

Brookfield

2020/2021

Overview
Brazil



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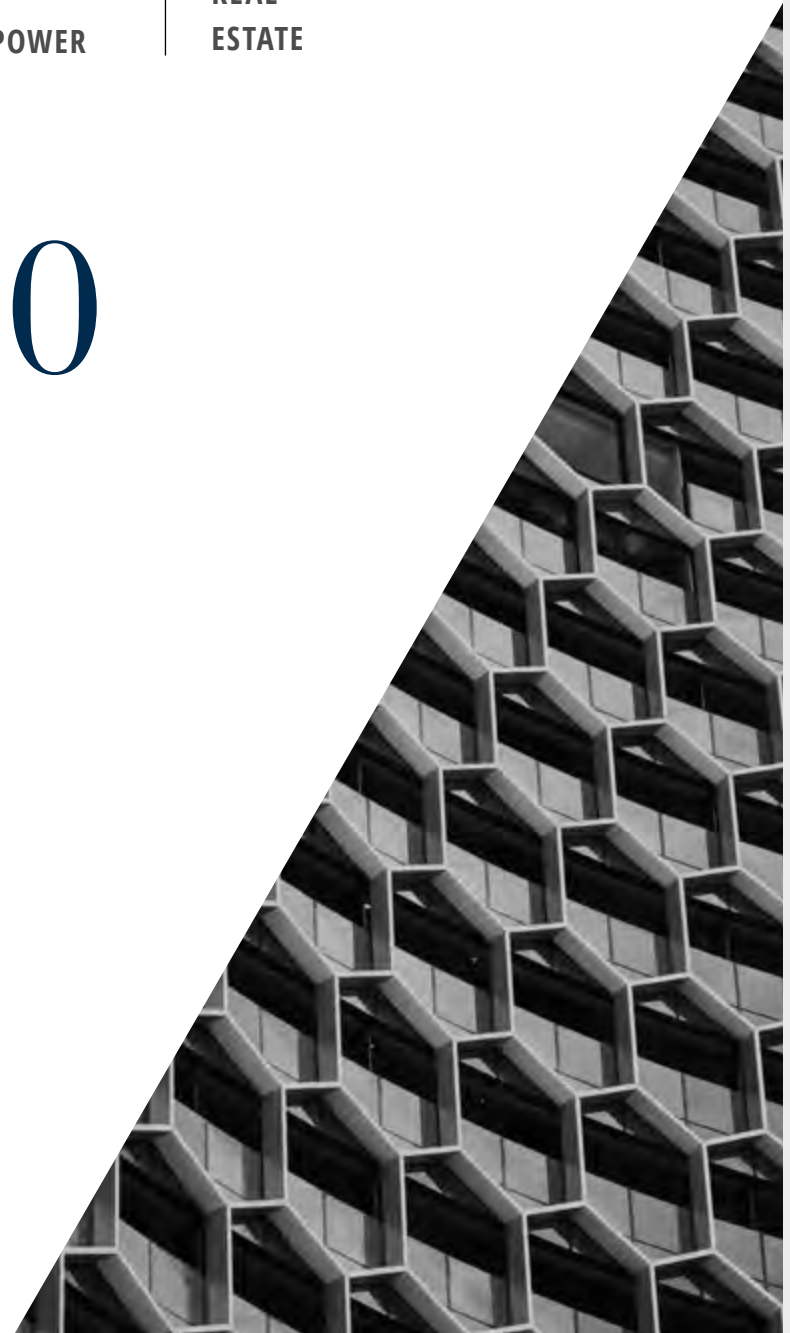
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TEAM

110

CORPORATE OFFICES



Letter from the CEO



2020 was a year like no other. Despite both the health and economic challenges of the past year, our investment philosophy continued to prove itself. Through this period, we delivered solid results across our business in Brazil. Our net operating revenue was BRL 26.9 billion, an increase of 12% compared with 2019, and EBITDA was up by 7.6% to BRL 14 billion. We ended 2020 with over BRL 120 billion in assets under management, a year-on-year increase of approximately 17%.

Over the course of 2020, we made changes to our protocols and procedures across our portfolio companies to ensure business continuity throughout the period, introducing a number of measures to ensure the health and safety of our employees. With enhanced precautions in place, we were able to provide the uninterrupted delivery of essential services to Brazilians, including water sanitation, natural gas transmission, power generation and transmission, data transmission and logistics infrastructure.

Our assets were resilient and reported solid results, proving out our strategy of investing in high-quality businesses that form the backbone of the global economy.

All in all, approximately BRL 11 billion was invested in our businesses in 2020, with a further BRL 33 billion forecasted investment over the next three years.

Elera Renováveis, the new name for Brookfield Energia Renovável, reported results in line with plan, further demonstrating the resilience of the assets even under adversity. The company is implementing a strategy focused on the decarbonization of the Brazilian energy sector. For example, during the year, Elera added three solar complexes to its portfolio under development, with an equity investment of BRL 1.6 billion. Among these, the Janaúba project is set to be the largest solar farm in Latin America, representing an installed capacity of 1.2 GW, enough to power 1.8 million houses.

In Infrastructure, our investment in logistics business, VLI, benefited from being integrated with the supply and distribution of essential goods. In 2020, VLI handled more than 40.8 billion tons per kilometer on its railways—an increase of 5% compared with 2019. Another portfolio company—and a leader in the data center infrastructure sector in Latin America—Ascenty had the best year in its history, both in terms of financial results and in terms of new construction, reflecting the increase in demand for additional data centers. With 17 data centers in operation and five under construction in Brazil, Chile, and Mexico, the company reported net operating revenue in 2020 that was 49% higher than 2019.

In Private Equity, I would highlight BRK Ambiental's successful bid in the auction to supply water and sewage treatment services to about 1.5 million people in the Maceió metro area, in the state of Alagoas. The New Legal Sanitation Framework, approved in 2020, is an important step forward for the water sanitation business. With opportunities for new investments, we will continue contributing to meeting the major challenge of providing universal water and sewage treatment services in Brazil – representing a critical improvement in the socio-economic conditions and health of the population.

“Over the course of 2020, we made changes to our protocols and procedures across our portfolio companies to ensure business continuity throughout the period, introducing a number of measures to ensure the health and safety of our employees. With enhanced precautions in place, we were able to provide the uninterrupted delivery of essential services to Brazilians, including water sanitation, natural gas transmission, power generation and transmission, data transmission and logistics infrastructure.”

In Real Estate, high asset valuations in our business were instrumental in our ability to continue to pursue a strategy of capital recycling, divesting mature assets in order to reinvest in new projects. In 2020, we completed the sale of three commercial buildings and are investing in new greenfield Triple-A office building projects in the city of São Paulo. We believe that demand for high-quality office space in desirable regions of large metropolitan centers will continue to increase as we see a flight to quality. Another focus of our investments in 2020 was the expansion of our portfolio of logistics parks in strategic regions and integrated into major urban centers. The growth of these parks is running parallel to the robust expansion of e-commerce, which was turbocharged by the onset of the pandemic. This is a trend that is likely to continue in the coming years.

The business faced some challenges during the pandemic, most notably within our toll road operations in Brazil. During the months of the tightest restrictions on movement, traffic flows decreased significantly. However, the numbers for the last few months of 2020 show us that these operations are already showing signs of recovery, and we are optimistic that traffic flows will return to pre-pandemic levels before too long.

To help reduce the spread of the coronavirus, Brookfield and our portfolio companies engaged in philanthropic initiatives focused on several key projects. All in all, we donated more than BRL 32 million to hospitals, NGOs and charitable institutions in various states. We also launched a corporate 2:1 donation matching program to encourage employees to participate. In all, a total of BRL 250,000 has been donated.

Over the more than 100 years of our history, we believe the survival of our business depends on these core principles: ensuring the well-being and safety of our employees, maintaining strong relationships with the communities in which we operate, mitigating the impact of our operations on the environment, executing business transactions according to the highest ethical and legal standards, and strictly adhering to globally-recognized ESG principles. We continue to make progress in all these areas.

Discussions around diversity and inclusion in the workplace, for example, have become a bigger focus – both in society and within our operations. And while there is always more to do, we believe we are well placed to advance this important agenda, both on global and domestic fronts.

In 2020, our compliance program continued to evolve, adding even greater security to our operations. We renewed our membership of Ethos Institute's Business Pact for Integrity and Against Corruption, as part of our commitment to maintaining ethical business relationships and our zero-tolerance policy in relation to corruption.

There have been many lessons from the past year. Despite all the challenges, our results were solid. We adapted to new ways of collaborating and became even more resilient—thanks to the support and dedication of all our employees. As vaccinations roll out in Brazil and around the world, we believe we'll see a global economic recovery and the continued growth of our businesses, generating jobs and further development in Brazil. We look forward to the next few years with a sense of great optimism.

HENRIQUE CARSA LADE MARTINS

Brookfield around the World

With more than 120 years of experience and approximately 150,000 operating employees, Brookfield today is a leading global alternative asset manager, with more than US\$ 600 billion in assets under management. It is among the largest investors in the world in commercial real estate, infrastructure, renewable power, private equity and credit.

Today, Brookfield is an owner and operator of high-quality businesses across more than 30 countries, with access to large-scale, flexible capital and a long-term approach to investing. Its deep operational experience enables it to continue creating value for its assets and deliver solid returns to investors.



Roots in Brazil

Brookfield's history began in Brazil in 1899 when a group of Canadian and Brazilian investors joined forces to establish the São Paulo Tramway, Light and Power Company, a company responsible for installing street lighting and electric-powered public transportation in the city of São Paulo.

In 1901, the group unveiled the Parnaíba Power Plant, the first hydroelectric plant to supply electricity to the city of São Paulo. In 1905, it constituted the Rio de Janeiro Tramway, Light and Power Company, expanding its activities to Brazil's capital as it was then. In 1912, the company was already listed on the Toronto Stock Exchange. Subsequently, investments were made in gas distribution and telephony, and in the thirties, the group was the largest public utility company in Latin America.

In the decades that followed, the company acquired and developed assets across a range of different sectors around the world, acquiring solid operational experience in the same areas of business in which it is active today.

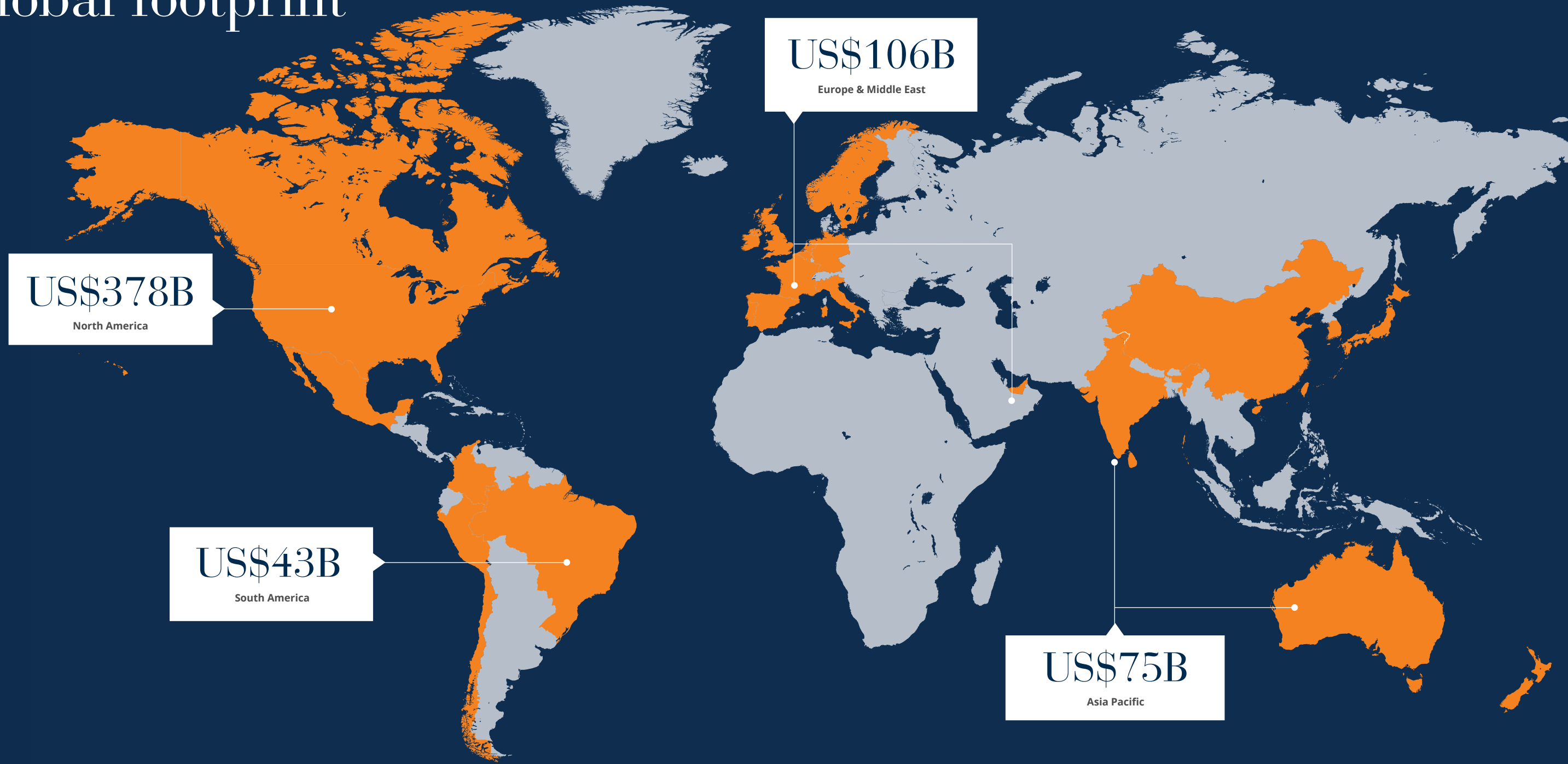
In the 1990's, Brookfield began to increasing its investments in the commercial real estate sector in New York while at the same time making investments in renewable power both in South and North America. In 2001, Brookfield established its asset management business, launching its first third-party fund and inviting other private institutional investors to invest alongside it, and to benefit from its experience owning and operating real assets. Also during that period, the company expanded its activities into Europe, Australia and the Middle East.

Since then, Brookfield has grown into one of the largest alternative asset managers in the world with businesses in more than 30 countries and an owner and operator of high-end quality assets which form the backbone of the global economy.



Rio de Janeiro Tramway, Light & Power Company Tram, Rio de Janeiro

A global footprint



HIGHLIGHTS

+US\$600B
IN ASSETS UNDER MANAGEMENT

+1,000
INVESTMENT PROFESSIONALS

~150,000
OPERATIONAL EMPLOYEES

+30
COUNTRIES

Portfolio of assets under management¹

INFRASTRUCTURE

US\$94B

IN ASSETS UNDER MANAGEMENT

REAL ESTATE

US\$211B

IN ASSETS UNDER MANAGEMENT

Office

301
commercial properties with approximately 15 million sqm of area

Retail

166
shopping centers, with approximately 13.5 million sqm of area

Logistics

132
logistics parks, with 2.1 million sqm of area

Multifamily

~51,000
proprietary residential multifamily units and ~22,000 managed

Hospitality & Other

168
hotels

306
triple net lease properties leased to concessionaires

159
student housing

136
multifamily housing

71
mixed-use assets

103
villas and care centers for the elderly

Utilities

~6.9 million
connections for distribution of electricity and gas

~2,000 km
of electricity transmission lines

~4,200 km
of regulated natural gas pipelines

~1.5 million
smart meters

Transport

13
ports and one LNG export facility

~3,800 km
of toll roads

~32,300 km
of railways

Midstream

~15,000 km
of transmission pipeline

16
natural gas processing plants

~600 bfc
of natural gas storage

Data

146,100
operational telecom towers and active rooftop sites

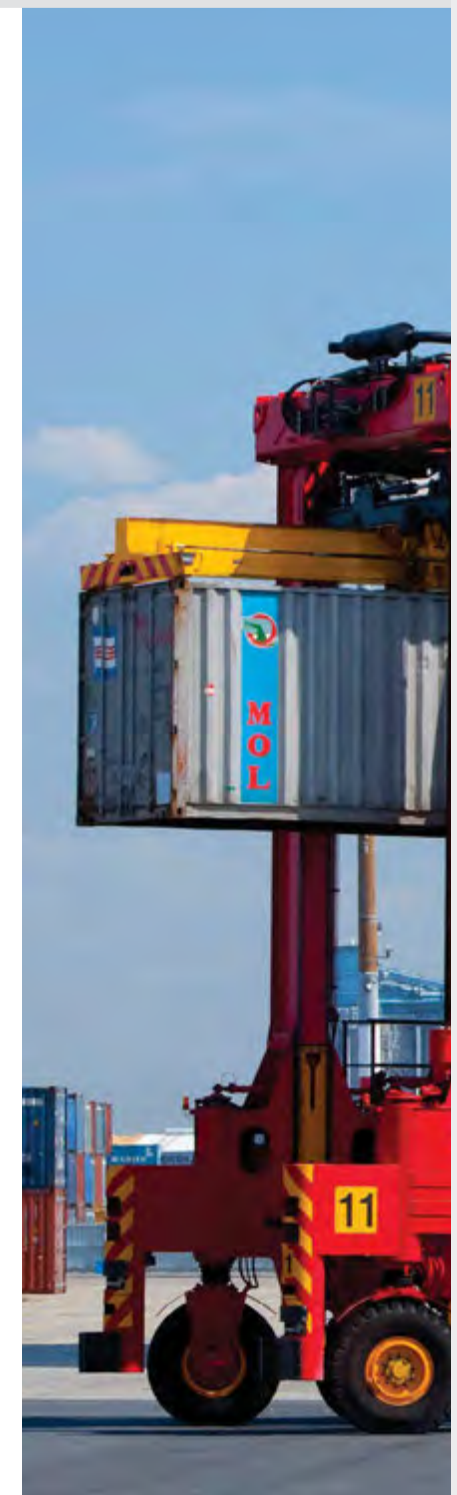
54
data centers

21,500 km
of fiber optic cable and backbone

Sustainable Resources

275,000
hectares dedicated to forestry investments

267,000
hectares dedicated to agricultural investments



¹ Assets under management also include approximately US\$ 18 billion of the Public Securities Group's operations.

PRIVATE EQUITY

US\$72B

IN ASSETS UNDER MANAGEMENT

Business services

- Construction of real estate, real estate services and healthcare services
- Light and heavy vehicle fleet management and fuel distribution
- Residential mortgage insurance, financial lending and advisory, technology services and entertainment

Industrials

- Water and wastewater treatment services
- Manufacturing of advanced automotive batteries, aftermarket auto parts, graphite electrodes and returnable plastic packaging
- Natural gas production and oilfield services

Infrastructure

- Services for the power generation industry
- Services for the offshore oil production industry
- Services to industrial and commercial facilities

Residential & Directly Held Investments

- Housing and development communities

RENEWABLE POWER

US\$57B

IN ASSETS UNDER MANAGEMENT

~20,000 MW of installed capacity and 23,000 MW in the pipeline

Hydro

7,924 MW (219 hydroelectric plants)

Wind

5,267 MW¹ (142 wind farms)

Solar

3,469 MW (5,026 solar facilities)

Storage

2,688 MW (3 pumped storage plants)

Cogen/ Biomass

580 MW (6 biomass-fired and co-generation plants)

CREDIT

US\$148B

IN ASSETS UNDER MANAGEMENT

Oaktree

- One of the largest global alternative investment managers
- Brookfield has had a majority stake in the company since 2019
- Offices in 19 cities and 13 countries
- Operates in the credit, private equity, real assets and listed securities' markets



OAKTREE

¹ Solar and wind assets located in France, Germany, Sweden and the Netherlands are managed by CEE Group (100% owned by Brookfield Asset Management).



Competitive advantages

GLOBAL PRESENCE

With operations in more than 30 countries, Brookfield's global network of operating employees provides access to a large number of investment opportunities around the world.

ALIGNMENT OF INTERESTS

Brookfield invests a significant amount of its own capital in its private funds, ensuring full alignment of interest with investors.

CAPITAL PRESERVATION

Protecting and generating a return on investor capital is at the forefront of how Brookfield views risk. For this reason, it takes a prudent and disciplined approach to investing.

OPERATIONAL EXPERIENCE

The operational experience acquired over more than 120 years as investors and operators of alternative assets is employed to generate sustainable cash flows, add value, and produce consistent long-term returns.

CONTRARIAN INVESTING

Brookfield's experience shows that the best investment opportunities are often found in out-of-favor regions or sectors.

LARGE-SCALE CAPITAL

Financial soundness and access to large-scale capital enables Brookfield to participate in major transactions in an agile and decisive way.

Investment principles

Business philosophy

- TO BUILD BUSINESSES AND RELATIONSHIPS BASED ON INTEGRITY
- TO ATTRACT AND RETAIN HIGH-CALIBER PROFESSIONALS WHO SEEK TO GROW WITH US OVER THE LONG TERM
- TO THINK AND ACT LIKE THE OWNERS OF THE BUSINESS IN ALL OUR DECISIONS
- TO TREAT THE CAPITAL OF THE INVESTORS AND SHAREHOLDERS AS IF IT WERE OUR OWN

Investment guidelines

- TO INVEST WHERE WE HAVE A COMPETITIVE ADVANTAGE
- TO RECOGNIZE THAT SUPERIOR RETURNS GENERALLY REQUIRE CONTRARIAN THINKING
- TO ACQUIRE ASSETS BASED ON VALUE
- TO BUILD SUSTAINABLE CASH FLOWS TO PROVIDE SECURITY, REDUCE RISKS AND LOWER CAPITAL COSTS

Measuring our success

- TO MEASURE SUCCESS BASED ON TOTAL RETURN ON LONG-TERM CAPITAL
- TO ENCOURAGE CALCULATED RISKS BUT TO COMPARE RETURNS WITH RISKS
- TO PRIORITIZE THE VALORIZATION OF CAPITAL OVER THE LONG-TERM RATHER THAN SHORT-TERM GAINS
- TO PRIORITIZE RETURNS OVER GROWTH, SINCE SIZE DOES NOT NECESSARILY ADD VALUE

ASSETS BY SEGMENT IN BRAZIL

Brookfield in Brazil

Brookfield is one of the largest alternative asset managers in the world. Over its long history, the company has achieved a significant presence in strategic economic sectors in Brazil including Infrastructure, Private Equity, Renewable Power, Real Estate and Sustainable Resources. It has operations in 20 states and more than 20,000 operating employees in the country.

Over the past five years, Brookfield has made significant investments in both acquisitions and in the expansion of its operations in Brazil, consolidating itself as one of the largest investors in high-quality assets with a focus on the creation of long-term value. At the end of 2020, the company had more than BRL 120 billion in assets under management in Brazil.

ASSETS BY SEGMENT IN BRAZIL

Assets by segment in Brazil



HIGHLIGHTS

+BRL120B

IN ASSETS UNDER MANAGEMENT

+20,000

OPERATIONAL EMPLOYEES

20

BRAZILIAN STATES WITH BROOKFIELD OPERATIONS

INFRASTRUCTURE

BRL59B

IN ASSETS UNDER MANAGEMENT

- 3,200 km of toll roads
- 4,800 km of railways, 6 ports and 8 intermodal terminals
- 2,048 km of gas pipelines
- 5,341 km of power transmission lines
- 22 data centers in Latin America and 4,500 km of fiber optic backbone

PRIVATE EQUITY

BRL26B

IN ASSETS UNDER MANAGEMENT

- +25 million sqm of real estate constructed
- 16 million people in more than 100 cities attended with water and sewage services
- ~23,000 fleet equipment for rental of light and heavy vehicles

RENEWABLE POWER

BRL18B

IN ASSETS UNDER MANAGEMENT

- 43 hydroelectric power plants
- 19 wind farms
- 4 biomass-fired plants
- 34 solar facilities and one hydroelectric power plant under construction
- ~1.6 GW of installed capacity

COMMERCIAL REAL ESTATE INVESTMENTS

BRL11B

IN ASSETS UNDER MANAGEMENT

- 279,000 sqm of leasable area in office buildings
- 194,000 sqm of leasable area in logistic parks
- 105,000 sqm of leasable area in shopping centers

SUSTAINABLE RESOURCES

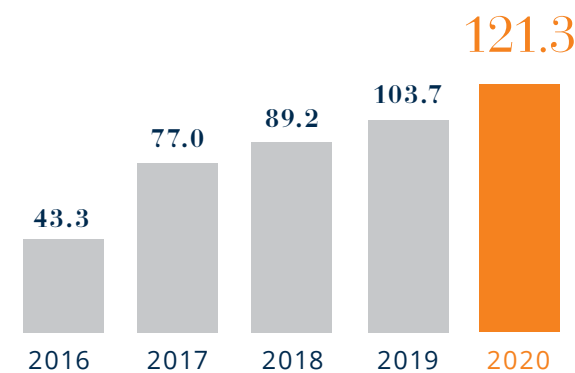
BRL8B

INVESTED IN ASSETS

- 267,000 hectares under agricultural investments
- 275,000 hectares dedicated to forestry investments

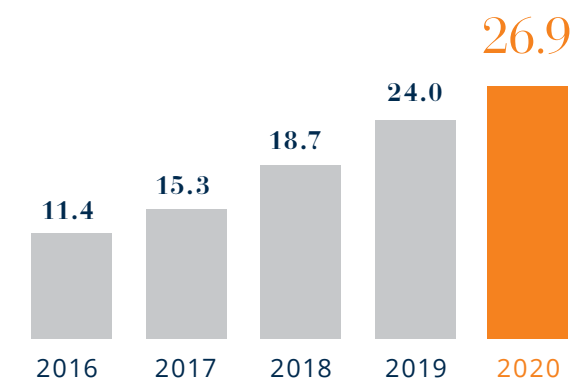
BROOKFIELD'S ASSETS UNDER MANAGEMENT (IN BRL BILLION)

ANNUAL AVERAGE GROWTH RATE: 27%



EVOLUTION OF NET REVENUE (IN BRL BILLION)

ANNUAL AVERAGE GROWTH RATE: 24%



Infrastructure

Brookfield is one of the world's largest investors in infrastructure. In Brazil, infrastructure accounts for BRL 59 billion in assets under management. The company's portfolio includes highway and rail transportation, power transmission, gas pipelines and data center infrastructure.

Quantum's power transmission tower

Ascenty is the largest data center company in Latin America. Its connectivity ecosystem includes 22 data centers (17 in operation and 5 under construction) and more than 4,500 km of proprietary high-capacity fiber optic network.



Internal view of data center

With world-class data centers and state-of-the-art technology, Ascenty's clients include the largest global IT and cloud service provider companies as well as major corporations in the financial and retail sectors and service integrators.

Ascenty's data centers are located at strategic points for data traffic. Of the 17 presently in operation, three are in the city of São Paulo, 11 in upstate regions of the state of São Paulo, one in the city of Rio de Janeiro, one in Fortaleza (CE) and one in Santiago, Chile. Additional units are under construction in upstate São Paulo, Rio de Janeiro, Chile and Mexico, growing the company's existing footprint out of Brazil.

In 2020, Ascenty reported significant growth with year-on-year net revenue 49% higher, a reflection of the expansion in the data center ecosystem and the completion of new projects. As a result of the increase in demand for data infrastructure over the past year (given the pandemic), the company had the best results in its history. The execution of additional long-term contracts will enable Ascenty to continue delivering strong results.

Ascenty began operating its second data center at the Vinhedo mega campus, with an area of 46,000 sqm and a total of approximately 70 MW, making it the largest data center in Latin America in both energy capacity and constructed area. The company also rolled out its first data center in Chile, with 6,000 sqm of area and a capacity of 11 MW. Its investments in 2020 totaled BRL 903 million.

During 2020, Ascenty received its ISO 50.001 energy management certification for the Hortolândia campus – selected as the pilot operation for this evaluation. This new certification is in addition to others already received by the company, including: Tier III (measures data center infrastructure and uptime), ISO 14.001 (environmental management), ISO 20.000 (excellence in the provision of IT services), ISO 27.001 (data security management), ISO 37.001 (anti-bribery management), among others.

BRL 7.5B

IN ASSETS UNDER MANAGEMENT

22

DATA CENTERS IN LATIN AMERICA, 17 IN OPERATION AND 5 UNDER CONSTRUCTION¹

4,500km

OF PROPRIETARY FIBER OPTIC NETWORK

Data center in Jundiaí, São Paulo

¹ Does not include five new data centers announced in April / 2021.



ASCENTY'S DATA CENTERS IN LATIN AMERICA¹

UNITS	ENERGY CAPACITY	TOTAL AREA	YEAR OPENED
São Paulo I	6 MW	4,000 sqm	2017
São Paulo II	14 MW	9,000 sqm	2017
São Paulo III	4 MW	4,000 sqm	2020
Campinas	6 MW	5,000 sqm	2012
Jundiaí I	15 MW	7,000 sqm	2014
Jundiaí II	14 MW	9,000 sqm	2019
Sumaré I	14 MW	11,000 sqm	2017
Sumaré II	20 MW	12,000 sqm	2019
Hortolândia I	10 MW	4,000 sqm	2015
Hortolândia II	7 MW	4,000 sqm	2019
Hortolândia III	3 MW	3,000 sqm	2019
Hortolândia IV	3 MW	2,000 sqm	2021 (under construction)
Vinhedo I	34 MW	21,000 sqm	2019
Vinhedo II	36 MW	25,000 sqm	2020
Paulínia	14 MW	8,000 sqm	2019
Rio de Janeiro I	10 MW	7,000 sqm	2017
Rio de Janeiro II	3 MW	3,000 sqm	2021 (under construction)
Fortaleza	10 MW	9,000 sqm	2015
Chile I	11 MW	6,000 sqm	2020
Chile II	31 MW	21,000 sqm	2022 (under construction)
Mexico I	21 MW	20,000 sqm	2021 (under construction)
Mexico II	31 MW	24,000 sqm	2021 (under construction)

¹ Does not include five new data centers announced in April / 2021.

OUTLOOK

Over the next few years, Ascenty is expected to continue reporting accelerated growth in Latin America, driven by the surge in the technology market and increased demand for data infrastructure. Over the next three years, investments in data infrastructure are estimated at BRL 3.6 billion.

Two units are under construction in Brazil – in Hortolândia (SP) and Rio de Janeiro (RJ) – as are two in Mexico, with

rollouts expected on all before the end of 2021. An additional unit is expected to begin operations in Chile in 2022.

In April 2021, Ascenty announced the development of five new data centers in São Paulo, with operations expected to begin until 2024. The company also expects to expand its operations to new countries in Latin America.

NTS operates in the natural gas transmission sector with a robust network of 2,048 km of gas pipelines in the states of Rio de Janeiro, São Paulo, and Minas Gerais. The system connects with the petroleum basins in the Southeast of Brazil, with a transportation capacity of 158.2 million cubic meters of gas per day.



NTS' operating room

Despite the pandemic, in 2020 the company was able to maintain uninterrupted operations, ensuring this essential service continued to transport approximately 50% of the country's consumed natural gas. The average volume of gas delivered in 2020 was 34.4 million m³/day.

The highlight of NTS's financial performance was a net income of BRL 2.5 billion, up 14% compared with 2019. A key contributor was the company's use of

the contractual ship-or-pay model, which provides revenue predictability and stability based on the agreed transportation capacity.

In 2020, the company invested a total of BRL 173 million, largely allocated to the acquisition of the Mantiqueira Compressor Station; the maintenance and modernization of the network; and the construction of the Guapimirim Receipt Station in the state of Rio de Janeiro.

BRL27.6B

IN ASSETS UNDER MANAGEMENT

2,048km

OF GAS PIPELINE, 44 DELIVERY POINTS,
6 COMPRESSOR STATIONS

158.2M

SQM OF GAS TRANSMISSION/DAY
(CONTRACTUAL CAPACITY)

NTS' gas compression station

The company also continued with its plan of insourcing its operation and maintenance activities, investing in processes, systems, infrastructure and expanding its workforce.

As a result of the strong operating results at NTS, Fitch Ratings affirmed the company's national long-term credit rating as well as the rating for its second debentures issue at "AAA(bra)", with a Stable outlook.

Once again, NTS was recognized among Exame magazine's Maiores e Melhores ("Biggest and Best") as the Best Company of the Year in the Transportation category—as well as winning, for the third consecutive year, the Valor 1000 award in the Transportation and Logistics sector. The company also maintained its Great Place to Work (GPTW) certification, based on employee surveys.



OUTLOOK

NTS is well placed for the new gas market and the multi-client era. With the approval of the New Gas Bill (PL 4476/2020), the company expects greater competition and new opportunities for expansion in this sector.

the dissemination of a corporate culture strongly based on integrity, operational safety, protection of people and technical reliability. Investments over the next three years are expected to total approximately BRL 455 million.

Over the course of 2021, the company is expecting to complete its process of insourcing operational and maintenance activities. This transition will continue to involve investments in equipment, installations, employee hiring and training as well as



Quantum operates in the electric power transmission sector with concessions for the construction and operation of 5,341 km of transmission lines and 49 substations. The company is responsible for nine projects (Chimarrão, Esperanza, JMM, Mantiqueira, Pampa, Odoyá, Sertaneja, Sanguinetti and Veredas), distributed across eight Brazilian states (Bahia, Ceará, Goiás, Minas Gerais, Paraíba, Piauí, Rio Grande do Norte and Rio Grande do Sul).



Power transmission tower

One of the key events of 2020 was the acquisition of the Pampa concession from Sterlite Power in March 2020, which allows for the construction of 326 km of transmission line and four substations, further consolidating the company's footprint in southern Brazil. Approximately BRL 753 million is to be invested at an Annual Allowed Revenue (RAP) of BRL 86 million from 2023 onwards. Raising financing for this project has already begun, with short-term loans totaling BRL 250 million.

During 2020, the company made investments totaling BRL 3.5 billion, which contributed to the activation of approximately 670 km in transmission lines and eight substations. As a result, the company ended the year with 2,009 km of lines and 18 substations in operation, generating a combined RAP of BRL 470 million. The

operational assets are equivalent to 37% of the total lines and 26% of the total RAP of the contracted portfolio.

The concessions are regulated by the National Electric Energy Agency (Aneel) and have a contractual duration of 30 years. Quantum invoices on the basis of uptime availability of these assets to the country's electric power grid, irrespective of volumes transmitted, which contributes to greater revenue predictability. Invoicing of sales begins once the project goes into operation.

Brookfield has a 50% stake in the transmission line/substation projects during the construction phase, and once construction has been completed and operations come online, Brookfield then has the option of acquiring the remaining 50%.

BRL6.6B

IN ASSETS UNDER MANAGEMENT

5,341 km

OF TRANSMISSION LINES,
2,009 KM OF WHICH OPERATIONAL

49

SUBSTATIONS,
18 OF WHICH OPERATIONAL

Power transmission tower

VLI is one of the largest integrated logistics operators in Brazil. The company encompasses the Norte-Sul (FNS) and Centro-Atlântica (FCA) railways as well as intermodal terminals combining the loading/unloading of products for rail transportation and the port terminals sited along the strategic axes of the Brazilian seaboard such as Santos (SP), São Luís (MA) and Vitória (ES).

The company operates a total of 4,800 km of railways connecting six port terminals (three proprietary and the remainder operated on a concession basis) and eight intermodal terminals. VLI has a fleet of approximately 700 locomotives and 24,000 railcars which carry fruit from Brazilian manufacturing/processing plants along routes that cross 300 municipalities and ten states in the Northeast, Southeast and Central-West regions.

In 2020, the company reported net revenues of BRL 5.6 billion, an increase of 6% year-on-year. EBITDA was BRL 2.5 billion, an increase of 4% over 2019. The company's investments totaled BRL 1 billion. In terms of volume, cargo handling on the railways totaled 40.8 billion tons per kilometer (TKU) – a 5% increase over 2019 – and 40.8 million tons (TU) at the port terminals, down 2% from 2019. Results were largely driven by the agribusiness sector, and accounted for approximately 60% of volumes transported by VLI.

An important landmark event in 2020 was the unveiling of two sugar warehouses in the state of São Paulo in partnership with Tereos. The new structure has a total

capacity of 240,000 tons, enabling the transportation of a million tons of crude raw sugar annually. One of the warehouses is situated in the Luiz Antonio Mesquita Integrator Port Terminal (Tiplam), a VLI asset at the Port of Santos. The second is located in the Guará terminal, another VLI structure in an upcountry state of São Paulo where Tereos has industrial units. A total of BRL 205 million has been invested in the project, about 30% of which was invested by VLI itself.

VLI received a number of awards and accolades in 2020, including being recognized by 100 Open Startups with a 'TOP100 Open Corps' ranking – as one of 100 companies considered to be the most open to working with start-ups in Brazil. VLI was also recognized by Valor Econômico newspaper with the 'Brazil Innovation Award' in the Transportation and Logistics category. It also ranked first among the Best of Dinheiro Magazine 2020 (*As Melhores da Dinheiro 2020*) in the 'Logistics' category and received the *Prêmio Eco Amcham Estádio* in the 'Sustainability in Processes – Large Companies' category in recognition of the Environmental Attitude Program which seeks to foster a behavioral change in relation to the environment.

BRL6.4B

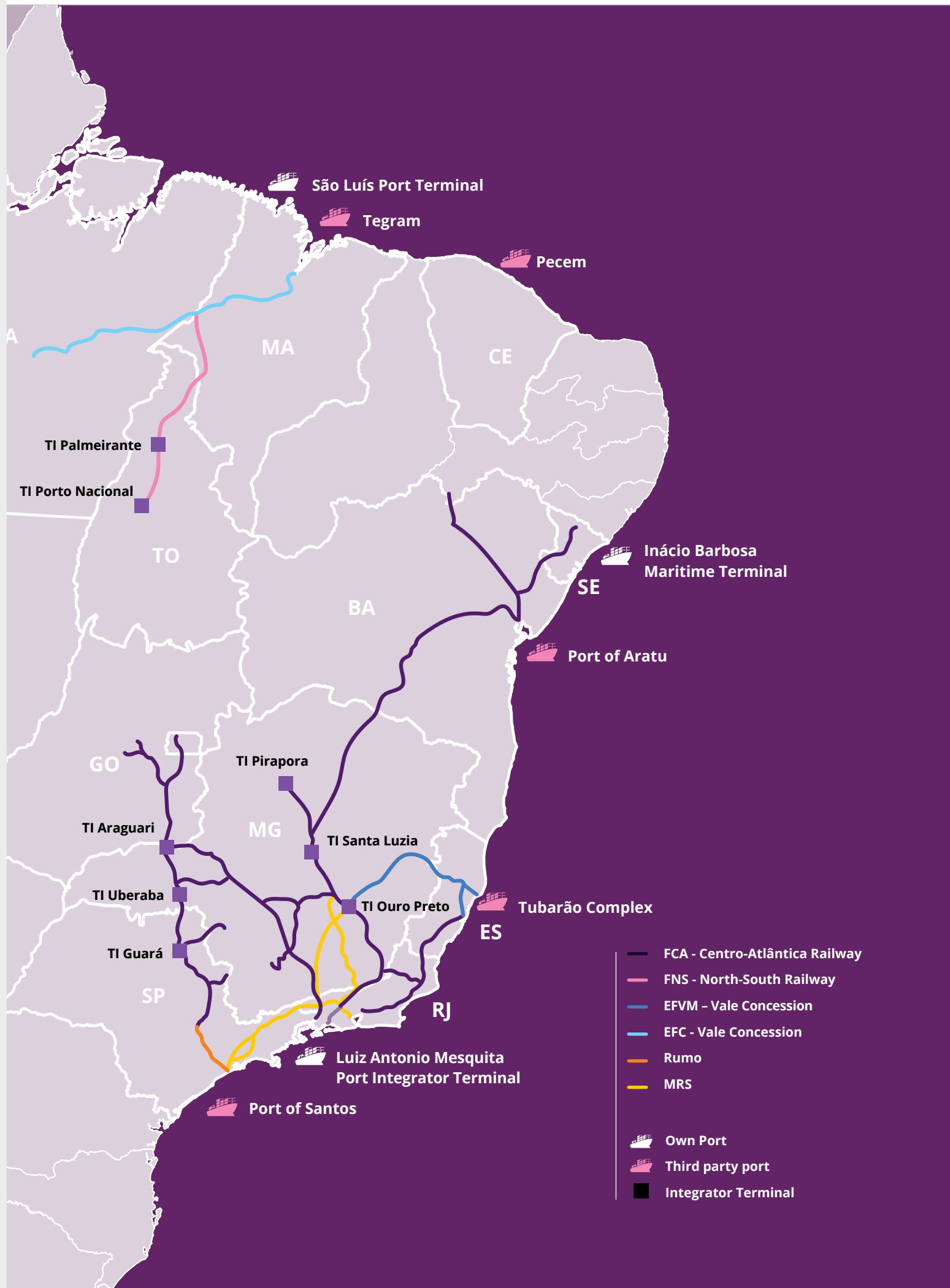
IN ASSETS UNDER MANAGEMENT

4,800km

OF RAILWAYS

14

TERMINALS IN OPERATION (8 INTERMODAL AND 6 PORT TERMINALS)



OUTLOOK

VLI expects to continue reporting strong results in the agricultural sector in the coming year. According to the National Supply Company's (*Companhia Nacional de Abastecimento - Conab*) 4th Grain Harvest Survey, the Brazilian grain harvest 2020/2021 is forecasted to reach record levels, with a 3.1% increase compared to the preceding 2019/2020 harvest.

Steel, which accounts for 25% of transportation volumes, should also see a positive performance. The National Steel Distributors Institute – INDA (*Instituto Nacional dos Distribuidores de Aço*) has published data indicating that the flat steel sector is expecting growth of 8 – 10% compared with 2020.

Over the next three years, investment is estimated at BRL 3.6 billion, allocated to track upkeep, rolling stock (railcars and locomotives), infrastructure and environmental management, among other areas. This will enable the company to continue to upgrade its levels of efficiency, productivity, and innovation.



VLI Tiplam Terminal, São Paulo

Arteris is one of the leading toll road concessionaires in Brazil with 3,200 km of highways under management, representing 18% of all Brazilian highway concessions. The company operates five federal concessions – Litoral Sul, Planalto Sul, Fernão Dias, Régis Bittencourt and Fluminense, plus two state concessions – Intervias and ViaPaulista.



Stretch of Arteris ViaPaulista

The 22-year Centrovias concession terminated in June 2020, leaving a positive legacy for highway infrastructure in the state of São Paulo. Decades of investment have resulted in the highways managed by Centrovias ranking among the five best in Brazil, according to the latest editions of the National Transportation Confederation survey.

During 2020, toll road traffic was impacted by the COVID-19 pandemic, principally in relation to light vehicle traffic flows on the highways from March through to the end of 2020. During this period, 611 million vehicle equivalents were recorded in toll road traffic, a reduction of 1.3% compared with 2019¹.

Arteris implemented a series of measures to optimize costs and expenses at its concessionaires to mitigate the impacts of the pandemic on cash generation. These measures had a positive effect on results, enabling toll plaza revenues to reach BRL 2.66 billion – equivalent to 2019 results, driven by increased heavy vehicle traffic following the onset of the pandemic.

Excluding the effect of the provision for highway maintenance (which has no cash effect), Adjusted EBITDA reached BRL 1.73 billion, approximately 7% lower than the BRL 1.86 billion. Consequently, the Adjusted EBITDA Margin increased from 67.7% in 2019 to 69.6% in 2020¹.

During 2020, Arteris' investments totaled BRL 1.4 billion, allocated to highway improvements, expansion and maintenance on the Waldo Adalberto da Silveira Highway Complex (SP); the Mogi Mirim (SP), Betim (MG) and

¹ Excluding Centrovias from the calculation base.

BRL11B

IN ASSETS UNDER MANAGEMENT

3,200km

OF HIGHWAYS

611M

VEHICLE EQUIVALENTS IN TRAFFIC

Stretch of Arteris Intervias



Stretch of Arteris Régis Bittencourt



- Planalto Sul (federal)
- Litoral Sul (federal)
- Régis Bittencourt (federal)
- Fernão Dias (federal)
- ViaPaulista (state)
- Intervias (state)
- Autopista Fluminense (federal)

Florianópolis (PR) beltways; the Serra do Cafezal section of the Régis Bittencourt highway (SP/PR) and BR-101 (RJ); and the escape ramps on the Régis Bittencourt and Litoral Sul highways.

In addition to its goal of achieving strong financial and operational performance, Arteris remains committed to highway safety. The company is signatory to the United Nations Decade of Action for Road Safety and successfully met its target for halving the number of road accidents by the end of 2020 through behavior research, traffic analysis, accident mapping, and investments in new technologies. It is estimated that the company has contributed to the saving of more than 2,300 lives over the past ten years.

OUTLOOK

According to the Executive Report of the National Logistics Plan 2025, 65% of all freight transportation in Brazil is carried on the highways. Given the significance of this for the development of the country's economy and the need to continually grow infrastructure, highway concession auctions are providing opportunities for investment in the sector. Arteris will analyze the suitability for future bidding at these auctions, taking into account the company's leverage and its long-term vision for the business.

In addition, over the next three years, Arteris is forecasting investments of approximately BRL 5.9 billion for highways already in its portfolio.

¹ Excluding CentroVias from the calculation base.

Private Equity

Brookfield's Private Equity business in Brazil is focused on the acquisition of top-quality businesses, whether in the form of companies or debt. In Brazil, Brookfield has BRL 26 billion in assets under management in its private equity business. Current investments are in water sanitation, light and heavy vehicle management and leasing, and residential real estate development. The Private Equity team in Brazil also provides strategic and commercial support for the global private equity portfolio companies that operate in the country through various subsidiaries. In 2020, Brookfield launched Brookfield Special Investments (BSI), its strategic and mezzanine financing platform, in Brazil.

Sewage treatment plant in Uruguaiana (RS), BRK Ambiental

BRK Ambiental is the leading private company in water and sewage treatment in Brazil, serving more than 16 million people in 13 Brazilian states. The company has a diversified asset portfolio made up of 23 Specific Purpose Companies (SPCs), business units that operate according to the public concession model and other public-private partnerships (PPPs).



Sewage treatment plant in Aparecida de Goiânia (GO)

2020 was a very successful year for BRK Ambiental. The company's performance remained resilient throughout the year, given the essential nature of the water and wastewater services it provides.

Investments for the year were allocated first and foremost to expanding water and sewage service coverage, given the direct impact on household health—particularly during a health crisis. The company reinforced its service infrastructure, adding an additional 638 km networks connecting 93,000 new residential and commercial addresses ¹.

On the regulatory front, 2020 was a turning point in the water sanitation sector in Brazil. In July, the New Legal Sanitation Network (Law 14.026 of July 15, 2020) was passed—legislation that regulates and provides direction related to developing sanitation in Brazil, which will provide more people with better access to clean water and treated sewage services.

¹ Data considers the 23 SPEs of BRK Ambiental

BRL17B

IN ASSETS UNDER MANAGEMENT

+100

MUNICIPALITIES SERVED

+16M

CUSTOMERS CONNECTED TO WATER SANITATION NETWORKS

Water treatment station, Porto Ferreira (SP)



BRK Ambiental Unit, Limeira (SP)

Following the passage of the new water sanitation law, BRK won an important auction in the state of Alagoas for the full public utility concession to supply water sanitation services to 13 municipalities to the Maceió metro region. With an investment of more than BRL 5 billion (between concession grant and operation), the project will benefit more than 1.5 million Brazilians over the next 35 years, with a projection to universalize the supply service of treated water by 2026. It is estimated that 90% of the customers in the concession's catchment will have access to treated sewage infrastructure by year 16 of the concession agreement. This additional concession consolidates BRK Ambiental's leadership in the Northeast of Brazil and will support expansion of operations into other states.

In terms of its financial strategy and governance, in September 2020, BRK completed a corporate reorganization, increasing its capital stock by BRL 2.1 billion. BRL 523 million of it was in cash, which reduced leverage. Moody's has confirmed a corporate rating for the company of Aa2.br on the national scale with a Stable outlook.

In October 2020, through its parent company, BRK raised BRL 1.1 billion in sustainable debentures (8th issuance), in two series maturing 2025 and 2034 from BTG, Itaú and ABC banks. This allowed the company to liquidate corporate financing and extend the debt maturity profile, increasing the average payment term to approximately seven years.

During the year, BRK Ambiental accelerated innovation and digital transformation initiatives, improving operating efficiency. Increasing investments in innovation have been instrumental in making several projects feasible—including "Quality 4.0", an initiative to automate water quality control processes and the "Reregistration App", which in turn enable field agents to register data and images in real time. These and other initiatives were key to the company winning the *Valor Brazil* Innovation Award 2020 in the infrastructure category for the second consecutive year.

OUTLOOK

With the New Legal Sanitation Framework in place, BRK Ambiental now has the opportunity to accelerate its non-organic growth strategy. Investments for the next three years (from 2021 to 2023) are forecasted at approximately BRL 5 billion.

Investments in water sanitation infrastructure are a fundamental pillar in the recovery of the Brazilian economy. Once the worst of the COVID-19 crisis is over, the company is confident that it will be a strategic participant in the country's development.



Water Quality Laboratory, Sumaré (SP)

With nearly 50 years in the market, Ouro Verde is one of the largest light vehicle, truck, and heavy equipment leasing and fleet management companies in Brazil, with a focus on serving corporate clients. The company offers customized and integrated services, including technological solutions, maintenance, and operation of assets.



Fleet managed by Ouro Verde

During the pandemic, Ouro Verde has demonstrated that its business model is both resilient and adaptable. The company is now playing a strategic role in supporting sectors deemed essential to the Brazilian economy, such as telecommunications and agribusiness. Ouro Verde has also ramped up its services to the food distribution, consumer goods' logistics, highway, electrical and sanitation. At a time when many companies needed liquidity, outsourcing has presented an alternative for reducing the total cost of

ownership of mobility assets, allowing the release of cash flow with a reduced need for working capital and a corresponding increase in liquidity.

In 2020, the company reported strong financial performance. Currently, Ouro Verde has contracts with clients which run from two to seven years, representing BRL 1.3 billion in future contracted revenues. These commitments strengthen operating cash generation and generate greater revenue predictability.

BRL2.4B

IN ASSETS UNDER MANAGEMENT

~23,000

VEHICLES AND EQUIPMENT

~500

CORPORATE CLIENTS

Ouro Verde's heavy equipment





Other highlights of 2020 included Ouro Verde's expansion of its customer base, and the diversification of the economic sectors of its operations. The company also signed a unique agreement to outsource 177 tow and support trucks to serve all Arteris' highway toll concessions. The partnership is a good example of the potential for synergies between Brookfield portfolio companies in Brazil.

As a large portion of revenue is generated from the heavy vehicle business, a significant amount of total investment in 2020 was earmarked for expansion of its truck fleet. Among new developments is the investment into a self-steering truck used for sugarcane harvesting—which therefore provides greater efficiency in the process. Ouro Verde has also entered the small and mid-market sector, further expanding the range of its operations.

OUTLOOK

The market for vehicles and machinery/equipment leasing has grown considerably over the past few years and will continue to develop in Brazil. It is estimated that Brazilian companies outsource less than 10% of their vehicle fleets and equipment, while in more developed markets the ratio is closer to 60%.

Ouro Verde continues its commitment to growth and development, and is always looking for the best opportunities in the market. The company will continue to have a strong presence in the telecommunications and agribusiness sectors where historically it has had significant penetration, while continuing to grow in other sectors such as mining, forestry, water sanitation, electric energy, industry, construction, toll road concessions and pharmaceuticals. In parallel, the company will remain focused on maintaining its financial strength and operating profitability through cost reductions, expense reduction and carefully chosen investments.



Fleet from Ouro Verde

Tegra is one of the leading developers in the residential real estate market, with a history going back more than 40 years. Since its inception, it has delivered approximately 100,000 real estate units, equivalent to 25 million square meters of constructed area.



Home Boutique Building, Niterói

Concentrating its operations in the cities of São Paulo, Rio de Janeiro, and Campinas, 2020 was a positive year for Tegra in terms of performance. After turning in record sales over the previous five years up to February 2020 when COVID-19 began, the company set about revising its business plan with a focus on cash preservation. By June 2020, the real estate market began to show signs of recovery, reflecting factors such as low interest rates, a resulting reduction in mortgage rates and an increasing consumer desire for residential living space.

With the market showing more encouraging signs of recovery, the company resumed its real estate launches, totaling seven by year-end. In the city of São Paulo, the company launched the Elo, Quad, TEG Corazza, TEG Vila Carrão and Square Garden projects, while in Rio de Janeiro, Tegra launched Skylux, a real estate project situated in the revitalized downtown area of the state capital, and Home Boutique, a beach-front luxury project at an exclusive address in the Icaraí district of the city of Niterói.

The company ended the year with an overall sales value (VGV) of BRL 962 million in launches, and gross sales totaling BRL 1.6 billion. The company reported net sales of BRL 1.3 billion.



Square Garden Building, São Paulo

BRL6.2B

IN ASSETS UNDER MANAGEMENT

+25M

SQM CONSTRUCTED

+100,000

UNITS DELIVERED UP TO 2020

Also in 2020, the company delivered the PIN, Chez Vous, Olhar Augusta, Gabell Jardins, Jerivás - Caminhos da Lapa, and The Garden, developments in São Paulo (SP), La Vie, in Campinas (SP), and Stories, in Rio de Janeiro (RJ). Despite the pandemic's impact on the supply chain and logistics, these real estate projects were delivered on time, reinforcing Tegra's commitment to its clients.

The current focus of the business is on a cycle of land acquisitions, laying the foundation for scaling up launches and capturing robust results over the next few years. To that end, it is worth noting that the company's activities have a long cycle of four to five years between development, launch, sales, and construction.

OUTLOOK

The real estate market is expected to maintain demand in 2021, stimulated by low interest rates and economic recovery.

Tegra continues to pursue its activities based on strong market intelligence, data analytics and awareness of the transformations both within the real estate market and consumer profiles in order to deliver increasingly consistent results over time.

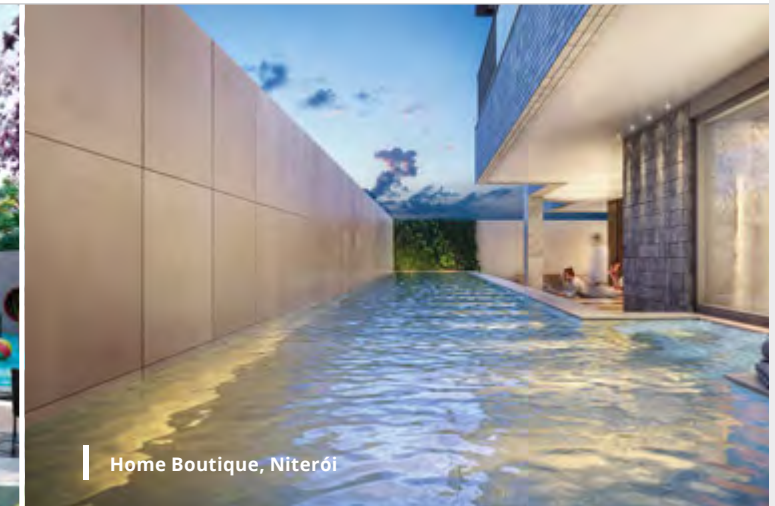
TAMBORÉ
URBANISMO

Tegra's urban development group is dedicated to developing high-quality horizontal residential projects with a focus on the states of São Paulo, Rio de Janeiro, Minas Gerais, and Mato Grosso do Sul.

The company remains engaged in the maintenance and preservation of the Tamboré Biological Reserve, an Integral Atlantic Rainforest Conservation Unit located in Santana do Parnaíba (SP), through an agreement signed with the city government. The partnership involves research and conservation measures in an area of 3.7 million square meters which includes 18 headwater springs, as well as 193 plant species and a further 197 species of birds, reptiles, amphibians, and mammals.



ELO, São Paulo



Home Boutique, Niterói



The Garden, São Paulo



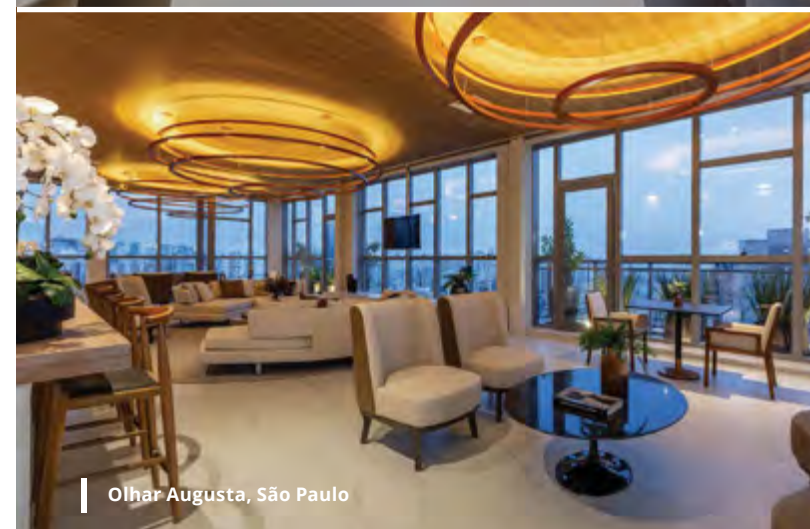
TEG Vila Carrão, São Paulo



Chez Vous, São Paulo



La Vie, Campinas



Olhar Augusta, São Paulo



PIN, São Paulo



Brookfield Special Investments

Over the past few years, Brookfield has been developing Brookfield Special Investments (BSI), a dedicated vehicle for large-scale, non-control equity and equity-linked investments across multiple sectors. BSI will target opportunistic and strategic situations across the economic cycle, and is designed to meet a growing need for companies seeking flexible capital solutions to achieve their corporate goals.



BSI will focus on sectors, regions and assets where Brookfield has acquired extensive knowledge, based on our in-depth operating expertise and long history as a value investor.

BSI announced a transaction early in 2021 to provide USD 240 million of structured financing to Brasil Telecom

Comunicação Multimídia S.A. ("InfraCo"), a newly formed fiber infrastructure carveout and wholly-owned subsidiary of Oi. This transaction was announced by Oi in February 2021, with closing pending as of the publication date of this report.

Global investments with operations in Brazil

Across its global portfolio, Brookfield has companies which operate in Brazil through various subsidiaries. These organizations have the operational, strategic and commercial support of the local Brookfield Private Equity team, which is highly specialized in the Brazilian market. Companies include the below:



CLARIOS

A world leader in energy storage solutions and in vehicle batteries, Clarios is also known under the Heliar brand name. In Brazil, Clarios has manufacturing facilities in Sorocaba (SP), as well as a distribution center and five recycling centers in the states of Minas Gerais and Pernambuco.



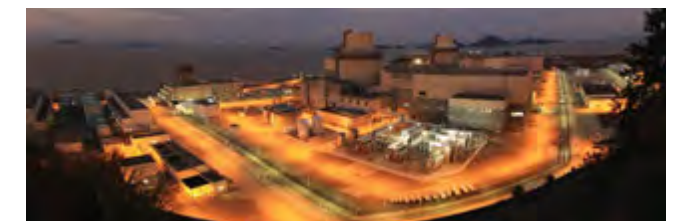
ALTERA INFRASTRUCTURE

Altera provides offshore oil and gas exploration infrastructure and transportation services, with operations in strategic areas such as the east coast of Canada, the North Sea and the Brazilian seaboard. Operational units in Brazil are in the cities of Rio de Janeiro (RJ), Macaé (RJ) and Aracaju (SE).



GREENERGY

Specialized in fuel distribution, Greenergy trades in petroleum products throughout the world to service its clients in the United Kingdom, Ireland, Canada, and Brazil. In Brazil, Greenergy operates as an exporter of ethanol and an importer of diesel for domestic fuel distributors, serving clients through the ports of Santos (SP) and Paranaguá (PR).



WESTINGHOUSE

A global leader in infrastructure services for the nuclear power industry, Westinghouse has a presence in 19 countries around the world. In Brazil, the company has a contract with Eletronuclear, a subsidiary of Eletrobras, for work on the project for extending the useful life of the Angra 1 nuclear power plant, located in Angra dos Reis (RJ).

Renewable Power

Brookfield is one of the world's largest investors in renewable power. In Brazil, the sector accounts for BRL 18 billion in assets under management and an installed capacity of 1.6 GW. The company's diversified portfolio includes hydro, wind, utility-scale solar and biomass energy generation.

Elera Renováveis is one of the largest companies generating electric power from renewable sources in Brazil. Its portfolio includes 43 hydroelectric plants, 19 wind farms and four biomass-fired plants, corresponding to 1.6 GW of installed capacity as well as 34 solar facilities divided into three large greenfield projects, and one small hydroelectric power plant in development corresponding to an additional 1.8 GW in the pipeline.



Itiquira Hydroelectric Plant, Mato Grosso

The Elera Renováveis brand name was launched in 2020, replacing the former name of Brookfield Energia Renovável. This change is designed to strengthen the identity linked to renewable and sustainable power, and is part of Brookfield's global undertaking to evolve the names of all the Brookfield Renewables operating businesses, allowing each to establish its own identity.

In 2020, Elera made its debut in the photovoltaic sector with the acquisition of three solar projects. The first was the Alex complex in Limoeiro do Norte and Tabuleiro

do Norte (CE), already under construction and due to be unveiled in 2021, with 360 MW of installed capacity, with an equity investment of approximately BRL 316 million.

Alex was then followed by the Janaúba project located in the north of the state of Minas Gerais, set to be the largest solar complex in Latin America with 1.2 GW of installed capacity and 1.5 million photovoltaic modules. Work has already begun and the start of operations will take place in two phases—in 2022 and 2023. Equity investment totals approximately BRL 1.1 billion.

BRL18B

IN ASSETS UNDER MANAGEMENT



~1.6GW

OF INSTALLED CAPACITY



101

ASSETS, INCLUDING 43 HYDROELECTRIC PLANTS, 19 WIND FARMS, 4 BIOMASS PLANTS, 34 SOLAR FACILITIES IN DEVELOPMENT AND 1 SMALL HYDROELECTRIC PLANT UNDER CONSTRUCTION



Elera's wind farm, Rio Grande do Norte

Finally, the company's business was expanded in the state of Ceará with the Aratinga project. This will have an installed capacity of 210 MW, with operations starting in 2023. Equity investment in the project will total BRL 216 million.

In addition to the solar installations, the company plans to add a small hydroelectric power plant (SPP) known as Foz do Estrela, located in the state of Paraná, with a 29.5 MW capacity. Work should be completed by the end of 2021.

Also in 2020, Elera invested BRL 100 million in its operational assets to improve efficiency, quality, uptime availability and safety. For example, the company is working on the modernization of installations, replacement of components, and incorporation of advanced monitoring and predictive technologies.

The company's financial performance in 2020 was solid, despite weaker wind power densities throughout the year. Operating revenue from power generation operations in Brazil was BRL 1.7 billion, while EBITDA reached BRL 1.6 billion—a record for the company. Generation Scaling Factor (GSF) renegotiations, in which the company played an active role—and the outcome of which was extended concession terms—had an impact on these results, as did the high level of operational uptime and lower operating costs.

Elera has operations registered on the I-REC (Renewable Energy Certificate) Platform, a global system for issuing renewable energy certificates. The RECs can be transacted for users of pollutant fuels as a means of off-setting carbon emissions and for investments in renewable power sources. In 2020, the company sold its first clean energy certificate.

OUTLOOK

Elera Renováveis continues to pursue a strategy of growth and the diversification of clean energy sources through the construction and delivery of previously announced projects, and the identification of new business opportunities, whether through mergers, acquisitions or greenfield projects.

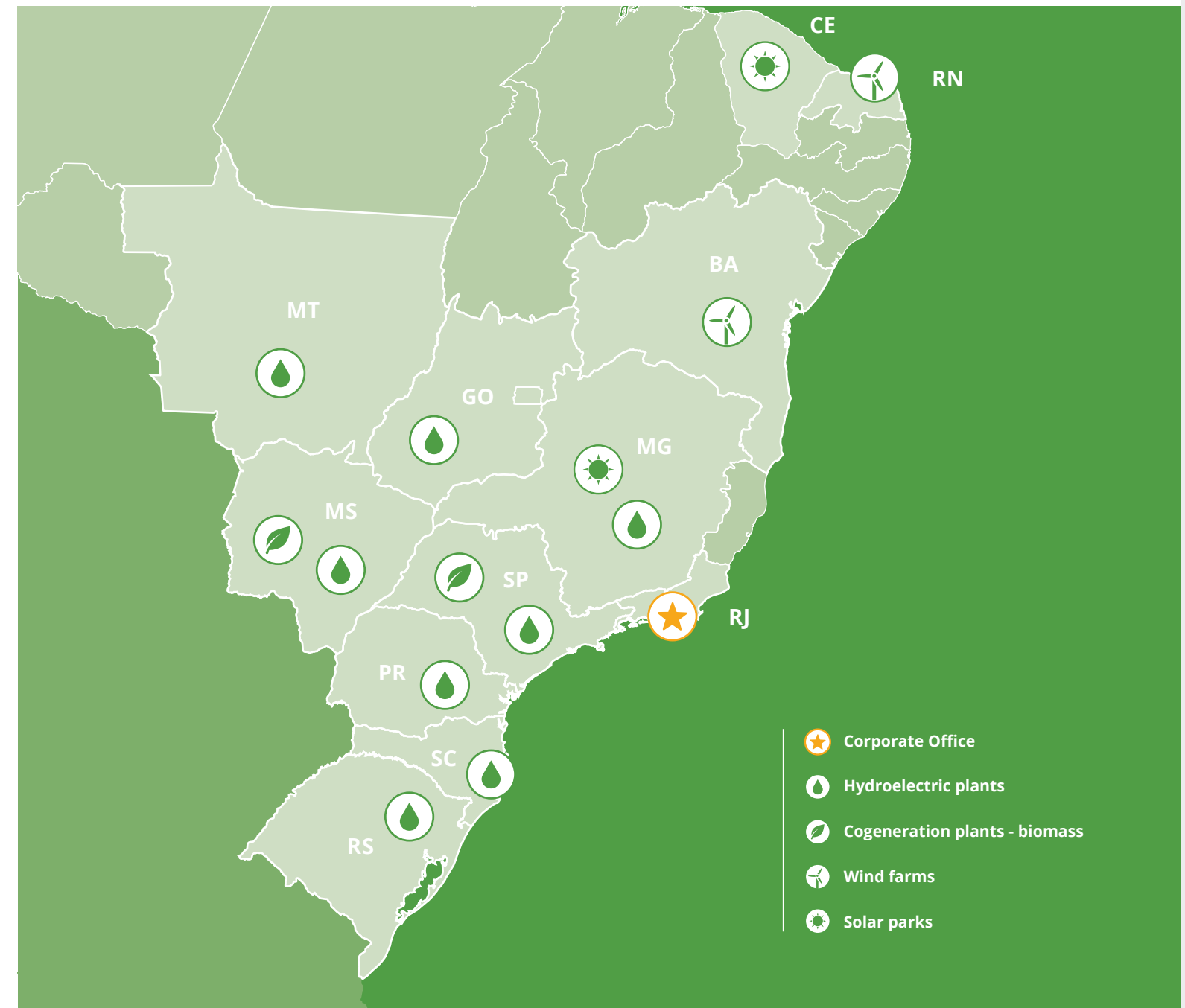
The company plans an equity investment of approximately BRL 2 billion by the end of 2023. The majority will go to the solar complexes, which will contribute to the doubling of installed capacity.

Investments will also be made in a new wind farm in Rio Grande do Norte, with the capacity to generate 270 MW in the first phase and an additional 200 MW in a possible extension. The acquisition of this project has been signed, with closing expected in the fourth quarter of 2021, subject to preconditions.

Elera will also invest BRL 230 million to improve efficiency across its assets over the next three years. As part of this effort, the Assets Monitoring Center will be implemented with systems for analysis and predictive fault detection, among other technologies, in 2021.



Sacre II Hydroelectric Plant, Mato Grosso



Real Estate

Brookfield has BRL 11 billion in assets under management in its real estate business in Brazil. The investments are in a number of sectors, including high-quality commercial office buildings, logistics parks and shopping centers, with a total of approximately 1 million sqm of area, either leasable or under development.

Office

Brookfield Properties operates in the office building segment with 12 corporate projects and a total of 380,767 sqm across São Paulo and Rio de Janeiro. This includes 279,259 sqm of leasable area, and a further 101,508 sqm under development.



L'Oréal's headquarters in Brazil, Rio de Janeiro

Over the past year, this portfolio has undergone a significant transformation. With a record decline in interest rates in Brazil culminating in a significant reduction in the capitalization rate (cap rate) and an appreciation in real estate values, Brookfield took the opportunity to sell WT Morumbi and EZ Tower B buildings at a cap rate of between 5.4% and 5.7%. Brookfield also sold Edifício Morumbi with a cap rate of 6.17%—for 69% greater than the purchase price.

Despite the pandemic, Brookfield increased its average occupancy rates from 86% to 91% in its office buildings in

Brazil, successfully attracting more than 30,000 sqm in new leases during the period. The Sigma tower, in the 17007 Nações Complex for example, reached 97% occupancy. Additionally, defaults were held at historically low levels of below 1%, and rent reviews for 14 contracts saw an average readjustment of 23%, indicative of the portfolio's attractiveness and resilience.

During the year, Brookfield acquired two development projects in the city of São Paulo. The first is a 69% interest in Passeio Paulista, with a total area of 49,119 square meters (offices, loft, and commercial areas), which is now under construction.

BRL7.6B

IN ASSETS UNDER MANAGEMENT

~280,000

SQM OF LEASABLE AREA AND
~102,000 SQM UNDER DEVELOPMENT

12

COMMERCIAL BUILDINGS,
3 OF WHICH UNDER DEVELOPMENT



Brazil Financial Center, São Paulo



JOÃO DIAS TRAIN STATION

In 2019, Brookfield signed an agreement to build Companhia Paulista de Trens Metropolitanos' (CPTM) João Dias train station, with the agreement that Brookfield will then donate it to the state of São Paulo government. Construction is currently underway, with delivery expected in the first half of 2022, ahead of schedule. The BRL 65 million investment will be integrated into the 17007 Nações Complex, and is expected to receive 10,000 commuters daily. Once the station is complete and operational, CPTM will assume responsibility for its operation and maintenance.

17007 Nações Complex, São Paulo

The second acquisition is O Parque, a mixed-use project (offices, residential and commercial) with 22,247 square meters. Both will be delivered in 2022.

In addition, a built-to-suit contract was signed with WPP, one of the world's largest advertising agencies, for a new office building in the Vila Leopoldina district of São Paulo. The innovative new project is expected to be a new landmark in the district, which is showing signs of becoming a new hub of office building development on the city's west side. The lease has a 15-year duration, with WPP occupying 80% of the building.

Brookfield continues to apply for sustainable construction certification such as Leadership in Energy and Environmental

Design (LEED), issued by the US Green Building Council (USGBC) – Sustainable Construction Council of the United States. Currently, the following projects are certified: Eldorado, 17007 Nações, Faria Lima 3500, L'Oréal and Senado as well as WT Morumbi and EZ Towers, which were sold in 2020. Brookfield Properties also hopes to certify the new Passeio Paulista, O Parque and WPP projects.

The company always aim to adopt the most advanced accessibility practices in our projects. This was recognized in the case of WT Morumbi, the company receiving *Guia de Rodas* certification for accessibility. The same certification for 17007 Nações is pending approval.

OFFICE BUILDINGS

IN OPERATION

PROJECT	LOCATION (STATE)	YEAR OF ACQUISITION	AREA (SQM)
17007 Nações (Sigma Tower and Open Mall)	São Paulo	2011	65,170
Faria Lima 3500	São Paulo	2014	25,686
BFC	São Paulo	2019	32,478
Eldorado	São Paulo	2019	23,455
Senado	Rio de Janeiro	2015	77,151
L'Oréal	Rio de Janeiro	2015	19,801
Sylvio Fraga	Rio de Janeiro	2016	2,716
Torre Almirante	Rio de Janeiro	2019	25,106
Flamengo	Rio de Janeiro	2019	7,696
Total leasable area (sqm)			279,259

IN DEVELOPMENT

PROJECT	CITY	YEAR OF ACQUISITION	AREA (SQM)
Passeio Paulista	São Paulo	2020	33,892
O Parque	São Paulo	2020	22,247
WPP	São Paulo	2020	45,369
Total area in development (sqm)			101,508

Logistics parks

Brookfield has a logistics portfolio in Brazil comprised of five projects, with 513,337 sqm of total area, including 194,442 sqm ready for leasing and 318,895 sqm under construction.



Cabreúva Logistics Park, São Paulo

In 2020, the pandemic contributed to an intensification in e-commerce, further ramping up demand for logistical infrastructure in Brazil, especially in strategically located regions connecting major urban centers.

The most significant acquisition in 2020 included two projects in Guarulhos (SP) valued at BRL 523 million. Both have access to the main Dutra São Paulo-to-Rio de Janeiro highway, and represent an additional 177,693 sqm of development opportunity. This was in addition to an existing Brookfield-owned logistics park in the same city, with an area of 58,573 sqm—and that reached 100% occupancy in 2020.

BRL1B

IN ASSETS UNDER MANAGEMENT

~195,000

SQM OF LEASABLE AREA AND ~319,000 SQM OF AREA UNDER DEVELOPMENT

5

LOGISTICS PARKS, 3 UNDER DEVELOPMENT AND 1 IN EXPANSION

Cabreúva Logistics Park, São Paulo



During the course of 2020, we continued to develop the Barueri logistics park, acquired in 2019 and located in a prime location in the state of São Paulo. At a total investment of BRL 346 million, the project will be delivered in two stages in 2021 and 2022.

As with office buildings, Brookfield continues to pursue sustainable construction certification for its logistics portfolio—such as the Leadership in Energy and Environmental Design (LEED) of the US Green Building Council (USGBC) – Sustainable Construction Council of the United States. The expectation is that the new logistics parks will also be certified when complete.

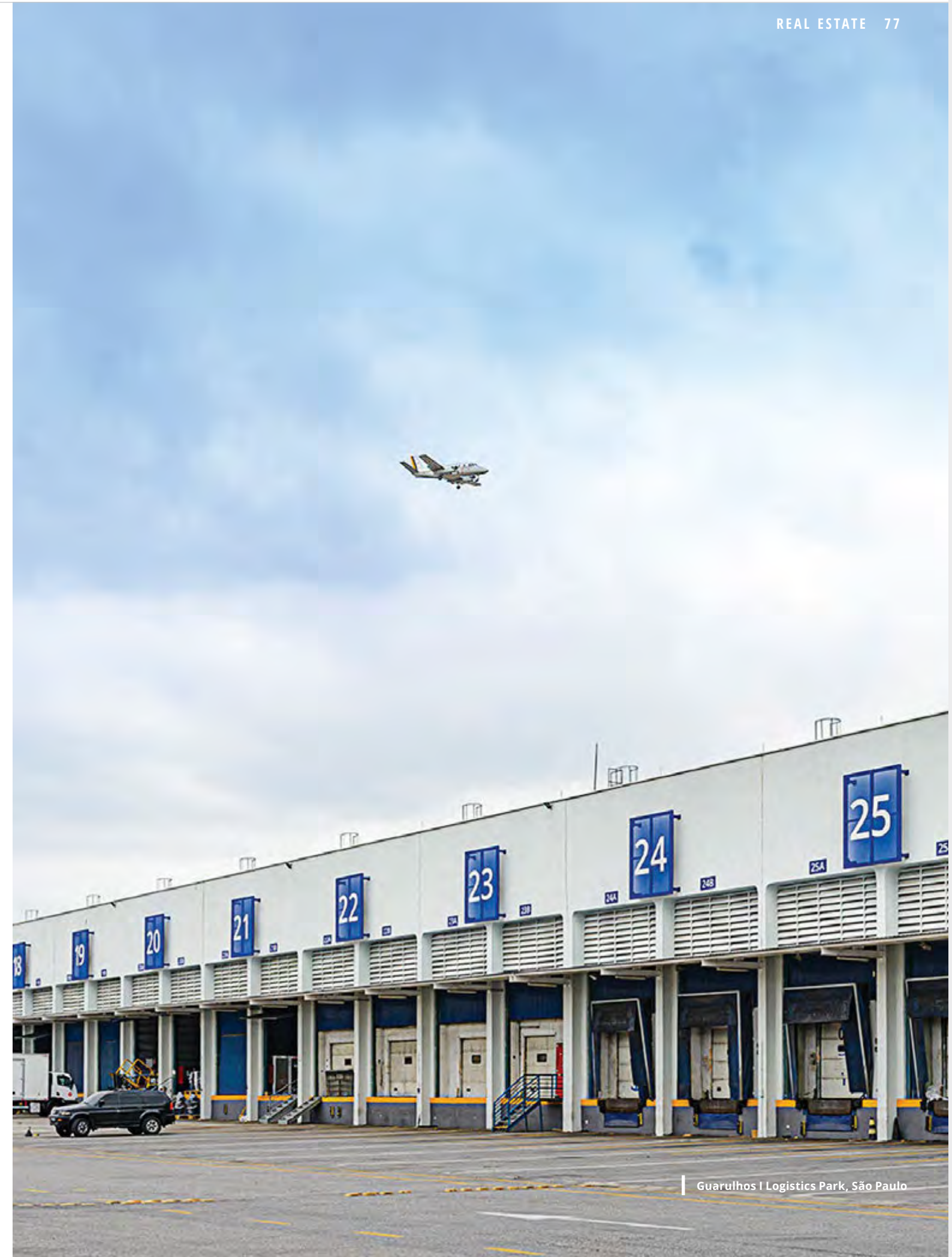
LOGISTICS PARKS

IN OPERATION

PROJECT	LOCATION (STATE)	YEAR OF ACQUISITION	AREA (SQM)
Guarulhos I	São Paulo	2018	58,573
Cabreúva	São Paulo	2018	135,869
Total leasable area (sqm)			194,442

IN DEVELOPMENT

PROJECT	LOCATION (STATE)	YEAR OF ACQUISITION	AREA (SQM)
Cabreúva – G400	São Paulo	2018	24,150
Barueri	São Paulo	2019	115,451
Guarulhos II	São Paulo	2020	84,984
Guarulhos III	São Paulo	2020	94,310
Total area in development (sqm)			318,895



Guarulhos I Logistics Park, São Paulo

Shopping centers

Since the 1980s, Brookfield has been investing in major commercial developments in São Paulo (SP) and Rio de Janeiro (RJ). Brookfield currently has a stake in four shopping centers in Brazil with total leasable area of 105,481 sqm.



Rio Sul mall, Rio de Janeiro

Brookfield's portfolio includes the Pátio Paulista and Pátio Higienópolis shopping centers in São Paulo and the Rio Sul and Madureira shopping centers in Rio de Janeiro.

The year was a challenging one for the sector due to restrictions imposed on movement and hours of operation that resulted from the pandemic. As a result, Brookfield undertook efforts to reduce costs and improve operational efficiencies across the portfolio. In addition, the company invested in e-commerce enhancements to support sales by collaborating with both commercial centers and tenants to facilitate ongoing consumer interaction while the malls were closed.

Brookfield also invested in safety and hygiene protocols to ensure a safe reopening for both its tenants and their customers. While customer footfall saw a significant decline, it began to recover in the second half of the year, with occupancy rates returning to pre-pandemic levels of about 96% in December following the drop to 90% mid-year. The expectation is that the recovery will continue in 2021.

BRL2.1B

IN ASSETS UNDER MANAGEMENT

~105,000

SQM OF LEASABLE AREA

4

SHOPPING CENTERS



Pátio Paulista mall, São Paulo

SHOPPING CENTERS

PROJECT	LOCATION (STATE)	YEAR OPENED	AREA (SQM)
Pátio Paulista	São Paulo	1989 (Paulista I) 2016 (Paulista II - Expansion)	23,193
Pátio Higienópolis	São Paulo	1999 (Higienópolis I) 2010 (Higienópolis II - Expansion)	16,762
Rio Sul	Rio de Janeiro	1980	28,370
Madureira	Rio de Janeiro	1989	37,156
Total leasable area (sqm)			105,481

OUTLOOK

Brookfield is confident in the resilience of high-quality assets over the long term. For this reason, the company expects real estate business in Brazil to perform well—from the corporate office building and logistics park segments to the recovering retail centers as the world moves out of the restrictions that resulted from the pandemic.

Brookfield believes that the office will always be fundamentally important for businesses; they serve as hubs for the type of interaction that cannot be replicated remotely over the long term. High-quality office buildings in major urban centers will continue to be valuable assets over the long term. Given this conviction, Brookfield will continue to invest in both ready-to-occupy office buildings and development projects, always seeking the best rates of return on our investment.



Pátio Higienópolis mall, São Paulo

Pátio Higienópolis mall, São Paulo

Sustainable Resources

Brookfield has been investing in sustainable resources in Brazil for decades, with 267,000 hectares dedicated to agricultural activities and 275,000 to forestry investments distributed across nine states, with BRL 8 billion invested in assets.



Agriculture

Brookfield has more than 30 years' experience in investing and operating agricultural assets in Brazil. These currently total 267,000 hectares of land across 22 rural properties in seven Brazilian states, including Goiás, Maranhão, Mato Grosso, Mato Grosso do Sul, Minas Gerais, São Paulo, and Tocantins. In 2020, more than 157,400 hectares of the total were productive, 59% of which was dedicated to grains (first and second crops); 25% to ranching; and the remaining 16% to sugarcane.



Conversely, soybeans saw a small decline of 3.2% to 208,000 tons compared to the previous harvest. The National Supply Company's (*Companhia Nacional de Abastecimento - Conab*) data reveals that both corn and soybean production reported increases for the 2019/20 crop compared with 2018/19—of 4.3% and 2.5%, respectively.

Brookfield's agricultural operations retained all certifications, including ISO 9001, which establishes the requirements for a Quality Management System; Certified Responsible Soya (CRS) and Round Table Responsible Soya (RTRS) certification, attesting to the responsible production of soybeans; and the Feed Materials Assurance Scheme (Femas), which guarantees the safety of foods and foodstuff ingredients used by the animal ration industry. Two farms obtained certification under the 3S Program, a model developed by Cargill with a focus on zero deforestation, the well-being of the rural worker and management of greenhouse gas (GHG) management.

The GHG emissions inventory of Brookfield's agricultural operations conducted in accordance with the GHG Protocol methodology for the 2019/2020 crop shows that we removed 309,000 tons of carbon from the atmosphere through biologic carbon sequestration—equivalent to the average annual emissions of 130,000 people in Brazil.

In 2020, Brookfield's agribusiness operations generated gross revenues of BRL 420 million, an increase of 14% compared to 2019, despite the more challenging climatic conditions in the North and the Northeast of Brazil. Consolidated EBITDA increased more than 35% from the previous year, primarily due to the improvement in ranching operations, a second corn harvest and sugarcane production.

The 2019/20 corn crop was productive, reaching 139,900 tons—an increase of 18.5% over the preceding crop.

BRL3.6B

INVESTED IN ASSETS

267,000

HECTARES IN AGRICULTURE

348,000

TONS OF GRAIN PRODUCED IN 2020

Sugarcane production

OUTLOOK

We expect that the 2021 cycle will be more favorable to agricultural activities. Costs are more controlled, supply and freight prices are stable, and the currency exchange rate is more favorable; assuming these all continue, they will result in a beneficial effect on commodity exports.

Brookfield is forecasting a productive year for the crops – including an increase of about 7% for the 2020/21 soybean crop and 3% for corn (first and second crops). In both cases, expected performance is in line with Conab's forecasts.

OPERATIONAL INDICATORS

	2018	2019	2020	CHANGE 2019/20 (%)
Hectares under management, including environmental reserve (000s)	269.2	269.1	267.3	-0.7%
Hectares planted to grains (000s) – first and second crop	88.2	89.6	92.1	2.8%
Hectares planted to sugarcane (000s) – in areas of proprietary operations and leased to third parties	23.0	26.2	25.5	-2.7%
Hectares dedicated to ranching (000s)	38.5	36.4	39.8	9.3%
Grain production (tons) in areas under management – first and second crops	282.3	333.2	347.9	4.4%
Sugarcane production (in 000s tons) – in areas of proprietary operations only	303.2	254.0	290.6	14.4%
Cattle sales (000s head)	14.9	13.8	14.5	5.1%

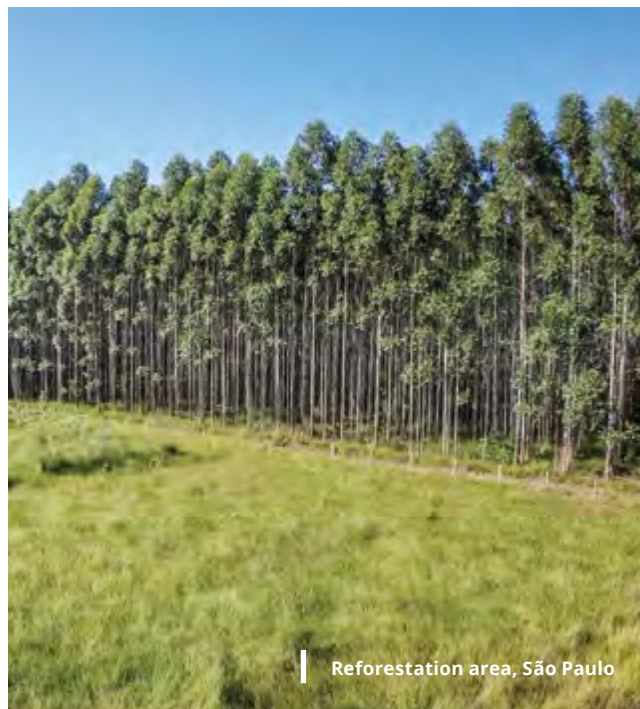
Note: The years refer to the harvest in which revenues were generated for each product.



Agricultural production

Timberlands

Brookfield has investments in 275,000 hectares in forest plantations, distributed across five Brazilian states, including Bahia, Espírito Santo, Minas Gerais, Mato Grosso do Sul and São Paulo. Operations span a wide range of sectors, most notably the pulp, industrial gas, silicon metal and steel industries.



Reforestation area, São Paulo

While the pandemic affected different sectors of the Brazilian economy, forestry proved resilient, with operational and financial indicators remaining stable relative to 2019. Sales volumes from the assets were 3.07 million cubic meters of logs (3% down on 2019) and 16,200

tons of charcoal. Sales reached BRL 385 million, up 47% over 2019, due primarily to foreign currency movements.

The company's strategy continues to be centered on the diversification of industries. In 2020, the sectors with the strongest performance included pulp and paper, which accounted for 93% of sales, as well as industrial gases and silicon metals, which each accounted for 3.5%.

While the pulp sector recorded very strong performance in exports, the domestic market was more challenged. For example, in the state of Mato Grosso do Sul, where Brookfield supplies a large part of the sector, some clients experienced operational restrictions due to the pandemic with a negative impact on results. Additionally, the region experienced a shortage of mature timber for harvesting.

To ensure quality, a high standard of forestry husbandry and strong environmental practices, forestry operations continue to adhere to the requirements of the Brazilian Forestry Certification Program (*Programa Brasileiro de Certificação Florestal - Cerflor*) and the Forest Stewardship Council® as well as ISO 9001 (Quality Management System) and ISO 14001 (Environmental Management System) certification.

BRL4.2B

INVESTED IN ASSETS

275,000

HECTARES OF LAND FOR FORESTRY PLANTATIONS

9

FORESTRY ASSETS IN 5 STATES

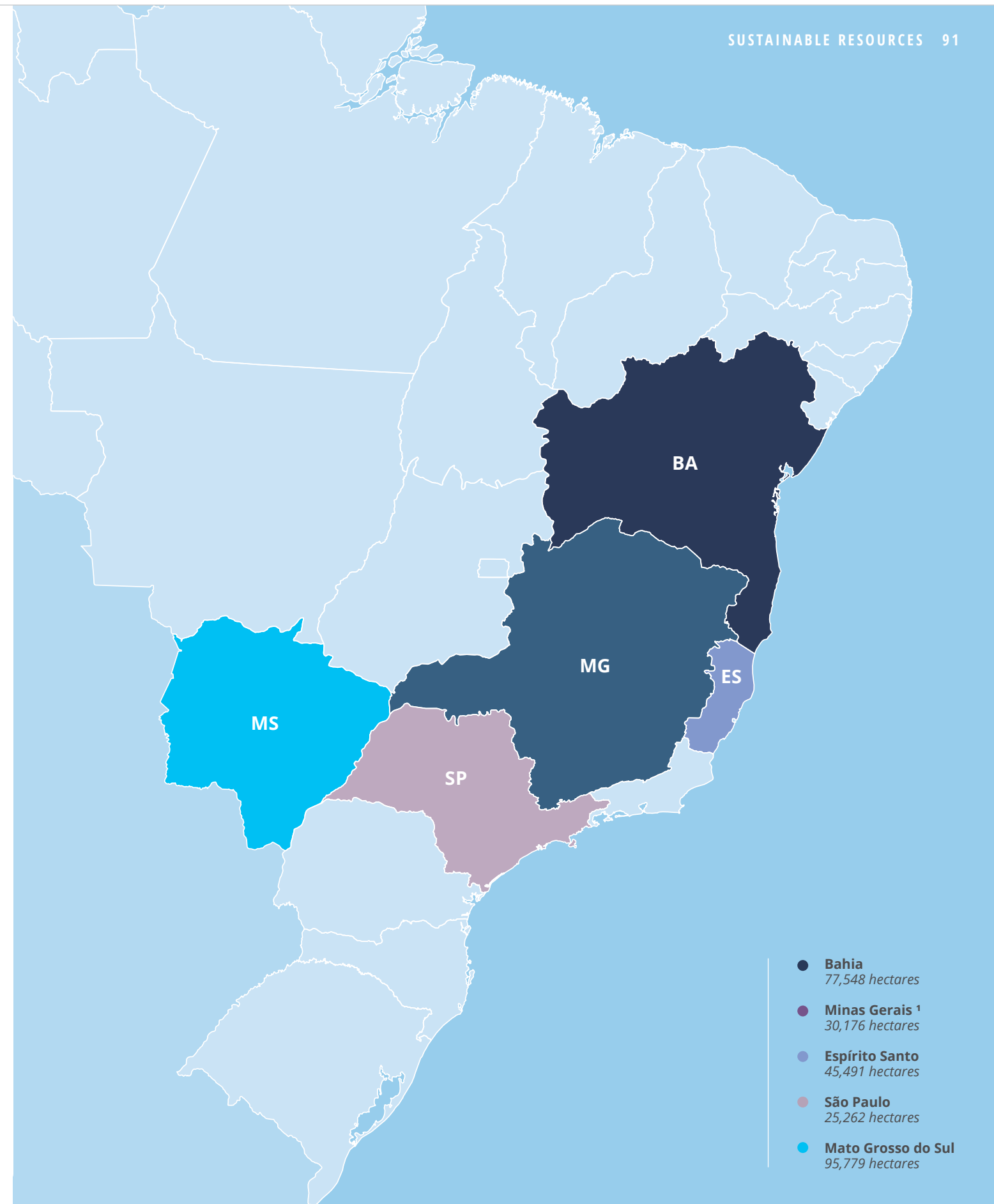
Reforestation area, Minas Gerais

OPERATIONAL INDICATORS

	2018	2019	2020	CHANGE 2019/20 (%)
Hectares under management (000s)	283	276	275	0%
Hectares of arable land (000s)	182	179	179	0%
Hectares of eucalyptus (000s)	159	162	151	-7%
Hectares under pine	4.6	2.6	2.6	0%
Hectares available or planting	18	14	26	82%

OUTLOOK

Forestry operations began 2021 with a very positive operational outlook, given the buoyant demand in sectors supplied by Brookfield's investments, notably in the pulp segment. In addition, currency rates bode well, having stabilized at a strong level, according to economic indicators.



¹ In the first quarter of 2021, Brookfield concluded the divestment of its forestry assets located in the state of Minas Gerais, totaling approximately 30,100 hectares of productive land.



ESG Management

Brookfield believes that ESG (environmental, social, and governance) management is essential in the building of resilient businesses and creating long-term value.

The company conducts its businesses in an ethical and sustainable manner, taking a long-term investment view and balancing economic objectives with the principles of responsible citizenship. As an asset manager, Brookfield operates a robust system of governance, incorporating the principles and practices of ESG in all its activities.

Brookfield's ESG principles are incorporated into all of its investments. It maintains global oversight of ESG, collaborating with its portfolio companies in the development of ESG policies and other frameworks. Using this approach, the company aims to create sustainable value and impact over the long term for investors, stakeholders and employees.



ESG Principles

Mitigate the impact of our operations on the environment

Brookfield believes that the majority of its operations, businesses and assets are impacted by—and have an impact on—the environment. For this reason, the company strives to mitigate these effects. Additionally, Brookfield believes that meeting the global challenge of climate change involves the transition to a net-zero carbon emissions economy and is committed to making investments that will drive this transition.



TEGRA DISPLAYS ENVIRONMENTAL IMPACTS AND OFFSETS EMISSIONS

At each active construction site, Tegra discloses data on water and electricity consumption, generation of waste and number of jobs created in the surrounding community on a socio-economic panel. In addition, the company offsets all its greenhouse gases (GHG) emitted as a result of construction work through the purchase of carbon credits. Additionally, the company intends to obtain AQUA (High Environmental Quality) certification for at least four of its projects.

VLI HELPS RAISE ENVIRONMENTAL AWARENESS

The Environmental Attitude Program, developed by VLI in the regions in which it operates, seeks to educate people about the importance of environmental preservation through activities such as lectures, workshops, and film screenings, among others. The program, conducted in partnership with the local communities, has already trained more than 45,000 people across 10 states.



Ensure the well-being and safety of employees

Brookfield is committed to promoting the health and well-being of its employees, maintaining an inclusive environment for all, and supporting the continuous personal and professional development of its employees.



OURO VERDE RECOGNIZED FOR IMPLEMENTING PREVENTIVE MEASURES AGAINST COVID-19

In recognition of its work in preventing the transmission of COVID-19—such as hiring new drivers to substitute at-risk employees, sanitizing the fleet after each shift change, and providing more shuttle buses to ensure employee’s physical distancing—the company was awarded the Sesi SDG 2020 Seal by the Social Service for Industry (*Serviço Social da Indústria - Sesi*), based on the United Nations Sustainable Development Goals. Ouro Verde also received an award from BP Bunge Bioenergia as the service supplier with the best COVID-19 prevention and care program.

ARTERIS UPDATES ITS CRITICAL SAFETY PROCESSES

After reviewing its safety procedures and instructions for high-risk work where there is the potential for serious accidents, the company implemented new procedures and training processes to better protect its employees. In addition, it continued with a series of projects and protective devices that helped reduce or avoid road accidents involving employees and third-party workers, such as the use of robotic flagmen on highway construction and services.



Be good stewards in the communities in which we operate

Brookfield recognizes that good management of its businesses and assets contributes positively to the development of the communities in which it operates. As a result, the company strives to manage the impacts of its activities in these regions and also undertakes a number of philanthropic initiatives.



BRK AMBIENTAL OFFERS PROFESSIONAL TRAINING TO SOCIALLY VULNERABLE WOMEN

The company has a social investment platform with high-impact projects that is replicated nationally with a focus on local development and on care for women. One of their most important programs includes professional skills training for female Venezuelan refugees and programs that assist socially vulnerable Brazilians to obtain work as plumbers and hydraulic installers in the city of Recife (PE).

ELERA ENGAGES THE COMMUNITY TO PROTECT WOMEN

One of the community engagement efforts promoted by Elera is the "Women: Occupying Spaces and Guaranteeing Rights" program. The initiative sought to strengthen both public policies and the service network aimed at women in Ribas do Rio Pardo (MS), a municipality with high violence levels against women. Through workshops, important topics such as the new Femicide Law, the guarantee of women's rights, Maria da Penha Law, and female participation in politics, were discussed. With input from women and local support, the project aims to create a Municipal Forum for Women's Rights in the region.



Conduct business according to the highest ethical, legal/regulatory standards

Brookfield operates its business activities in accordance with the highest ethical standards and in compliance with legal and regulatory requirements, and with our Code of Business Conduct and Ethics.

NTS REINFORCES COMPLIANCE INITIATIVES

In 2020, NTS launched the Compliance Olympics campaign to reinforce the importance of integrity in its business dealings. The internal campaign was modeled after the Olympics and each month, a new compliance topic was presented and employees were able to test their knowledge and compete through a series of quizzes, games, videos, etc. The company also continued its 'Compliance Conversations', a series of virtual events which in 2020 covered "Positive Work Environment", encouraging respectful coexistence in the organization.



Ethical conduct

Brookfield is committed to promoting ethics and integrity in all its activities. The company distributes the Code of Business Conduct and Ethics and the Anti-Bribery and Corruption Policy globally to ensure that all employees adhere to the same standard of behavior. These policies reinforce the company's zero tolerance towards violation of laws and regulations. The Code of Business Conduct and Ethics and other related policies apply to all officers, executives, and staff, as well as temporary employees.

In addition, Brookfield has implemented the Anti-Bribery and Corruption (ABC) Program to help employees detect potential bribery and corruption scenarios and to ensure compliance with applicable regulations and laws. The ABC Program covers governance and commitments with respect to senior management conduct; implementation, revision, and fine-tuning of policies; risk assessments;

due diligence for acquisitions and the contracting of suppliers; communication and training; international controls; reporting; and continuous monitoring. The company also has a confidential Ethics Reporting Hotline, for raising concerns related to unethical, illegal or unsafe behavior. The Ethics Reporting Hotline is operated by an independent third party and is available 24 hours a day, 7 days a week.

Brookfield has dedicated time and effort to ensure compliance with the new Brazilian General Data Protection Law (*Lei Geral de Proteção de Dados - LGPD*). After reviewing and mapping sensitive data to which it has access, the company has implemented an action plan for making the necessary adjustments to ensure it complies with this legislation, among other initiatives, including the implementation of the Data Privacy and Policy Program.

AFFILIATIONS, PARTNERSHIPS AND STANDARDS

Brookfield has partnered with leading organizations to assist with the management of ESG. In early 2020, it became a signatory to the Principles for Responsible Investment (PRI) underscoring its ongoing commitment to responsible investment and ESG best practices. In Brazil, Brookfield renewed its adherence to the initiatives of the Ethos Institute's Corporate Pact for Integrity and Against Corruption.

The company also maintained its membership and affiliation with other organizations such as Accounting for Sustainability (A4S), Business for Social Responsibility (BSR) and the Sustainability Accounting Standards Board (SASB) Alliance. Further, Brookfield continues the work to align with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and is following an implementation roadmap for continued progress.



Diversity and Inclusion

Brookfield believes that diversity and inclusion (D&I) are key elements of its culture. The company is committed to the creation of a diversified workforce reflective of each locations' demographics, and an environment that allows every employee to develop to their potential.

In July 2020, a global Diversity Advisory Committee was established. Its goal is to provide insights and recommendations on the company's existing efforts related to D&I while seeking to expand the focus beyond gender, prioritizing the participation of underrepresented groups in the workforce. As a result of discussions at the committee level, three courses of action were identified as priorities:

1. RECRUITMENT, RETENTION AND DEVELOPMENT

The Diversity Advisory Committee is designed to foster the engagement of senior leadership and to support the review of key processes in talent management such as selection, retention, and promotion. One of the key initiatives will be to diversify recruitment channels with the help of specialized organizations.

2. COMMUNITY AND SOCIAL ENGAGEMENT

Within the asset management business and across the operating businesses globally, Brookfield is committed to contributing to communities around the world in various capacities. The Diversity Advisory Committee seeks to further expand the projects and initiatives the company supports by focusing its effort on groups which have been under-represented. Among the key priorities is more involvement in activities that promote inclusion through education and professional training.

3. D&I LEARNING AND EDUCATION

The Diversity Advisory Committee plans to hold education sessions with a goal to establishing a greater understanding of D&I from a behavioral perspective. A key theme of these sessions will be a greater understanding around the consequences of 'unconscious bias' which can be a barrier

to the inclusion of under-represented groups. In support of this, Brookfield is planning to establish partnerships with specialized organizations that will be able to provide guidance and proper training.

A D&I Employee Resource Group has been established in Brazil to, among other things, provide guidance on diversity and inclusion at Brookfield in Brazil and to propose actions to be taken by the company's senior leadership team. One of the starting points for implementing the D&I strategy in Brazil will be to undertake an analysis to better understand the company's demographics. Once the results of the analysis have been reviewed, a plan of action will be developed and implemented in alignment with the global Diversity and Inclusion (D&I) strategy.



Private social investment

Brookfield is committed to promoting the responsible development of its surrounding communities through various business and philanthropic outreach initiatives, including the sponsorship of cultural, educational, and civic projects. Below is a listing of its partner organizations.



OSB digital initiatives

Brazilian Symphony Orchestra (OSB)

Since 2010, Brookfield has partnered with the Brazilian Symphony Orchestra (OSB), the most well-known symphony orchestra in the country. Another Brookfield portfolio company, NTS, is the primary sponsor of the OSB. Through these partnerships, OSB runs the Conexões Musicais (Musical Connections), a program for musical training in the communities where NTS operates.

The initiative is responsible for selecting local talent, teaching music classes, training teachers from the public school network in musical education and holding free performances for local residents. During the year, students from five states (São Paulo, Pará, Mato Grosso do Sul,

Espírito Santo, and Rio de Janeiro) took part in online classes totaling 1,200 hours. To further expand the reach of the project, classes were shared on YouTube and Facebook, with total views of 200,000.

During the course of 2020, the orchestra held three onsite performances prior to the pandemic—at which point (in March 2020), performances moved online. A total of 15 online symphony concerts and 10 live performances featuring Brazilian music were held. A special content series – To Hear is to Believe, Live from Home, Jukebox OSB, among others – were also streamed online, attracting a total audience of nine million people.



OSB concert



Online activities for students

Estrela Dalva

Since 2007, Brookfield has supported the Apontar Institute's Estrela Dalva Program for preparing academically talented children and adolescents from low-income communities in gaining a spot at public schools of excellence in Rio de Janeiro, promoting the development of cognitive and behavioral skills.

Every year, the Program is responsible for running a selection process for elementary school students. The selected group is given classes in Portuguese, mathematics, writing and preparation for the entrance examinations—and have the opportunity to take part in cultural programs and activities that support the

development of ethical behavior, creativity, curiosity, among other qualities. In 2020, 65 students took part in the initiative, completing the preparatory classes for the examinations. However, due to the pandemic, admission exams were not carried out until the end of the year.

The corporate sponsorship by Brookfield and the additional support by Brookfield employees through the company's Matching Donation program enabled 123 tablets with internet connection to be purchased. These students were then able to take part in online classes at the same time, helping to develop new digital skills while allowing them to continue their studies during the pandemic.

Juntos Program

For four years now, Brookfield has supported the Together for Sustainable Development Program (*Programa Juntos pelo Desenvolvimento Sustentável*) with the aim of improving government managerial capabilities in Brazil. This initiative is spearheaded by Comunitas, a non-profit organization with the prime objective of encouraging the participation of private initiatives in the country's social and economic development. A coalition of corporate leaders invests both financial resources and business expertise to support the preparation and implementation of projects in partnership with municipal and state governments.

This partnership facilitates four key outcomes: 1) improvement of management and public services; 2)

development of a knowledge base to support and influence public service management; 3) mobilization of communities for the exchange of knowledge/experiences; and 4) development of skills among public sector managers.

One of Comunitas' key functions in 2020 was its important role in tackling the pandemic. The organization provided support to governments in several different states, supporting the needs of public hospitals, mobilizing resources for vulnerable communities, creating physical distancing protocols, developing economic recovery plans, and supporting a return to the classroom. This work was compiled in a publication entitled "Covid 19, Public-Private Governance and the Legacy for Brazil" (*Covid-19: Governança Público-Privada e o Legado para o Brasil*).



Business leaders meeting of the Together Program

Responding to the pandemic

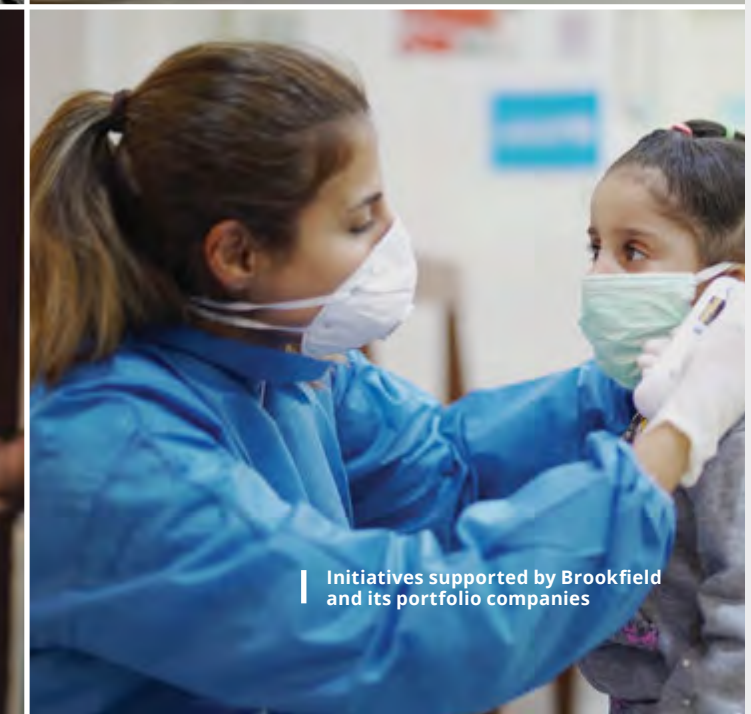
The year 2020 was marked by COVID-19, deemed by many to be of the worst health and humanitarian crises in history, with countless social, environmental, and economic ramifications. Brookfield's first priority was to protect its employees and consequently their families. Work areas and movements through the office were reorganized in order to ensure that physical distancing and hygiene protocols were maintained, and every employee was provided PPE, such as masks and hand sanitizer.

In parallel, the company worked to ensure uninterrupted service delivery across all of its operations, especially those providing essential services to both the population and the Brazilian economy, including logistics, basic sanitation, power generation and transmission and natural gas transportation.

Conscious of the societal impact of the pandemic, Brookfield and its portfolio companies in Brazil made the decision to join forces to protect and care for the health of the population, as well as provide humanitarian assistance to those most in need. Together, the companies donated more than BRL 32 million to various social and healthcare organizations, public sector and not-for-profit organizations located in several Brazilian states. Resources were allocated to:

- Provide hospital beds in ICUs
- Purchase of equipment and hospital supplies, including respirators
- Repair mechanical ventilators
- Provide personal protective equipment (PPE) for health workers
- Donations to public health systems
- Provide cleansing and personal hygiene kits for various communities
- Purchase rapid COVID tests
- Provide humanitarian help for vulnerable families
- Donations to educational NGOs to help low-income adolescents with their online classes

Donations were also received from employees through the company's internal donation matching program launched in Brazil in May 2020. Under this program, for every BRL 1 donated by an employee, Brookfield donated a matching BRL 2 to the employees' institution of choice. A total of BRL 250,000 was raised through this initiative. Other Brookfield portfolio companies ran similar internal fundraising campaigns with engagement from their teams.



Initiatives supported by Brookfield and its portfolio companies

Combined Financial Information

FOR THE YEAR ENDED DECEMBER 31, 2020 (BRL MILLION)¹

	PROPERTY	INFRASTRUCTURE	POWER GENERATION	TIMBERLANDS	AGRICULTURE	PRIVATE EQUITY	OTHERS ²	COMBINED
ASSETS								
Cash and equivalents	1,682.7	5,594.4	595.0	38.3	159.1	1,686.9	89.1	9,845.4
Accounts receivable	358.3	2,610.1	893.1	134.9	16.4	3,645.0	368.2	8,026.0
Inventories	4,299.8	1.9	-	5.4	93.8	33.0	9.2	4,443.1
Deferred taxes	148.5	3,717.0	-	10.2	65.5	181.1	-	4,122.3
Other assets	1,738.2	90,525.6	273.0	2.0	1,880.1	1,663.7	29.0	96,111.6
Investments / Operating assets	11,108.6	-	16,038.3	3,992.8	1,565.8	12,178.9	195.4	45,079.8
TOTAL ASSETS	19,336.1	102,448.9	17,799.4	4,183.6	3,780.7	19,388.7	690.9	167,628.3
LIABILITIES AND SHAREHOLDER'S EQUITY								
Loans and financing	2,761.9	34,036.9	2,376.3	1,282.6	214.3	8,674.1	-	49,346.1
Deferred taxes	1,224.9	10,834.6	80.7	701.1	710.9	2,052.7	10.5	15,615.3
Other liabilities	4,191.5	16,013.1	1,626.9	197.7	352.6	2,559.0	168.6	25,109.3
Equity	11,157.8	41,564.3	13,715.6	2,002.3	2,502.9	6,102.8	511.3	77,557.5
TOTAL LIABILITIES	19,336.1	102,448.9	17,799.4	4,183.6	3,780.7	19,388.7	690.3	167,628.3
BROOKFIELD'S SHARE	6,029.6	8,258.1	8,772.5	574.9	1,638.6	1,852.0	237.5	27,363.2

Combined Results Information

FOR THE YEAR ENDED DECEMBER 31, 2020 (BRL MILLION)¹

	PROPERTY	INFRASTRUCTURE	POWER GENERATION	TIMBERLANDS	AGRICULTURE	PRIVATE EQUITY	OTHERS ²	COMBINED
	6.75%	71.74%	5.77%	1.39%	1.45%	13.08%	-0.17%	
Gross operating revenue	1,958.7	20,832.5	1,674.8	402.9	420.2	3,799.7	(49.5)	29,039.3
Taxes on sales	(26.1)	(1,661.8)	(74.4)	(22.0)	(8.3)	(324.7)	(3.3)	(2,120.6)
NET OPERATING REVENUE	1,932.7	19,170.7	1,600.4	380.9	411.8	3,475.0	(52.8)	26,918.7
Operating costs	(969.1)	(8,228.7)	(397.4)	(18.7)	(270.0)	(1,674.4)	(115.5)	(11,673.8)
NET REVENUE LESS OPERATING COSTS	963.5	10,942.0	1,203.0	362.2	141.8	1,800.5	(168.3)	15,244.9
Realized gains (losses)	-	-	-	-	-	-	-	-
Revenue from investment portfolio management ³	-	-	-	-	-	-	57.0	57.0
Sales, general and administrative expenses	(474.1)	(125.0)	273.6	(11.0)	89.6	(670.2)	(80.9)	(997.9)
EBITDA	489.5	10,817.0	1,476.6	351.3	231.4	1,130.4	(192.2)	14,304.0

¹ This annual report presents the combined financial statements and results of all our operations in Brazil (considering full participation in assets), including groups of management assets, operating units and other assets, based on international financial reporting standards (IFRS) and specific non-accounting measures.

² It includes the balance sheets of assets and liabilities of companies and other holdings not highlighted in the previous columns.

¹ This annual report presents the combined financial statements and results of all our operations in Brazil (considering full participation in assets), including groups of management assets, operating units and other assets, based on international financial reporting standards (IFRS) and specific non-accounting measures.

² It includes the balance sheets of assets and liabilities of companies and other holdings not highlighted in the previous columns.

³ Proportional to the participation of the minority investors.

Team

Brookfield Asset Management - Corporate

HENRIQUE CARSALADE MARTINS
Managing Partner & CEO Latin America

LUIZ I. SIMÕES LOPES
Managing Partner & Vice Chair

PAULO GARCIA
Managing Partner, Legal & Regulatory

ESTEBAN FORNASAR
CFO Brasil

ARTHUR AZEVEDO DE ALBUQUERQUE
Senior Vice President, Human Resources

MARCOS KOVACS
Senior Vice President, Internal Audit

SANDRO JANUZZI PERES
Senior Vice President, Tax

Brookfield Infrastructure Group

MARCOS PINTO ALMEIDA
Managing Partner, Head of Latin America

FERNANDO ZIZIOTTI
Managing Director, Investments

RONALD PAZ
Managing Director, Investments

BRUNO HENRIQUE LOPEZ LIMA
Senior Vice President, Portfolio Management

Brookfield Private Equity Group

ALEXANDRE THIOILLIER
Managing Director, Investments

ANA LUCIA POÇAS ZAMBELLI
Managing Director, Business Operations

FELIPE CARDOSO DE GUSMÃO CUNHA
Senior Vice President, Business Operations

Brookfield Renewable Power Group

ANDRE FLORES RODRIGUES
Managing Partner

DINA VAINZOF STORCH
Senior Vice President, Investments

Brookfield Real Estate Group

ROBERTO PERRONI
Managing Partner & Regional Head

HILTON REJMAN
Managing Director, Portfolio Management

MARCELO VAINSTEIN
Managing Director, Investments

ELAD ARGAMAN
Senior Vice President

FILIPE VASCONCELOS
Senior Vice President

Brookfield - Timber

FABIANO LIRANCOS SANCHEZ
CFO, Brookfield Brazil Timber Fund

HENRIQUE ARETZ
Senior Vice President, Investments

Brookfield - Agriculture

RENATO C. CAVALINI
Managing Partner & Regional Head

Arteris

SERGIO MONIZ BARRETO GARCIA
CEO, Arteris

SIMONE BORSATO
CFO, Arteris

Ascenty

CHRIS TORTO
CEO, Ascenty

ANDRÉ NERIS
CFO, Ascenty

BRK Ambiental

TERESA VERNAGLIA
CEO, BRK Ambiental

SERGIO GARRIDO DE BARROS
CFO, BRK Ambiental

Elera Renováveis

FERNANDO MANO
CEO, Elera Renováveis

NILTON L. F. DE OLIVEIRA
CFO, Elera Renováveis

NTS

WONG LOON
CEO, NTS

Ouro Verde

CLAUDIO ZATTAR
CEO, Ouro Verde

RICARDO FERNANDES PEREIRA
CFO, Ouro Verde

Quantum

GABRIEL LÓPEZ MORENO
CEO, Quantum

Tegra

UBIRAJARA SPESSOTTO DE CAMARGO FREITAS
CEO, Tegra Incorporadora

CARLOS EDUARDO MORAES CALHEIROS
CFO, Tegra Incorporadora

VLI

ERNESTO POUSADA
CEO, VLI

FABIO TADEU MARCHIORI GAMA
CFO, VLI

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Brookfield in Brazil

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