential:** in North America, we develop land for building homes or selling lots to other homebuilders while in Brazil we develop and construct residential and commercial towers.
- **Energy contracts:** our contractual arrangement with BEP to purchase power generated by certain North American hydro assets at a fixed price that is then resold on a contracted or uncontracted basis.
- **Other:** We have an approximate 4% interest in Vistra. In addition, we have investments in sustainable resources, mainly timber, direct investments in various operating companies within the Private Equity segment, our share of Oaktree's balance sheet investments and investments in our insurance business.

CORPORATE ACTIVITIES

- Our **corporate borrowings** reflect the amount of recourse debt held in the corporation.
- Net **working capital** includes accounts receivable, accounts payable, other assets and other liabilities, including deferred tax assets and liabilities; FFO includes **corporate costs and cash taxes**.
- **Preferred equity** represents permanent, non-participating equity that provides leverage to our common equity.

Invested Capital – Distributions

FOR THE PERIODS ENDED DEC. 31 (MILLIONS)	Three Months		Full Year		Annualized
	2021	2020	2021	2020	
Perpetual affiliates					
BEP	\$ 95	\$ 95	\$ 384	\$ 398	\$ 399
BIP	71	64	275	258	301
BBU	6	6	24	24	24
BPG	379	194	1,187	780	1,523
	<u>551</u>	<u>359</u>	<u>1,870</u>	<u>1,460</u>	<u>2,247</u>
Corporate cash and financial assets	(22)	163	42	377	282
Other principal investments					
Residential	117	49	258	66	258
Energy contracts ¹	(19)	(16)	(106)	(126)	(106)
Norbord / West Fraser ²	—	17	2	31	—
Other	33	26	132	38	132
	<u>131</u>	<u>76</u>	<u>286</u>	<u>9</u>	<u>284</u>
Distributions from investments	<u>\$ 660</u>	<u>\$ 598</u>	<u>\$ 2,198</u>	<u>\$ 1,846</u>	<u>\$ 2,813</u>

1. Represents losses on fixed price energy contracts provided to BEP by BAM as the average price of energy purchased exceeded the average selling price in the periods presented.
2. Norbord was acquired by West Fraser on February 1, 2021. As part of the transaction, the company's investment in Norbord was converted into a 19% interest in West Fraser's outstanding common shares. As at December 31, 2021, we have fully disposed of our stake in the business.

Invested Capital – Operating Results

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

	Invested Capital		Funds from Operations ¹			
			Three Months		Full Year	
	2021	2020	2021	2020	2021	2020
Perpetual investments						
Perpetual affiliates						
BEP	\$ 4,641	\$ 4,573	\$ 94	\$ 84	\$ 350	\$ 397
BIP	2,696	1,920	118	99	411	358
BBU ²	2,803	2,175	204	161	597	498
BPG	32,004	19,331	307	95	747	483
Corporate cash and financial assets³	3,522	4,456	(22)	163	42	377
	45,666	32,455	701	602	2,147	2,113
Other investments						
Residential	2,392	2,730	117	49	258	66
Energy contracts ⁴	623	581	(19)	(16)	(106)	(126)
Norbord / West Fraser ⁵	—	1,327	—	123	3	286
Other	3,175	2,363	38	30	152	52
	6,190	7,001	136	186	307	278
Corporate activities						
Corporate borrowings / Interest expense	(10,875)	(9,077)	(113)	(106)	(438)	(388)
Working capital / Corporate costs and taxes ⁶	699	742	(39)	(38)	(154)	(151)
Perpetual preferred shares ⁷	(4,375)	(4,375)	—	—	—	—
	(14,551)	(12,710)	(152)	(144)	(592)	(539)
Invested capital, net / FFO	\$ 37,305	\$ 26,746	\$ 685	\$ 644	\$ 1,862	\$ 1,852
Per share ⁸	\$ 22.59	\$ 17.00	\$ 0.40	\$ 0.39	\$ 1.08	\$ 1.11

1. Excludes realized disposition gains.

2. FFO includes the net impact of performance fees paid to BAM of \$78 million (2020 – \$nil) for the three months ended December 31 and \$157 million (2020 – \$nil) for the year.

3. Corporate cash and financial assets is inclusive of \$1.9 billion of cash and cash equivalents (December 31, 2020 – \$3.2 billion).

4. Represents losses on fixed price energy contracts provided to BEP by BAM as the average price of energy purchased exceeded the average selling price in the periods presented.

5. Norbord was acquired by West Fraser on February 1, 2021. As part of the transaction, the company's investment in Norbord was converted into a 19% interest in West Fraser's outstanding common shares. As at December 31, 2021, we have fully disposed of our stake in the business.

6. Invested capital includes a net deferred income tax asset of \$1.8 billion (December 31, 2020 – \$1.7 billion); FFO includes current tax expense of \$9 million (2020 – \$11 million) for the three months ended December 31, 2021 and \$38 million (2020 – \$50 million) for the year.

7. Includes \$230 million of perpetual subordinated notes issued in November 2020 by a wholly owned subsidiary of Brookfield, included within non-controlling interest. FFO excludes preferred shares distributions of \$38 million (2020 – \$37 million) for the three months ended December 31, 2021 and \$157 million (2020 – \$142 million) for the year.

8. Average number of shares outstanding on a fully diluted, time-weighted average basis for the three months and year ended December 31, 2021 were 1,631.1 million and 1,586.9 million, respectively (2020 – 1,540.7 million and 1,540.6 million, respectively).

Disposition Gains

FOR THE PERIODS ENDED DEC. 31 (MILLIONS)	Three Months				Full Year			
	FFO ^{1,2}		Net Income ²		FFO ^{1,2}		Net Income ²	
	2021	2020	2021	2020	2021	2020	2021	2020
Renewable power and transition								
BEP Secondary offerings	\$ —	\$ 270	\$ —	\$ —	\$ 751	\$ 749	\$ —	\$ —
Other renewable power	—	10	—	10	49	24	54	15
	—	280	—	10	800	773	54	15
Infrastructure								
Enwave	—	—	—	—	249	—	203	—
U.K. smart meter portfolio	—	—	—	—	92	—	48	—
AVN	13	—	38	—	13	28	38	—
BIPC secondary offering	—	—	—	—	—	140	—	—
Other infrastructure	(31)	2	(81)	2	17	33	(83)	8
	(18)	2	(43)	2	371	201	206	8
Private equity								
Norbord / West Fraser ³	47	—	—	—	1,072	—	(44)	—
Other private equity	—	88	—	26	304	114	94	52
	47	88	—	26	1,376	114	50	52
Real estate								
Core	—	—	—	—	23	—	(6)	—
Transition and development	41	303	(13)	(78)	32	332	(73)	(76)
LP investments	251	80	113	(12)	383	61	138	(30)
	292	383	100	(90)	438	393	59	(106)
Corporate								
Other corporate	30	57	—	—	97	71	(12)	—
	30	57	—	—	97	71	(12)	—
	\$ 351	\$ 810	\$ 57	\$ (52)	\$ 3,082	\$ 1,552	\$ 357	\$ (31)

1. FFO includes gains (net of losses) recorded in net income, directly in equity, as well as the realization of appraisal gains recorded in prior years.

2. Net of non-controlling interests.

3. Norbord was acquired by West Fraser on February 1, 2021. As part of the transaction, the company's investment in Norbord was converted into a 19% interest in West Fraser's outstanding common shares. As at December 31, 2021, we have fully disposed of our stake in the business.

Disposition Gains – Principal Investments

	Three Months		Full Year	
	2021	2020	2021	2020
FOR THE PERIODS ENDED DEC. 31 (MILLIONS)				
Renewable power and transition				
BEP secondary offering	\$ —	\$ 270	\$ 751	\$ 749
	—	270	751	749
Infrastructure				
BIPC secondary offering	—	—	—	140
Other infrastructure	(31)	—	(6)	—
	(31)	—	(6)	140
Private equity				
Norbord / West Fraser	47	—	1,072	—
	47	—	1,072	—
Real estate				
Transitional and development	14	221	138	221
LP investments	48	—	48	4
	62	221	186	225
Corporate				
Other corporate	30	57	97	71
	30	57	97	71
Disposition gains from principal investments	\$ 108	\$ 548	\$ 2,100	\$ 1,185

Perpetual Affiliates Results

BEP (NYSE: BEP, TSX: BEP.UN) – 48% ownership interest

AS AT AND FOR THE PERIODS ENDED DEC. 31 (MILLIONS)	Invested Capital		Funds from Operations			
			Three Months		Full Year	
	2021	2020	2021	2020	2021	2020
Attributable to unitholders	\$ 9,607	\$ 9,029	\$ 214	\$ 201	\$ 934	\$ 807
Incentive distributions	—	—	(20)	(17)	(80)	(65)
Non-controlling interests	(4,966)	(4,456)	(100)	(90)	(444)	(321)
Segment reallocation and other ²	—	—	—	(10)	(60)	(24)
Brookfield's interest	\$ 4,641	\$ 4,573	\$ 94	\$ 84	\$ 350	\$ 397

BIP (NYSE: BIP, TSX: BIP.UN) – 27% ownership interest

AS AT AND FOR THE PERIODS ENDED DEC. 31 (MILLIONS)	Invested Capital		Funds from Operations			
			Three Months		Full Year	
	2021	2020	2021	2020	2021	2020
Attributable to unitholders	\$ 9,595	\$ 6,589	\$ 486	\$ 398	\$ 1,733	\$ 1,454
Incentive distributions	—	—	(55)	(45)	(207)	(183)
Non-controlling interests	(6,899)	(4,669)	(309)	(250)	(1,094)	(900)
Segment reallocation and other ²	—	—	(4)	(4)	(21)	(13)
Brookfield's interest	\$ 2,696	\$ 1,920	\$ 118	\$ 99	\$ 411	\$ 358

BBU (NYSE: BBU, TSX: BBU.UN) – 64% ownership interest

AS AT AND FOR THE PERIODS ENDED DEC. 31 (MILLIONS)	Invested Capital		Funds from Operations			
			Three Months		Full Year	
	2021	2020	2021	2020	2021	2020
Attributable to unitholders	\$ 4,278	\$ 3,492	\$ 396	\$ 295	\$ 1,573	\$ 870
Performance fees	—	—	(78)	—	(157)	—
Non-controlling interests	(1,475)	(1,317)	(114)	(108)	(515)	(320)
Segment reallocation and other ²	—	—	—	(26)	(304)	(52)
Brookfield's interest	\$ 2,803	\$ 2,175	\$ 204	\$ 161	\$ 597	\$ 498

BPG – 100% ownership interest

AS AT AND FOR THE PERIODS ENDED DEC. 31 (MILLIONS)	Invested Capital		Funds from Operations			
			Three Months		Full Year	
	2021	2020	2021	2020	2021	2020
Core	\$ 15,589	\$ 15,217	\$ 135	\$ 125	\$ 557	\$ 566
Transitional and Development	10,409	8,955	200	116	631	509
LP Investments	8,223	6,433	105	21	217	113
Corporate	(2,233)	(1,675)	(109)	(87)	(438)	(303)
Attributable to unitholders	31,988	28,930	331	175	967	885
Non-controlling interests	—	(9,615)	—	(64)	(138)	(344)
Segment reallocation and other ¹	—	—	(24)	(16)	(82)	(58)
Brookfield's interest	31,988	19,315	307	95	747	483
Preferred shares	16	16	—	—	—	—
	\$ 32,004	\$ 19,331	\$ 307	\$ 95	\$ 747	\$ 483

1. Reflects fee-related earnings and net carried interest reclassified to asset management segment and asset management expenses not included in operating FFO.

2. Relates to disposition gains, net of NCI, included in operating FFO.

Other Investments

In addition to being invested in our four flagship perpetual affiliates, we hold a number of other investments

CORPORATE CASH AND FINANCIAL ASSETS

AS AT AND FOR THE PERIODS ENDED DEC. 31 (MILLIONS)	Segment	Funds from Operations					
		Invested Capital		Three Months		Full Year	
		2021	2020	2021	2020	2021	2020
Corporate cash and financial assets	Corporate	\$ 3,522	\$ 4,456	\$ (22)	\$ 163	\$ 42	\$ 377

OTHER INVESTMENTS

AS AT AND FOR THE PERIODS ENDED DEC. 31 (MILLIONS)	Segment	Funds from Operations					
		Invested Capital		Three Months		Full Year	
		2021	2020	2021	2020	2021	2020
Residential development							
North America	Residential	\$ 1,892	\$ 2,119	\$ 113	\$ 49	\$ 256	\$ 76
Brazil and other	Residential	500	611	4	—	2	(10)
		2,392	2,730	117	49	258	66
Energy contracts	Renewable Power	623	581	(19)	(16)	(106)	(126)
Sustainable resources and other	Infrastructure	326	632	2	3	15	10
Norbord / West Fraser ¹	Private Equity	—	1,327	—	123	3	286
Other corporate	Corporate	2,087	1,268	19	15	83	5
Other	Various	762	463	17	12	54	37
		\$ 6,190	\$ 7,001	\$ 136	\$ 186	\$ 307	\$ 278

1. Norbord was acquired by West Fraser on February 1, 2021. As part of the transaction, the company's investment in Norbord was converted into a 19% interest in West Fraser's outstanding common shares. As at December 31, 2021, we have fully disposed of our stake in the business.

Reconciliation of IFRS to Non-IFRS Measures

OVERVIEW

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

FOR THE YEARS ENDED DEC.31
(MILLIONS)

	2021	2020
Net income	\$ 12,388	\$ 707
Financial statement components not included in FFO		
Equity accounted fair value changes and other non-FFO items ¹	1,355	3,170
Fair value changes	(5,151)	1,423
Depreciation and amortization	6,437	5,791
Deferred income taxes	1,210	81
Realized disposition gains in fair value changes or prior periods	2,861	1,554
Non-controlling interests ²	(11,542)	(7,546)
Funds from operations	7,558	5,180
Less: total disposition gains	(3,082)	(1,552)
Less: net invested capital FFO	(1,862)	(1,852)
Less: realized carried interest, net	(715)	(348)
Corporate activities	(592)	(539)
Distributions from investments	2,198	1,846
Equity-based compensation	119	94
Preferred share dividends	(157)	(142)
Distributable earnings before realizations	3,467	2,687
Realized carried interest, net ³	715	348
Disposition gains from principal investments	2,100	1,185
Distributable earnings⁴	\$ 6,282	\$ 4,220

1. Other non-FFO items correspond to amounts that are not directly related to revenue earning activities and are not normal or recurring items necessary for business operations.

2. Amounts attributable to non-controlling interests are calculated based on the economic ownership interests held by non-controlling interests in consolidated subsidiaries. By adjusting FFO attributable to non-controlling interests, we are able to remove the portion of FFO earned at non-wholly owned subsidiaries that is not attributable to Brookfield.

3. Includes our share of Oaktree's distributable earnings attributable to realized carried interest.

4. Comparative period numbers have been revised to reflect new definitions. Refer to Glossary of Terms starting on page 39.

Common Share Information

COMMON SHARE CONTINUITY

FOR THE PERIODS ENDED DEC. 31 (MILLIONS)	Three Months		Full Year	
	2021	2020	2021	2020
Outstanding at beginning of period	1,568.0	1,512.3	1,510.7	1,509.3
Issued (repurchased)				
Issuances	—	—	61.3	—
Repurchases	(0.9)	(2.7)	(9.7)	(8.9)
Long-term share ownership plans	1.7	1.1	6.4	10.1
Dividend reinvestment plan	—	—	0.1	0.2
Outstanding at end of period	1,568.8	1,510.7	1,568.8	1,510.7
Unexercised options, other share-based plans and exchangeable shares of affiliate	82.8	63.0	82.8	63.0
Total diluted shares at end of period	1,651.6	1,573.7	1,651.6	1,573.7

- The company holds 69.7 million common shares for management share ownership plans, which have been deducted from the total number of shares outstanding.
 - 25.1 million shares would be issued in respect of these plans if exercised based on current market prices and the balance would be canceled.
- Cash value of unexercised options as at December 31, 2021 was \$1.2 billion (December 31, 2020 – \$1.2 billion).
- The company completed the previously announced 3-for-2 stock split on April 1, 2020. All share amounts are presented on a post-split basis.

FFO AND EARNINGS PER SHARE INFORMATION

FOR THE YEARS ENDED DEC.31 (MILLIONS, EXCEPT PER SHARE AMOUNTS)	Funds from Operations		Net Income	
	2021	2020	2021	2020
FFO / Net income (loss)	\$ 7,558	\$ 5,180	\$ 3,966	\$ (134)
Preferred share dividends	(148)	(141)	(148)	(141)
Subordinated preferred note dividends	(9)	(1)	—	—
Dilutive effect of conversion of subsidiary preferred shares	—	—	(26)	93
FFO / Net income (loss) available to shareholders	7,401	5,038	3,792	(182)
Dilutive impact of exchangeable shares of affiliate	2	—	2	—
FFO / Net income (loss) available to shareholders including dilutive impact of exchangeable shares	\$ 7,403	\$ 5,038	\$ 3,794	\$ (182)
Weighted average shares	1,536.5	1,511.4	1,536.5	1,511.4
Dilutive effect of conversion of options and other share-based plans using treasury stock method and exchangeable shares of affiliate	50.4	29.2	50.4	—
Shares and share equivalents	1,586.9	1,540.6	1,586.9	1,511.4
Per share	\$ 4.67	\$ 3.27	\$ 2.39	\$ (0.12)

Entity Basis – Reconciliation to Reportable Segments – Invested Capital

AS AT DEC. 31, 2021 (MILLIONS)	Reportable Segments							Total
	Asset Management	Renewable Power and Transition	Infrastructure	Private Equity	Real Estate	Residential	Corporate	
Asset management	\$ 4,905	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 4,905
Invested capital								
Perpetual investments								
Brookfield Renewable Partners	—	4,641	—	—	—	—	—	4,641
Brookfield Infrastructure Partners	—	—	2,696	—	—	—	—	2,696
Brookfield Business Partners	—	—	—	2,803	—	—	—	2,803
Brookfield Property Group ¹	—	—	—	—	32,004	—	—	32,004
	—	4,641	2,696	2,803	32,004	—	—	42,144
Corporate cash and financial assets	—	—	—	—	—	—	3,522	3,522
	—	4,641	2,696	2,803	32,004	—	3,522	45,666
Other investments								
Residential development	—	—	—	—	—	2,392	—	2,392
Energy contracts	—	623	—	—	—	—	—	623
Other	—	—	326	762	—	—	2,087	3,175
	—	623	326	762	—	2,392	2,087	6,190
Net working capital	—	—	—	—	—	—	699	699
Debt and preferred capital								
Corporate borrowings	—	—	—	—	—	—	(10,875)	(10,875)
Perpetual preferred shares	—	—	—	—	—	—	(4,375)	(4,375)
	—	—	—	—	—	—	(15,250)	(15,250)
	\$ 4,905	\$ 5,264	\$ 3,022	\$ 3,565	\$ 32,004	\$ 2,392	\$ (8,942)	\$ 42,210

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

Entity Basis – Reconciliation to Reportable Segments – Three Months FFO

FOR THE THREE MONTHS ENDED DEC. 31, 2021
(MILLIONS)

Asset management

	Asset Management	Renewable Power and Transition	Infrastructure	Private Equity	Real Estate	Residential	Corporate	Total
Fee-related earnings	\$ 552	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 552
Carried interest, net	141	—	—	—	—	—	—	141
	<u>693</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>693</u>

Invested capital

Perpetual investments								
Brookfield Renewable Partners	—	94	—	—	—	—	—	94
Brookfield Infrastructure Partners	—	—	118	—	—	—	—	118
Brookfield Business Partners	—	—	—	204	—	—	—	204
Brookfield Property Group ¹	—	—	—	—	307	—	—	307
	<u>—</u>	<u>94</u>	<u>118</u>	<u>204</u>	<u>307</u>	<u>—</u>	<u>—</u>	<u>723</u>
Corporate cash and financial assets	—	—	—	—	—	—	(22)	(22)
	<u>—</u>	<u>94</u>	<u>118</u>	<u>204</u>	<u>307</u>	<u>—</u>	<u>(22)</u>	<u>701</u>
Other investments								
Residential development	—	—	—	—	—	117	—	117
Energy contracts	—	(19)	—	—	—	—	—	(19)
Other	—	—	2	17	—	—	19	38
	<u>—</u>	<u>(19)</u>	<u>2</u>	<u>17</u>	<u>—</u>	<u>117</u>	<u>19</u>	<u>136</u>
Disposition gains	—	—	(18)	47	292	—	30	351
Corporate activities²								
Interest expense	—	—	—	—	—	—	(113)	(113)
Corporate costs and taxes	—	—	—	—	—	—	(39)	(39)
	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>(152)</u>	<u>(152)</u>
	<u>\$ 693</u>	<u>\$ 75</u>	<u>\$ 102</u>	<u>\$ 268</u>	<u>\$ 599</u>	<u>\$ 117</u>	<u>\$ (125)</u>	<u>\$ 1,729</u>

1. Includes nominal amounts of BPG preferred share distributions.

2. Excludes \$38 million of preferred share distributions for the three months, which are included in determining per share results.

Entity Basis – Reconciliation to Reportable Segments – Full Year FFO

	Reportable Segments							Total
	Asset Management	Renewable Power and Transition	Infrastructure	Private Equity	Real Estate	Residential	Corporate	
FOR THE YEAR ENDED DEC. 31, 2021 (MILLIONS)								
Asset management								
Fee-related earnings	\$ 1,899	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 1,899
Carried interest, net	715	—	—	—	—	—	—	715
	<u>2,614</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>2,614</u>
Invested capital								
Perpetual investments								
Brookfield Renewable Partners	—	350	—	—	—	—	—	350
Brookfield Infrastructure Partners	—	—	411	—	—	—	—	411
Brookfield Business Partners	—	—	—	597	—	—	—	597
Brookfield Property Group ¹	—	—	—	—	747	—	—	747
	<u>—</u>	<u>350</u>	<u>411</u>	<u>597</u>	<u>747</u>	<u>—</u>	<u>—</u>	<u>2,105</u>
Corporate cash and financial assets	—	—	—	—	—	—	42	42
	<u>—</u>	<u>350</u>	<u>411</u>	<u>597</u>	<u>747</u>	<u>—</u>	<u>42</u>	<u>2,147</u>
Other investments								
Residential development	—	—	—	—	—	258	—	258
Energy contracts	—	(106)	—	—	—	—	—	(106)
Norbord / West Fraser ²	—	—	—	3	—	—	—	3
Other	—	—	15	54	—	—	83	152
	<u>—</u>	<u>(106)</u>	<u>15</u>	<u>57</u>	<u>—</u>	<u>258</u>	<u>83</u>	<u>307</u>
Disposition gains	—	800	371	1,376	438	—	97	3,082
Corporate activities²								
Interest expense	—	—	—	—	—	—	(438)	(438)
Corporate costs and taxes	—	—	—	—	—	—	(154)	(154)
	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>(592)</u>	<u>(592)</u>
	<u>\$ 2,614</u>	<u>\$ 1,044</u>	<u>\$ 797</u>	<u>\$ 2,030</u>	<u>\$ 1,185</u>	<u>\$ 258</u>	<u>\$ (370)</u>	<u>\$ 7,558</u>

1. Includes nominal amounts of BPG preferred share distributions.

2. Excludes \$157 million of preferred share distributions for the year, which are included in determining per share results.

Endnotes

Performance Highlights – Page 4

1. Excludes special dividends.

Distributable Earnings – Page 5

1. Annualized distributions are calculated by multiplying units held as at December 31, 2021 by the current distribution rates per unit.
2. Annualized distributions for corporate cash and financial assets are calculated as an estimated 8% total return on the current quarter's ending balance.
3. Includes earnings from wholly owned investments and distributions from our other listed investments. On February 1, 2021, Norbord Inc. ("Norbord") was acquired by West Fraser Timber Co. Ltd. ("West Fraser"). As part of the transaction, the company's investment in Norbord was converted into a 19% interest in West Fraser's outstanding common shares. As at December 31, 2021, we have fully disposed of our stake in the business. See definitions of our other investments in the Invested Capital – Overview section on page 25. Oaktree's policy is to distribute 85% of realized investment income each period. Oaktree annualized realized investment income is based on 85% of the last twelve months realized investment income, at our share.
4. Includes \$1 million (2020 – \$1 million) and \$9 million (2020 – \$1 million) of dividends paid on perpetual subordinated notes for the three and twelve months ended December 31, 2021, respectively.
5. Refer to page 32 for reconciliations of IFRS to non-IFRS measures.
6. Average number of shares outstanding on a fully diluted, time-weighted average basis for the three months and year ended December 31, 2021 were 1,631.1 million and 1,586.9 million, respectively (2020 – 1,540.7 million and 1,540.6 million, respectively).

Asset Management – Page 6

1. Fee-bearing capital from Oaktree is shown on a 100% basis.
2. We use a 55% – 65% range for margin on Brookfield fee revenue and a range of 25% – 35% on Oaktree fee revenue for planning purposes. For annualized fees, we have assumed a mid-point fee-related earnings margin of 60% and 30% for Brookfield and Oaktree, respectively. Refer to pages 15 and 16 for details on the determination of annualized fees.
3. Includes fee revenues from Oaktree shown on a 100% basis.
4. Direct costs related to annualized fee revenues and annualized carried interest include \$776 million and \$718 million related to Oaktree (2020 – \$682 million and \$654 million), respectively.
5. Actual carried interest is carried interest realized in the period (refer to page 17). Annualized carried interest is target carried interest.
6. Annualized carried interest includes \$1.4 billion of target carried interest related to Oaktree (2020 – \$1.3 billion), shown on a 100% basis.
7. We use a margin range of 65% – 75% on Brookfield carried interest and a range of 45% – 55% on Oaktree carried interest for planning purposes. For annualized carried interest, we have assumed a mid-point target carried interest margin of 70% and 50% for Brookfield and Oaktree funds, respectively. Refer to page 18.

Invested Capital – Page 7

1. Quoted based on December 31, 2021 and December 31, 2020 public pricing, respectively.
2. For performance measurement purposes, we consider the value of invested capital to be the quoted value of listed investments, public pricing using industry comparables for Brookfield Residential values and IFRS values for unlisted investments.
3. Distributed cash flow (current) from our listed investments is calculated by multiplying units held as at December 31, 2021 by the current distribution rates per unit. Corporate cash and financial asset distribution is calculated by applying an 8% total return on the current quarter's ending balance. Distributions on our unlisted investments is equal to the total distributions received over the last twelve month period.
4. On February 16, 2021, we completed the sale of 15 million class A shares of BEPC. Total net proceeds were approximately \$750 million. As at December 31, 2021, we held approximately 44.8 million of BEPC class A shares (December 31, 2020 – 59.8 million) and 267.2 million of BEP units (December 31, 2020 – 267.2 million).
5. Corporate cash and financial assets is inclusive of \$1.9 billion of cash and cash equivalents (December 31, 2020 – \$3.2 billion).
6. Blended value includes the fair value of comparable assets in our Residential segment.
7. Other investments include energy contracts, timber and agricultural assets, other corporate investments, other listed investments and \$869 million of investments related to our share of Oaktree (December 31, 2020 – \$747 million).
8. Includes \$230 million of perpetual subordinated notes issued in November 2020 by a wholly owned subsidiary of Brookfield, included within non-controlling interest.

Endnotes cont'd

Liquidity and Capital Structure – Page 8

1. Refer to Glossary of Terms starting on page 39.
2. Reflects \$912 million of commercial paper and credit facility draws outstanding as at December 31, 2021.
3. Includes \$230 million of perpetual subordinated notes issued in November 2020 by a wholly owned subsidiary of Brookfield, included within non-controlling interest.

Liquidity Profile – Page 9

1. Third-party private fund uncalled commitments.
2. Total uncalled fund commitments includes capital callable from fund investors, including funds outside of their investment period, for which capital is callable for follow-on investments. As at December 31, 2021, \$11.8 billion of uncalled fund commitments related to funds outside of their investment period.

Summary of Results – Funds from Operations – Page 10

1. FFO excludes preferred share distributions of \$38 million (2020 – \$37 million) for the three months ended December 31 and \$157 million (2020 – \$142 million) for the year, which are included in determining per share results.
2. Refer to page 32 for reconciliations of IFRS to non-IFRS measures.
3. Average number of shares outstanding on a fully diluted, time-weighted average basis for the three months and year ended December 31, 2021 were 1,631.1 million and 1,586.9 million, respectively (2020 – 1,540.7 million and 1,540.6 million, respectively).

Funds from Operations and Net Income – Page 11

1. Net of non-controlling interests. Refer to page 32 for reconciliations of IFRS to non-IFRS measures.
2. FFO includes gains (net of losses) recorded in net income, directly in equity and the realization of appraisal gains and losses recorded in prior periods.
3. Includes amounts attributable to consolidated entities and equity accounted investments.
4. Average number of shares outstanding on a fully diluted, time-weighted average basis for the three months and year ended December 31, 2021 were 1,631.1 million and 1,586.9 million, respectively (2020 – 1,540.7 million and 1,540.6 million, respectively).

Asset Management Operating Results cont'd – Page 14

2. Represents Oaktree fee-related earnings attributable to the 38% of Oaktree not held by Brookfield.

Annualized Fees and Target Carried Interest – Page 20

1. Based on most recent quarterly distributions declared.
2. Annualized BBU performance fees assume 10% annualized unit price appreciation from the \$25.00 initial spin-out value in 2016, adjusted for current BBU units outstanding.
3. Annualized transaction and advisory fees based on simple average of the last two years' results.
4. Based on prescribed carried interest for private funds and target gross return. Includes only third-party capital.
5. Fee revenues based on annualized fees as at December 31, 2021, excluding transaction fees, performance fees and target carried interest.
6. Perpetual strategies base management fees include \$527 million of annualized base fees on Brookfield capital from perpetual affiliates.
7. For details on perpetual strategies base fee calculations, refer to the Glossary of Terms on page 41.

Glossary of Terms

The “Corporation,” “Brookfield” or “BAM” refers to our asset management business which is comprised of our asset management and corporate business segments.

This Supplemental Information contains key performance measures that we employ in analyzing and discussing our results. These measures include non-IFRS measures. We describe our key financial measures below and include a complete list of our performance measures on pages 115 through 120 of our 2020 annual report.

- **Asset under management** refers to the total fair value of assets that we manage, on a gross asset value basis, including assets for which we earn management fees and those for which we do not. AUM is calculated as follows: (i) for investments that Brookfield consolidates for accounting purposes or actively manages, including investments in which Brookfield or a controlled investment vehicle is the largest shareholder or the primary operator or manager, at 100% of the investment’s total assets on a fair value basis; and (ii) for all other investments, at Brookfield’s or its controlled investment vehicle’s, as applicable, proportionate share of the investment’s total assets on a fair value basis. Brookfield’s methodology for determining AUM may differ from the methodology employed by other alternative asset managers and Brookfield’s AUM presented herein may differ from our AUM reflected in other public filings and/or our Form ADV and Form PF.
- **Fee-bearing capital** represents the capital committed, pledged or invested in the perpetual affiliates, private funds and liquid strategies that we manage which entitles us to earn fee revenues. Fee-bearing capital includes both called (“invested”) and uncalled (“pledged” or “committed”) amounts. When reconciling period amounts, we utilize the following definitions:
 - Inflows include capital commitments and contributions to our private and liquid strategies funds and equity issuances in our perpetual affiliates.
 - Outflows represent distributions and redemptions of capital from within the liquid strategies capital.
 - Distributions represent quarterly distributions from perpetual affiliates as well as returns of committed capital (excluding market valuation adjustments), redemptions and expiry of uncalled commitments within our private funds.
 - Market activity includes gains (losses) on portfolio investments, perpetual affiliates and liquid strategies based on market prices.
 - Other include changes in net non-recourse debt included in the determination of perpetual affiliate capitalization and the impact of foreign exchange fluctuations on non-U.S. dollar commitments.
- **Carry eligible capital** represents the capital committed, pledged or invested in the private funds that we manage and which entitle us to earn carried interest. Carry eligible capital includes both invested and uninvested (i.e. uncalled) private fund amounts as well as those amounts invested directly by investors (co-investments) if those entitle us to earn carried interest. We believe this measure is useful to investors as it provides additional insight into the capital base upon which we have potential to earn carried interest once minimum investment returns are sufficiently assured.
- **Distributable earnings (“DE”)** is a non-IFRS measure that provides insight into earnings received by the Corporation that are available for distribution to common shareholders or to be reinvested into the business. It is calculated as the sum of our Asset Management segment FFO (i.e., fee-related earnings and realized carried interest, net); distributions from our perpetual affiliates, other investments that pay regular cash distributions and FFO from our corporate cash and financial assets; other invested capital earnings, which include FFO from our residential operations, energy contracts, sustainable resources and other real estate, private equity, corporate investments that do not pay regular cash distributions, corporate costs and corporate interest expense; excluding equity-based compensation costs and net of preferred share dividend payments. As of January 1, 2021, we now include realizations from our principal investments as these are earnings that are directly received by the Corporation and are available for distribution to common shareholders or to be reinvested into the business. Comparative figures have been revised accordingly.
- **Annualized fees** include annualized base management fees, which are determined by the contractual fee rate multiplied by the current level of fee-bearing capital, annualized incentive distributions based on our perpetual affiliates’ current annual distribution policies, annualized transaction and liquid strategies performance fees equal a simple average of the last two years’ revenues.
- **Fee-related earnings** is comprised of fee revenues less direct costs associated with earning those fees, which include employee expenses and professional fees as well as business related technology costs, other shared services and taxes. We use this measure to provide additional insight into the operating profitability of our asset management activities.

Glossary of Terms cont'd

- **Carried interest** is a contractual arrangement whereby we receive a fixed percentage of investment gains generated within a private fund provided that the investors receive a pre-determined minimum return. Carried interest is typically paid towards the end of the life of a fund after the capital has been returned to investors and may be subject to “clawback” until all investments have been monetized and minimum investment returns are sufficiently assured. This is referred to as **realized carried interest**. We defer recognition of carried interest in our financial statements until they are no longer subject to adjustment based on future events. Unlike fees and incentive distributions, we only include carried interest earned in respect of third-party capital when determining our segment results.
 - **Unrealized carried interest** is the change in accumulated unrealized carried interest from prior period and represents the amount of carried interest generated during the period. We use this measure to provide insight into the value our investments have created in the period.
 - **Accumulated unrealized carried interest** is based on carried interest that would be receivable under the contractual formula at the period end date as if a fund was liquidated and all investments had been monetized at the values recorded on that date. Unrealized carry refers to the change in unrealized carry during a specified period, adjusted for realized carry.
 - **Accumulated unrealized carried interest, net** is after direct costs, which include employee expenses and taxes.
 - **Annualized target carried interest** represents the annualized carried interest we would earn on third-party private fund capital subject to carried interest based on the assumption that we achieve the targeted returns on the private funds. It is determined by multiplying the target gross return of a fund by the percentage carried interest and by the amount of third-party capital, and discounted by a utilization factor representing the average invested capital over the fund life.
- **Invested capital** is the amount of common equity in our operating segments.
- **Fee revenues** include base management fees, incentive distributions, performance fees and transaction fees presented within our Asset Management segment. Fee revenues exclude carried interest.
- **Funds from operations (“FFO”)** is a key measure of financial performance. FFO includes the fees that we earn from managing capital as well as our share of revenues earned and costs incurred within our operations, which include interest expense and other costs. FFO is defined as net income attributable to shareholders prior to fair value changes, depreciation and amortization, deferred income taxes, and includes disposition gains that are not recorded in net income as determined under IFRS. FFO also includes the company’s share of equity accounted investments’ funds from operations on a fully diluted basis. Brookfield uses FFO to assess its operating results and believes that many of its shareholders and analysts also find this measure valuable to them.

FFO and its per share equivalent are non-IFRS measures which do not have any standard meaning prescribed by IFRS and therefore may not be comparable to similar measures presented by other companies. Net income is reconciled to FFO on page 32.

- FFO from **operating activities** represents the company’s share of revenues less operating costs and interest expenses: it excludes realized carried interest, disposition gains, fair value changes, depreciation and amortization, deferred income taxes, and includes our proportionate share of similar items recorded by equity accounted investments. We present this measure as we believe it assists in describing our results and reconciling variances within FFO.
- **Realized carried interest** represents our share of investment returns based on realized gains within a private fund. Realized carried interest earned is recognized when an underlying investment is profitably disposed of and the fund’s cumulative returns are in excess of preferred returns, in accordance with the respective terms set out in the fund’s governing agreements, and when the probability of clawback is remote. Realized carried interest is determined on third-party capital that is no longer subject to future investment performance.
- **Performance fees** are paid to us when we exceed predetermined investment returns within BBU. BBU performance fees are accrued quarterly based on the volume-weighted average increase in BBU unit price. Performance fees are not subject to clawback.
- **Realized disposition gains/losses** are included in FFO as the purchase and sale of assets is a normal part of the company’s business. They include gains or losses arising from transactions during the reporting period together with any fair value changes and revaluation surplus recorded in prior periods and are presented net of cash taxes payable or receivable. Realized disposition gains include amounts that are recorded in net income, other comprehensive income and as ownership changes in our consolidated statements of equity, and exclude amounts attributable to non-controlling interests unless otherwise noted.

Glossary of Terms cont'd

- **Incentive distributions** are determined by contractual arrangements and are paid to us by BEP and BIP and represent a portion of distributions paid by perpetual affiliates above a predetermined hurdle.
- **Base management fees** are determined by contractual arrangements, are typically equal to a percentage of fee-bearing capital and are accrued quarterly.
 - **Private fund base fees** are typically earned on fee-bearing capital from third-party investors only and are earned on invested and/or uninvested fund capital, depending on the stage of the fund life.
 - **Perpetual affiliate base fees** are earned on the total capitalization or net asset value of our perpetual affiliates, which includes our investment. Base fees for BEP include a quarterly fixed fee amount of \$5 million, with additional fees of 1.25% on the increase in capitalization above their initial capitalization of \$8 billion. Base fees for BIP and BBU are 1.25% of total capitalization. Base fees for BPG are 1.05% of net asset value, excluding its interests in private funds and investments which were held directly by BAM prior to the recent BPY privatization. Perpetual affiliate capitalization as at December 31, 2021, was as follows: BEP/BEPC – \$26.8 billion; BIP/BIPC – \$34.9 billion; BBU – \$8.3 billion; and BPG – \$20.4 billion.
- **Internal rate of return (“IRR”)** is the annualized compounded rate of return of the fund, calculated since initial investment date.
- **Corporate capitalization** represents the amount of debt issued by the Corporation, accounts payable and deferred tax liability in our Corporate segment as well as our issued and outstanding common and preferred shares.

Notice to Readers

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

This Supplemental Information contains “forward-looking information” within the meaning of Canadian provincial securities laws and “forward-looking statements,” within the meaning of certain securities laws including 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. We may make such statements in this profile, in other filings with Canadian regulators and the Securities Exchange Commission or in other communications. Forward-looking statements include statements that are predictive in nature, depend upon or refer to future events or conditions and 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 and outlook of the corporation and its subsidiaries, capital committed to our funds, our liquidity and ability to access and raise capital, our ability to capitalize on investment opportunities, the potential growth of our asset management business and the related revenue streams therefrom, the prospects for increasing our cash flow from or continued achievement of targeted returns on our investments, 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 within this Supplemental Information include statements referring to the future state of the economy or the securities market and expected future deployment of capital, dispositions and associated realized carried interest, as well as statements regarding the results of future fundraising efforts. In addition, forward-looking statements contained in this Supplemental Information include statements regarding the American National deal, including the anticipated timing of such transaction and the impact that such transaction may have on Brookfield Reinsurance and on our business.

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 the company to differ materially from anticipated future results, performance or achievements expressed or implied by such forward-looking statements and information.

Some of the factors, many of which are beyond Brookfield’s control and the effects of which can be difficult to predict, but may cause actual results to differ materially from those contemplated or implied by forward-looking statements include, but are not limited to: (i) investment 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; (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 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 our real estate, renewable power, infrastructure, private equity, and other alternatives, including credit; and (xxv) factors detailed from time to time in our documents filed with the securities regulators in Canada and the United States, including in “Part 6 – Business Environment and Risks” of our Annual Report available on SEDAR at www.sedar.com and EDGAR at www.sec.gov.

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. 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 as required by law, the company undertakes no obligation to publicly update or revise any forward-looking statements or information, whether written or oral, that may be as a result of new information, future events or otherwise.

Notice to Readers cont'd

STATEMENT REGARDING PAST AND FUTURE PERFORMANCE AND TARGET RETURNS

Past performance is not indicative nor a guarantee of future results. There can be no assurance that comparable results will be achieved in the future, or that future investments or fundraising efforts will be similar to the historic results presented herein (because of economic conditions, the availability of investment opportunities or otherwise).

The target returns set forth herein are for illustrative and informational purposes only and have been presented based on various assumptions made by Brookfield in relation to, among other things, the investment strategies being pursued by the funds, any of which may prove to be incorrect. Due to various risks, uncertainties and changes (including changes in economic, operational, political or other circumstances) beyond Brookfield's control, the actual performance of the funds could differ materially from the target returns set forth herein. In addition, industry experts may disagree with the assumptions used in presenting the target returns. No assurance, representation or warranty is made by any person that the target returns 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 the funds will achieve the target returns or be able to avoid losses.

STATEMENT REGARDING USE OF NON-IFRS MEASURES

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