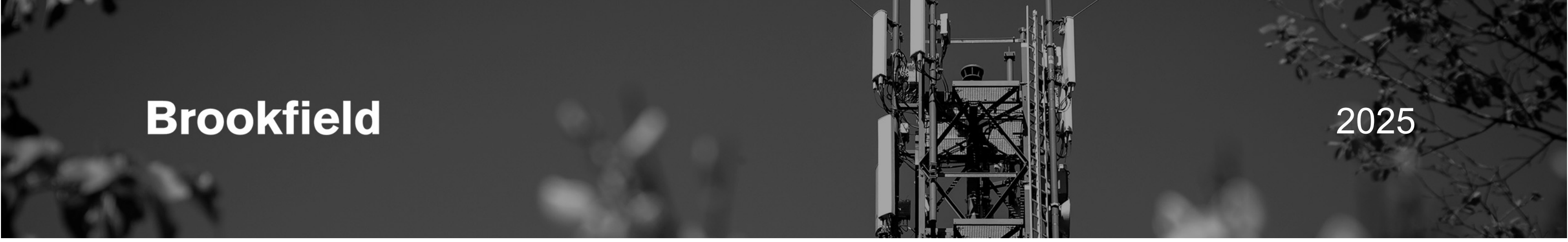

Annual Letter to Unitholders

Overview

2025 was another strong year for Brookfield Infrastructure. The business generated funds from operations (FFO) for the year of $3.32 per unit. Normalized for the impact of asset sales and foreign exchange, our per unit growth was 10%, in line with our target and reflective of our operational performance and the strength of our business. We executed on our strategic initiatives, generating record proceeds from asset sales to self-fund our new investments that are expected to generate returns exceeding our targets.

Our key accomplishments for the year are summarized below:

- Achieved our capital recycling objective of $3 billion for 2025 and have already made progress towards 2026's target of $3 billion.
- Invested approximately $2.2 billion of equity into growth initiatives, including $1.5 billion in five new investments diversified by sector and region.
- Executed agreements for several behind the meter (BTM) power projects totaling approximately 230 MW of capacity under our framework agreement to install up to 1 GW of power solutions to data centers and artificial intelligence (AI) factories.
- Took advantage of strong capital markets to complete $16 billion of financings.
- Ended the year with record liquidity totaling $6 billion, including just under $3 billion at the corporate level.

Supported by a conservative payout ratio of 66% and strong outlook for the business, the Board of Directors approved a quarterly distribution increase of 6% to $0.455 per unit during 2026, or $1.82 per unit on an annualized basis. This marks the 17th year of consecutive distribution increases of at least 5%.

Stock Market Performance

2025 was a solid year for our trading price in an environment that continued to be dominated by interest rate dynamics and shifting macroeconomic expectations. After two years of rapid monetary tightening, major central banks moved into a measured easing cycle. In the U.S., the Federal Reserve reduced policy rates three times during the year, supporting both "risk-on" assets and income-oriented equities.

Against this backdrop, our partnership units generated a mid-teen total return for 2025, broadly in line with leading global listed infrastructure indices. Our corporate shares performed particularly well, producing a high-teens total return over the same period and outperforming equity benchmarks. We believe the performance gap between our two securities primarily reflects differences in shareholder base and index inclusion, as well as tax preferences and relative trading liquidity. As a reminder, these securities are structured to be economically equivalent, providing exposure to a highly diversified portfolio of infrastructure assets.

While macroeconomic factors will always influence our trading price in the short term, we believe the market continues to underappreciate the resiliency of our business and the depth of our embedded growth potential. Over 60% of our FFO is generated by businesses at the center of the digitalization megatrend, including our data, midstream and utility platforms, and this exposure is increasing as we execute on a substantial backlog of organic growth projects and invest in the global megatrend to build the global backbone of AI.

Our focus remains on extending our track record of executing a full-cycle investment strategy: being disciplined in the acquisition of high-quality assets, enhancing their value through operational improvements and crystalizing value by recycling capital into new opportunities at attractive returns. This approach has supported approximately mid-teens annualized total returns for our investors since inception. Over time, we are confident that the strength of our underlying business, our exposure to long-term themes and our commitment to growing the distribution by 5% to 9% annually will be reflected in our trading price.

Annualized Total Returns

As of December 31, 2025	1-Year	3-Year	Since Inception*
BIP (NYSE)	15%	9%	14%
BIP (TSX)	10%	10%	19%
BIPC (NYSE)	18%	10%	18%
BIPC (TSX)	13%	10%	15%
Alerian MLP Index	10%	20%	8%
S&P Utilities Index	16%	10%	8%
Dow Jones Global Infrastructure Index**	15%	12%	6%

Includes dividend reinvestment
**BIP (NYSE) and U.S. index data since January 2008; BIP (TSX) as of September 2009; BIPC as of spin-off on March 31, 2020*
*** DJBGICU Index and excludes dividend reinvestment*

Operating Results

BIP generated FFO of $2.6 billion or $3.32 on a per unit basis in 2025. This was 10% above our normalized FFO and a 6% increase in total compared to 2024. Organic growth for the year was at the high end of our target range, driven by elevated levels of inflation in the countries where we operate, stronger volumes across our critical infrastructure networks and the commissioning of over $1.5 billion of new capital projects from our backlog. In addition, we completed over $1.1 billion of new acquisitions during 2025 that partially contributed to earnings, the impact of which was more than offset by earnings foregone from over $3 billion of asset sales completed during the year.

Utilities

The utilities segment generated FFO of $786 million, which on a comparable basis was up 7% year over year. The base business continued to perform well during the year, driven by inflation indexation across the portfolio and the contribution of approximately $500 million of capital commissioned into rate base over the last twelve months. Results also partially benefited from our acquisition of a South Korean industrial gas business that closed in December, and together with the strong base business performance, more than offset the loss of earnings from the sale of our Mexican regulated natural gas transmission pipelines.

Our U.K. regulated distribution business installed a record level of connections during 2025, up 14% from prior year, driven by strong performance across the majority of our utilities. Sales of new air and ground sourced heat products continues to build momentum, with approximately 9,500 sales during the year. This was triple the prior year and further strengthens the business' value proposition to the market.

Our North American residential decarbonization platform continues to benefit from the implementation of AI within our call centers to drive margin improvements. For example, during the quarter, we deployed an AI solution that handles queries, reasons through complex billing scenarios, and integrates with the call center. This shift enables improved call response and resolution that previously required human escalation. This initiative among others to better utilize AI in our customer interactions has created approximately $10 million in annual value.

Transport

The transport segment generated FFO of $1.1 billion, which was in line with the prior year after normalizing for asset sales and foreign exchange. During the year, we completed capital recycling initiatives totaling approximately $1.8 billion of proceeds. The loss of earnings from these sales was partially offset by higher revenues across our transportation networks, particularly in our rail and toll road segments, where volumes and rates grew by an average of 2% and 3% respectively.

At our Brazilian toll road business, the regulatory environment is improving as the government looks to attract capital to an underinvested sector. As a result, we are in the process of renegotiating several of our toll road concession agreements. During the quarter, we extended the term on one concession agreement by 15 years to 2047, with higher tolls and shared transportation volume exposure. A separate toll concession was brought to auction and will result in the disposition of the concession to a new owner in the first half of this year, resulting in approximately $100 million of proceeds.

Our Australian rail network executed a commercial agreement with a new iron ore customer that commenced in November and has a planned ramp-up to 4.4 million tonnes per year in the first quarter of 2026. The contract backfills volumes from an expired agreement and is expected to contribute approximately $20 million in annual EBITDA over the multi-year contract period.

Midstream

The midstream segment generated FFO of $668 million, representing a 7% year over year increase. This growth reflects higher volumes and activity levels across our midstream assets, particularly at our Canadian natural gas gathering and processing operation and our recently acquired U.S. refined products pipeline system. This contribution more than offsets the loss of earnings from the sale of our U.S. gas pipeline.

Our Canadian diversified midstream business continues to see positive developments across its transportation segment, with the commissioning of a bolt-on pipeline project in the fourth quarter that will contribute approximately C$15 million of run-rate EBITDA. Combined with two other bolt-on projects commissioned earlier in the year, we expect to generate C$80 million in annual EBITDA at a weighted average build multiple of 4x.

Our U.S. refined products pipeline system achieved record utilization of 94% in 2025 due to the execution of operational initiatives, coupled with strong customer demand for our products. Under single ownership for the first time in the company’s history, we are advancing multiple strategic initiatives to optimize the business and generate meaningful value in the years ahead.

Data

The data segment generated FFO of $502 million, representing a step change increase of over 50% compared to the prior year period. The increase is attributable to several new investments completed over the last twelve months, the most recent being our U.S. bulk fiber network, which is now fully contributing to earnings. In addition, we achieved strong organic growth across our data storage business, which included the commissioning of 220 MW of capacity at our hyperscale data centers, 200 MW of new billings at our U.S. retail colocation data center operation and income generated by our global data center developers. Our platform now has development potential of approximately 3.6 GW, including 1.2 GW of operating capacity, a contracted project backlog of 1.1 GW, and a total land bank of 1.3 GW.

Our U.S. bulk fiber network continues to roll out its offering across the U.S., with over 50,000 units closed this quarter, bolstering its contracted backlog to nearly 320,000 units. Conversion of our contracted backlog to billable units is progressing well, with approximately 360,000 units billing at the end of the quarter, which is ahead of our plan.

Our U.S. fiber business is investing up to $300 million of equity to expand its open-access fiber infrastructure into several California markets that cover approximately 240,000 households. The business has been successful in executing construction on time and on budget across its initial markets in Colorado and Minnesota, with approximately 200,000 households passed out of a total of approximately 450,000 identified households.

Strategic Initiatives

Transaction activity accelerated in 2025, with $1.5 billion of new investments. We expect this momentum to carry into 2026 based on a robust pipeline of new investment opportunities that continues to be diversified across sectors and geographies.

During the quarter, we completed the inaugural project under the framework agreement with Bloom Energy, installing 55 MW of BTM power for a data center site in the U.S. We have since secured additional projects under the framework for several hyperscaler customers, bringing the total to approximately 230 MW of power generation.

These additional projects have contract terms of at least 15 years in length. BIP's total equity investment associated with these projects to date is expected to be approximately $50 million, and fully deployed by mid-2027.

Also during the quarter, we closed the acquisition of a South Korean industrial gas business that is the leading supplier of industrial gases to investment grade semiconductor manufacturers in the country. The total equity purchase price is $500 million (BIP's share – approximately $125 million).

On January 1, we closed the acquisition of a leading railcar leasing platform in partnership with GATX, a best-in-class railcar lessor. The business is highly cash-generative, providing stable cash flows that are supported by a diversified, and largely investment-grade, customer base. The total equity consideration is approximately $1.2 billion (BIP's share – approximately $300 million).

Asset sales also accelerated in 2025. We achieved a record $3.1 billion in proceeds raised and we believe that the elevated pace of capital recycling will continue into the year ahead. We have two transactions already secured that crystallize attractive returns, giving us conviction in our ability to realize $3 billion of asset sale proceeds during 2026.

First, we agreed to sell the largest of four concessions within our Brazilian electricity transmission operation that spans over 1,200 kilometers. We expect proceeds of approximately $150 million net to BIP, generating an attractive IRR of 45% and an 8.5x multiple of capital, with closing anticipated in Q1 2026. Following this sale, we will have completed divestments of six of the nine concessions, with the remaining concessions expected to be sold this year.

Second, we partnered on a portfolio of stabilized and under-construction data centers in North America. Proceeds are expected to be used to support the build out of our powered land bank. An initial tranche of assets is expected to close this quarter, with the remaining under-construction projects expected to close on a programmatic basis upon completion over the next two years under a pre-agreed pricing framework.

Capital Markets and Balance Sheet

2025 was an active year for us in the capital markets. Despite periods of volatility, we maintained consistent access to capital. Over the year, we secured commitments totaling approximately $50 billion across our portfolio companies. During the quarter, the following notable initiatives were completed:

- At out U.S. semiconductor manufacturing facility, we took advantage of strong lender demand and attractive credit spreads to opportunistically issue approximately $1.8 billion of bonds. With this issuance, we fully refinanced the remaining bank facilities to establish a permanent capital structure comprised of long-term, fixed rate debt at attractive rates.
- Following the initial public offering of our North American gas storage business in October, we repriced its $1.2 billion term loan, tightening credit spreads by 50 basis points; combined with a 50 basis point tightening we completed earlier this year, we expect to achieve annual interest savings of over $12 million.
- At our U.S. retail colocation data center business, we successfully raised $1.1 billion of investment grade asset-backed securities to fully repay the acquisition credit facility and finance the purchase of a portfolio of data centers across North America. In addition, at our U.S. hyperscale data center business, we successfully raised approximately $325 million of investment grade asset-backed securities to fund contracted growth.
- Within our European telecom towers operation, we completed $5.7 billion in new financings, including a record $2.9 billion investment-grade private placement and a new $2.8 billion seven-year term loan at tighter spreads relative to in-place debt. Proceeds were used to partially repay existing credit facilities and return capital.

Our corporate balance sheet remains well capitalized. As a result of our proactive financing and risk management initiatives, our capital structure is more than 90% fixed rate, with an average term of eight years. Our maturity profile is well-laddered with approximately 5% of our non-recourse debt maturing in 2026 and no corporate debt maturities until 2027.

During the fourth quarter, we established an at the market equity program for BIPC and commenced share issuances under the program opportunistically. In total we raised approximately $40 million, issuing 833,000 shares to repurchase BIP units on a 1-for-1 basis.

Turning Tailwinds into Durable Value

AI is justifiably dominating headlines, with many bold predictions ranging from data centers in space to breakthroughs in quantum computing that could one day redefine how the world operates. At the same time, many are questioning the merits of the magnitude and velocity of capital flowing into AI, and whether demand will materialize at a level that justifies the spending, particularly given the perception of outsized risk associated with the ability to monetize AI.

The sheer scale of investment underway to build the physical backbone that makes AI possible is staggering. In 2025 alone, corporates invested approximately $500 billion, including more than $350 billion from five U.S.-based hyperscalers, into AI-related infrastructure in the form of chips, servers, and data centers. Looking ahead, 2026 and 2027 capital investment is expected to rise further, with over $1 trillion of estimated capital spend identified.

Much of this buildout is fundamental to the development of AI, enabling power-intensive workloads to run reliably, securely, and at scale, in well-connected locations. That reality is driving a sustained wave of investment into the backbone infrastructure that enables AI, including data center capacity, grid resiliency, power generation and transmission. The sector remains exposed to overbuilding, technological change and disruption as large language models improve and compute requirements and capabilities evolve. With capital moving quickly, not all participants will be rewarded and there will be mistakes made.

Our approach is designed to protect against such exuberance. Brookfield Infrastructure is applying a prudent, risk-focused approach to participating in the build out of AI infrastructure, maintaining strict guardrails to safeguard capital while still allowing for meaningful upside in this multi-generational investment opportunity.

- **Contracted:** Our development projects are underpinned by long-term contracts with favorable terms. We don’t build speculatively. We pursue land parcels collaboratively with customers, minimizing the drag on development returns as we contract before incurring significant capital spend. Furthermore, we structure our contracts with no cancellation for convenience clauses and a recovery of capital to earn attractive returns within the initial contract period, mitigating technology risk.
- **Counterparties:** We selectively focus on the strongest, investment-grade counterparties, who are some of the largest, well-capitalized and most profitable technology companies in the world. When deploying smaller workloads, we utilize prepayments and other financial assurances to protect our capital.
- **Location:** We concentrate on top-tier, workload-agnostic locations for our data centers that can support the full spectrum of demand, inference, content delivery, and cloud services. This reduces the risk of single-theme exposure and increases the durability of demand through cycles.
- **Strategy:** We are deliberate in how much land and powered shells we control and develop. At our two largest development platforms, we have created a self-funding model that provides funding for future development, returns capital and locks in attractive developer economics that enhance our investment returns. Importantly, it also reduces the size of our platforms while maintaining the benefits of scale and broadening the potential buyer universe at exit.
- **Capital structure:** We match capital structures to the tenor of contracted cash flows, with a focus on preserving flexibility and ensuring that we can finance growth responsibly. Our growth has been supported by strong and programmatic access to capital markets. Across our U.S. platforms alone, we successfully raised over $4 billion in the securitization market at attractive rates during 2025.

To illustrate the benefits of our approach, during 2025 we experienced exceptional demand at our data center platforms, securing record growth, commercialization, capital recycling, and capital markets activities. Several examples across our data center platforms include:

- Our U.S. colocation data center business has experienced 11 consecutive quarters of record bookings and is now fully utilized across several markets. During the quarter, we signed several large contracts at a data center site in Illinois, achieving 100% occupancy and adding approximately $45 million of annual EBITDA on a run-rate basis commencing later this year. Without investing any further equity, we acquired and added a 40-site data center portfolio in January 2024 to our existing business and subsequently increased EBITDA from a combined base of approximately $200 million to approximately $500 million on a contracted basis. The exciting part is that the growth trajectory is expected to continue, led by high-returning under-roof densification and in-footprint expansion capacity, which total over 600 MW of identified growth potential.
- Across our global data center platform, we achieved a significant lease-up of our land bank during the fourth quarter, which is expected to be commissioned over the next three years. We executed agreements for approximately 800 MW of capacity, predominately in North America. The vast majority of these leases are with investment-grade customers and underpinned by long-term contracts.
- Since acquiring our North American and European platforms, our adherence to the guardrails outlined above has allowed us to maintain a consistent greenfield data center yield-on-cost. In 2025, we partnered on almost 850 MW of stabilized and operating sites, crystalizing developer premiums and demonstrating strong demand.

Taken together, we hope these examples highlight both the strength of demand we are seeing and the importance of disciplined execution in converting demand into durable returns. As AI workloads scale, the value of well-located and powered infrastructure intensifies. In this environment, scale, reliability, and access to capital are differentiating factors to counterparties, and we believe our global operating capabilities and long-standing relationships benefit us. Our risk-focused approach and strict adherence to our guardrails will enable us to continue investing in the core infrastructure needed to deliver AI at scale while protecting our downside.

Outlook

Looking ahead to 2026, we see a highly constructive backdrop for infrastructure. The asset class has a long history of delivering resilient, growing cash flows through a variety of market environments and is now squarely positioned at the center of three powerful structural themes: digitalization, decarbonization and deglobalization. Together, these forces are driving an infrastructure investment super cycle that is broadening in both scope and scale. As investors continue to increase their allocations to the sector, we expect substantial capital to be deployed into the essential networks and assets that underpin the global economy.

We have entered 2026 from a position of considerable strength. Our base business is delivering resilient, growing cash flows, and we have clear visibility into a multi-year runway of organic growth and capital deployment. In addition, the rapid build out of AI-related infrastructure is materially expanding our opportunity set across data centers, power and network connectivity. As a scaled, global owner and operator of critical infrastructure, we are well-placed to deploy capital into these themes at attractive risk-adjusted returns. These factors, combined with a stable interest rate and foreign exchange backdrop, position us well to return to our 10%+ per unit growth target in 2026.

Our proven capital recycling program gives us the flexibility to fully self-fund the growth we see ahead. With sale processes already launched across multiple segments and a deep pipeline of new investment opportunities, we are looking forward to what is shaping up to be an even more active year for our business.

On behalf of the Board and management, thank you to our unitholders and shareholders for their ongoing support.

Sincerely,

Sam Pollock
Chief Executive Officer

January 29, 2026

Cautionary Statement Regarding Forward-looking Statements

This letter to unitholders contains forward-looking information within the meaning of Canadian provincial securities laws and "forward-looking statements" within the meaning of Section 27A of the U.S. Securities Act of 1933, as amended, Section 21E of the U.S. Securities Exchange Act of 1934, as amended, "safe harbor" provisions of the United States Private Securities Litigation Reform Act of 1995 and in any applicable Canadian securities regulations. The words, "will", "continue", "believe", "growth", "potential", "prospect", "expect", "target", "should", "future", "could", "plan", "anticipate", "outlook", "focus", "plan to", derivatives thereof and other expressions which are predictions of or indicate future events, trends or prospects and which do not relate to historical matters identify the above mentioned and other forward-looking statements. Forward-looking statements in this letter to unitholders include statements regarding the likelihood and timing of successfully completing the transactions and other growth initiatives referred to in this letter to unitholders, the integration of newly acquired businesses into our existing operations, the future performance of those acquired businesses and growth projects, financial and operating performance of Brookfield Infrastructure and some of its businesses, commissioning of our capital backlog, availability of investment opportunities, including tuck-in acquisitions, the state of political and economic climates in the jurisdictions in which we operate or intend to operate, the expansion of our businesses and operating segments into new jurisdictions, the adoption of new and emerging technologies in the jurisdictions in which we operate, performance of global capital markets and our strategies to hedge against risk in such markets, ability to access capital, anticipated capital amounts required for the growth of our businesses, the continued growth of Brookfield Infrastructure and its businesses in a competitive infrastructure sector, the effect expansion and growth projects of our customers will have on our businesses, and future revenue and distribution growth prospects in general. Although Brookfield Infrastructure believes that these forward-looking statements and information are based upon reasonable assumptions and expectations, the reader should not place undue reliance on them, or any other forward-looking statements or information in this letter. The future performance and prospects of Brookfield Infrastructure are subject to a number of known and unknown risks and uncertainties. Factors that could cause actual results of the Partnership and Brookfield Infrastructure to differ materially from those contemplated or implied by the statements in this letter to unitholders include general economic, social and political conditions in the jurisdictions in which we operate or intend to operate and elsewhere which may impact the markets for our products or services, the ability to achieve growth within Brookfield Infrastructure's businesses, some of which depends on access to capital and continuing favorable commodity prices, the impact of political, economic and other market conditions on our businesses, the fact that success of Brookfield Infrastructure is dependent on market demand for an infrastructure company, which is unknown, the availability and terms of equity and debt financing for Brookfield Infrastructure, the impact of health pandemics on our business and operations, the ability to effectively complete transactions in the competitive infrastructure space (including the ability to complete announced and potential transactions referred to in this letter to unitholders, some of which remain subject to the satisfaction of conditions precedent, and the inability to reach final agreement with counterparties to such transactions, given that there can be no assurance that any such transactions will be agreed to or completed) and to integrate acquisitions into existing operations, changes in technology which have the potential to disrupt the businesses and industries in which we invest, the market conditions of key commodities, the price, supply or demand for which can have a significant impact upon the financial and operating performance of our business, regulatory decisions affecting our regulated businesses, weather events affecting our business, the effectiveness of our hedging strategies, completion of growth and expansion projects by customers of our businesses, traffic volumes on our toll road businesses and other risks and factors described in the documents filed by Brookfield Infrastructure with the securities regulators in Canada and the United States including under "Risk Factors" in Brookfield Infrastructure's most recent Annual Report on Form 20-F and other risks and factors that are described therein. Except as required by law, Brookfield Infrastructure undertakes no obligation to publicly update or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise.