

Brookfield Property Partners

GREEN BOND ALLOCATION REPORT

DECEMBER 2023

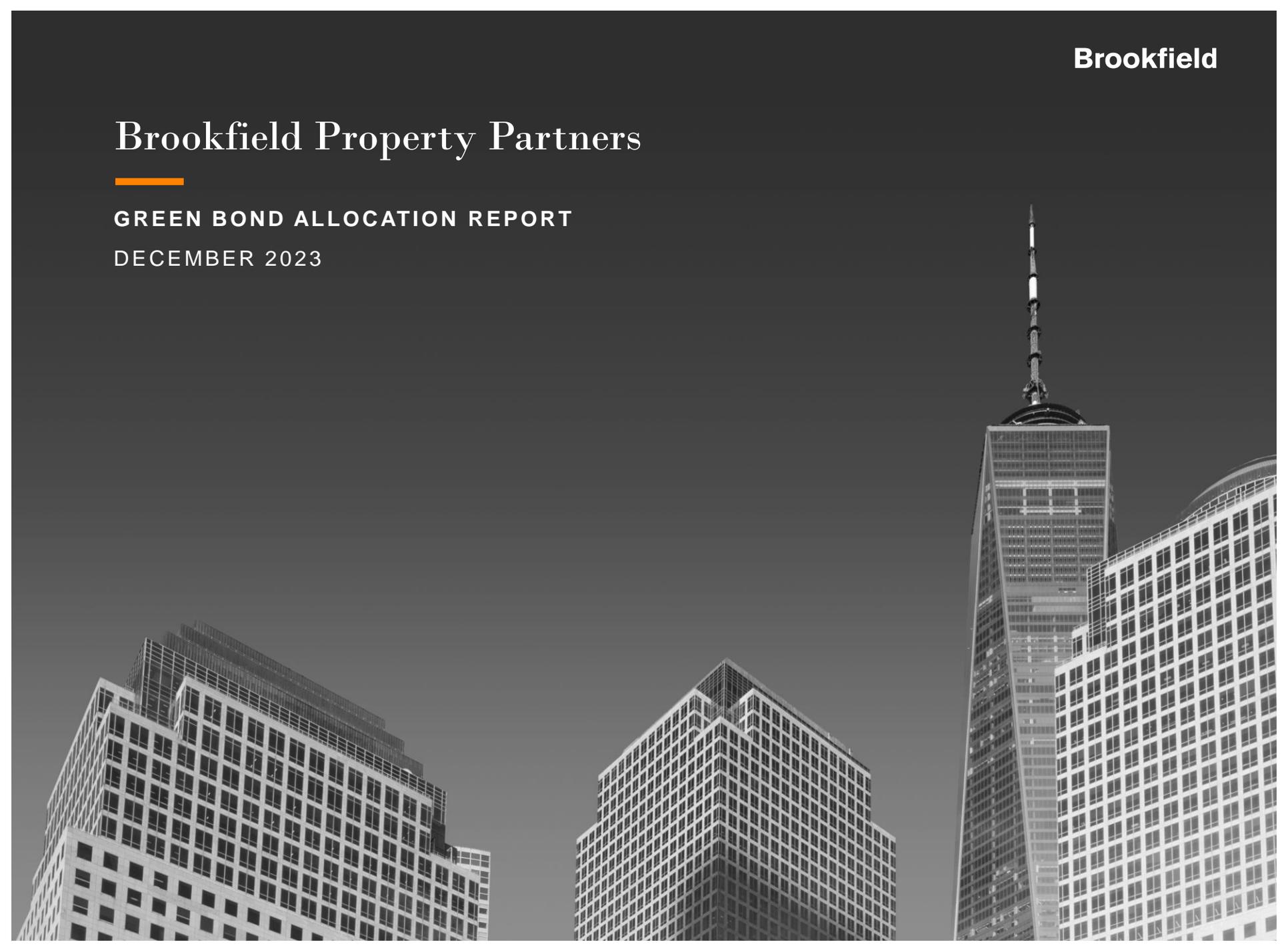


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At Brookfield Property Partners L.P. (“BPY”), we focus on investing in long-life, high-quality assets that form the backbone of the global economy. Our ESG strategy is centered on supporting business resilience and creating long-term value for our investors and shareholders.

In 2021, Brookfield Corporation (“BN”), BPY’s parent company, became a signatory to the Net Zero Asset Managers (“NZAM”) initiative to support the goal of net zero GHG emissions by 2050 or sooner. In the second quarter of 2022, we submitted our 2030 net zero interim target, which set out our commitment to reduce emissions by two-thirds by 2030 across one-third of our assets under management (AUM) from base year. An updated interim progress report will be released with our PRI Assessment later this year. For an outline of Brookfield’s commitment to the NZAM initiative and an update on our progress towards our goal of net-zero GHG emissions by 2050 or sooner, please refer to our [2022 Sustainability Report](#).

As a signatory of the Task Force on Climate-related Financial Disclosures (“TCFD”), BN published its first TCFD disclosure in the [2022 Sustainability Report](#), updated and finalized its risk assessment, incorporating transition and physical scenarios to depict potential climate risks and opportunities while evaluating the resilience of its business against various future warming trajectories.

This year, Brookfield Real Estate has also published its first [Sustainability Report](#), highlighting sustainability initiatives undertaken across our real estate business, including our efforts towards decarbonization, transitioning toward sustainable energy, creating an inclusive working environment, and our governance practices.

In addition, eleven Brookfield Real Estate businesses, representing the majority of our real estate assets under management, submitted to the Global Real Estate Sustainability Benchmark (“GRESB”) in 2023, including our core office businesses in North America, Australia, the U.K., Germany and India, our core retail business, Canary Wharf Group, and three private funds – Brookfield Strategic Real Estate Partners III (“BSREP III”), Brookfield Premier Real Estate Partners (“BPREP US ”), and Brookfield Premier Real Estate Partners Europe (“BPREP-E”). In 2024, we expect to expand participation in GRESB to cover additional segments of our real estate business.

We continue to strengthen our ESG initiatives and integrate
ESG considerations across our portfolio

Brookfield is committed to applying sustainable solutions across our portfolio

100%

of core office developments are LEED Gold or higher



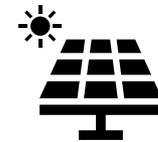
100%

of our U.S. office portfolio will be supplied with GHG emissions-free electricity by 2026



134

MWh of solar generating capacity being installed in our logistics portfolio



Brookfield constantly strives to manage its investments sustainably



221

Certifications



104

Certifications



55

Certifications in the U.S.



59

Certifications in the U.S. and Canada



52

Certifications in our retail portfolio



45

Certifications in our office portfolio



34

Certifications



39

Certifications



25

Certifications

Notes:

As of December 31, 2022.

LEED® is the preeminent program for the design, construction, maintenance and operations of high-performance sustainable buildings. LEED®, and its related logo, is a trademark owned by the U.S. Green Building Council and is used with permission - usgbc.org/LEED.



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Independent Practitioner's Reasonable Assurance Report

To the Board of Directors of Brookfield Property Partners L.P.

We have undertaken a reasonable assurance engagement of the accompanying management's assertion, included on pages 8 and 9 of Brookfield Property Partners L.P.'s (the "Partnership") December 2023 Green Bond Allocation Report, that the net proceeds from the issuance of the 7.125% Medium Term Notes Series 7, due February 13, 2028, on February 13, 2023 (the "Prospectus") were allocated by the Partnership during the period February 14, 2021 to June 30, 2023 for the financing and/or refinancing of Eligible Green Projects, including the development and redevelopment of such projects (the "Subject Matter Information").

Management's Responsibility

Management is responsible for the preparation of the Subject Matter Information in accordance with the Eligible Green Projects criteria as defined in management's assertion on page 8 ("the Applicable Criteria"). Management is also responsible for such internal control as management determines necessary to enable the preparation of the Subject Matter Information that is free from material misstatement, whether due to fraud or error.

Our Responsibility

Our responsibility is to express a reasonable assurance opinion on the Subject Matter Information based on the evidence we have obtained. We conducted our reasonable assurance engagement in accordance with Canadian Standard on Assurance Engagements 3000, *Attestation Engagements Other than Audits or Reviews of Historical Financial Information*. This standard requires that we plan and perform this engagement to obtain reasonable assurance about whether the Subject Matter Information is fairly stated, in all material respects.

Reasonable assurance is a high level of assurance, but is not a guarantee that an engagement conducted in accordance with this standard will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users of our report. The nature, timing and extent of procedures selected depends on our professional judgment, including an assessment of the risks of material misstatement of management's assertion, whether due to fraud or error, and involves obtaining evidence about the preparation of the Subject Matter Information in accordance with the Applicable Criteria.

We believe the evidence we obtained is sufficient and appropriate to provide a basis for our opinion.

Our Independence and Quality Control

We have complied with the relevant rules of professional conduct / code of ethics applicable to the practice of public accounting and related to assurance engagements, issued by various professional accounting bodies, which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

The firm applies Canadian Standard on Quality Control 1, *Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance Engagements* and, accordingly, maintains a comprehensive system of quality control, including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Opinion

In our opinion, management's assertion that the net proceeds from the Prospectus were allocated by the Partnership during the period from February 14, 2021 to June 30, 2023 in accordance with the Applicable Criteria is fairly stated, in all material respects.

Specific Purpose of Applicable Criteria

The Subject Matter Information has been prepared in accordance with the Applicable Criteria to report on the allocation of the net proceeds from the Prospectus, and therefore, may not be suitable for another purpose.

Deloitte LLP

Chartered Professional Accountants
Licensed Public Accountants

Toronto, Canada
December 21, 2023

BPY is responsible for the completeness, accuracy and validity of the December 2023 Green Bond Allocation Report. We allocated an amount equal to the net proceeds from the offering of the 7.125% Medium Term Notes, Series 7 to the financing and refinancing of recently completed Eligible Green Projects (as defined below), including the development and redevelopment of such projects.

“Eligible Green Projects” are defined as:

- i. new class A development properties that have received or are expected to receive LEED Silver or higher, NABERS, BREEAM or equivalent certification;
- ii. existing class A redevelopment properties that have received or are expected to receive LEED, NABERS, BREEAM or equivalent certification;
- iii. tenant improvements that have received or are expected to receive LEED, NABERS, BREEAM or equivalent certification; and
- iv. other projects that materially improve the energy efficiency of, or make other environmentally beneficial improvements to, a development, redevelopment or existing property.

Eligible Green Projects include projects with disbursements made in the two years preceding the initial issuance of the bond.

Green Bond Allocation Report

Brookfield

Net Proceeds	Issuer	Issuance Date	Currency	Net Proceeds (US\$)
7.125%, Medium Term Notes, Series 7	Brookfield Property Finance ULC	February 13, 2023	USD	\$ 377.5M
Property	Asset Type	Location	Certification ¹	Allocation to Eligible Green Projects as of June 30, 2023
Two Manhattan West	Office	New York, NY	LEED Gold	\$ 180.6M
One Leadenhall	Office	London, UK	BREEAM Outstanding	\$ 144.2M
One the Esplanade	Office	Perth, AU	NABERS	\$ 36.3M
Bay Adelaide North	Office	Toronto, CA	LEED Platinum	\$ 16.4M
Total				\$377.5M

¹We anticipate Two Manhattan West, One Leadenhall, and One the Esplanade will achieve LEED, BREEAM, and NABERS Certifications, based on estimated scorecards via our consultants.

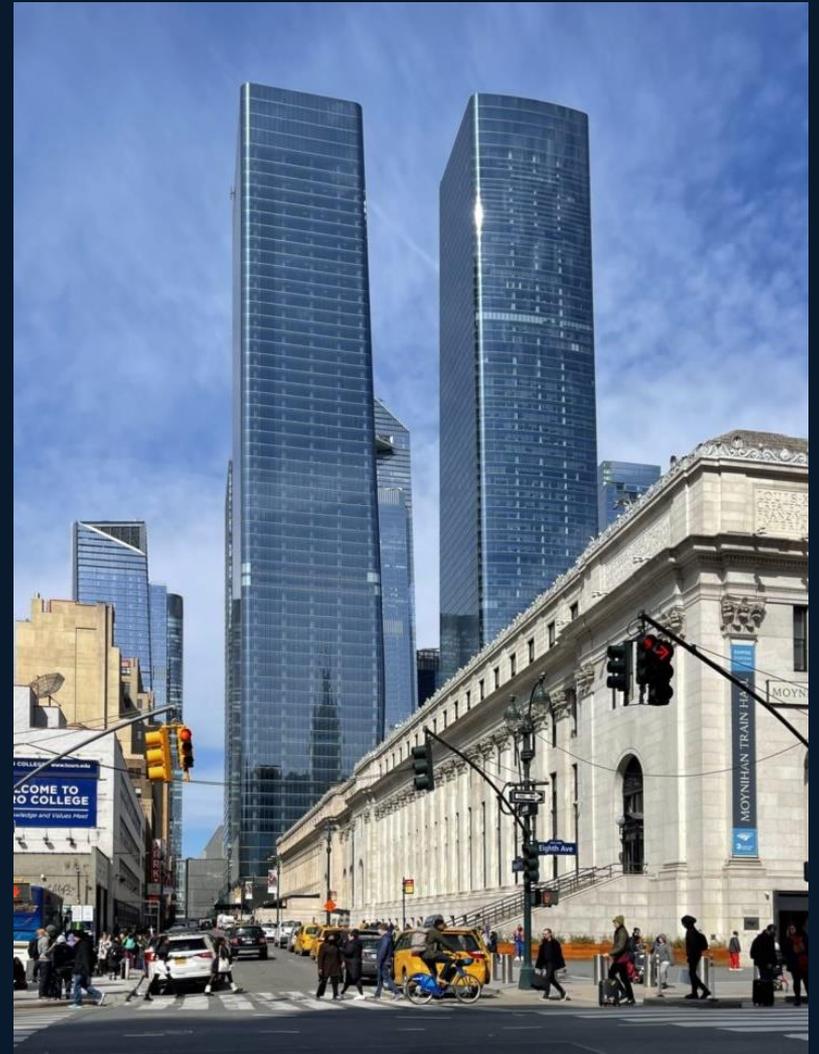
Two Manhattan West is an office tower located in Brookfield's Manhattan West development in the Hudson Yards district. The development is a 2 million square foot, 58-story office building delivered in 2023.

Two Manhattan West is expected to achieve LEED Gold certification through a combination of enhanced energy efficiency, improved indoor air quality, high-performance glazing that maximizes daylight, regional sourcing for recycled materials and other innovative green initiatives.

As of July 2023, Two Manhattan West is powered by 100% renewable electricity. Superior indoor air quality is achieved through careful selection of low-emitting materials, the latest industry standards and the provision for ventilation air. Outdoor air is highly filtered and spaces which can be sources of emissions, such as maintenance closets and chemical storage rooms, are separated from the surrounding spaces through air-tight construction and have a dedicated exhaust. The property used recycled and regionally-manufactured materials and incorporated FSC-certified wood products for at least 50% of the wood installed.

Water efficiency and stormwater recycling are achieved through a combination of efficient fixture selection and stormwater harvesting and recycling. Water for landscaping is significantly reduced through the reuse of water, a careful selection of adaptive, drought-tolerant plant species, and through efficient irrigation techniques.

Access to natural light, plus views to the exterior, has been provided through extensive vision glazing and by maintaining the shortest practical distance from the exterior to the core walls. A daylight dimming system further decreases lighting power requirements.



One Leadenhall is a new development adjacent to the historic Leadenhall Market that embraces the different ways in which individuals and institutions want to work, unwind and feel at one with the City, designed by the award-winning architecture practice Make.

Expected to be completed in 2025, this 35-story tower will bring 430,000 square feet of office space, a free public terrace and ground floor retail to the center of the Square Mile, London.

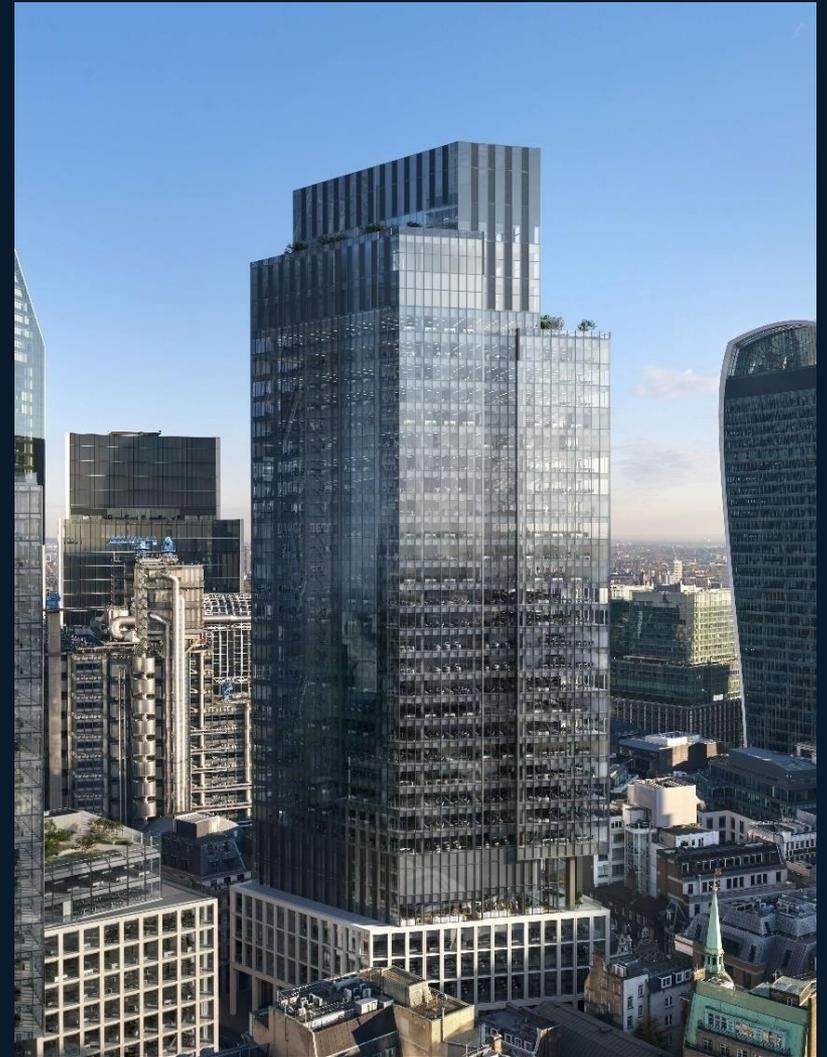
One Leadenhall offers exceptional amenities, such as a sky garden, sculpture park, open-air market, fitness space, onsite childcare, and a variety of restaurants, including the highest outdoor dining terrace in Europe with a panoramic view.

One Leadenhall is expected to achieve BREEAM Outstanding in design for the office portion and WELL Silver.

As ActiveScore Platinum certified, One Leadenhall has created outstanding accessibility by providing 700+ bicycle spaces and lockers, electric charging points for vehicles, and enjoying access to four stations within a 5-minute walk with access to underground and national rail.

One Leadenhall is being built with solar PV panels and high-performance glazing systems, high visual light transmittance, and using low-emissivity coatings.

Creating visually interesting planting throughout the year, specimen shrub species bring year-round color whilst a range of herbaceous planting provides injections of color throughout the seasons. In addition, varied planting ensures a prolonged flowering season that attracts birds and insects and provides sheltered nesting opportunities which enriches the natural habitats in the neighborhood.



One the Esplanade – 5 Star NABERS

One the Esplanade is a newly developed 29-story premium grade property in Perth, providing a total of over 600,000 square feet of office and retail space. The entire building was 100% leased prior to construction completion.

One the Esplanade ensures that public spaces are easily accessible to visitors all year round. It created a vibrant hub where people can gather, interact and enjoy various amenities such as multiple food and beverage outlets, end-of-trip facilities, childcare services, a gym and a private exhibition space. The inclusion of generous native landscaped spaces not only enhances the site but also provides a habitat to encourage wildlife.

One the Esplanade has been deliberately designed to achieve environmental success.

The project targets to achieve 5 Star NABERS Water, Energy, Indoor Environment Quality rating, 6 Star Green Star rating, and a IWBI WELL Gold Core rating.

Throughout construction, it achieved 45% reduction in GHG emissions along with 90% of waste generated during construction and demolition diverting from landfill.

It is designed to reduce lighting power density by 50%, peak electricity demand by 30%, and potable water consumption by 50%. One the Esplanade has also installed a grey water system, recycling and treating water from sinks and showers for use in cooling towers, as well as irrigation and toilet flushing. Furthermore, the project captures and processes rainwater for onsite use.



Bay Adelaide North is the third and final tower in the Bay Adelaide Centre complex, located in Toronto's financial core. Bay Adelaide North is a 32-story office building, with a nine-story podium, and 820,000 square feet, delivered in 2022.

Bay Adelaide North has achieved LEED Platinum certification and includes a glazed curtain wall with a metal panel envelope system and best-in-class operational, environmental and life-safety systems.

The Deep Lake Water Cooling ("DLWC") system by Enwave is currently used across the entire Bay Adelaide Centre campus. The DLWC system is a sustainable alternative to air conditioning, which draws renewable cold water from nearby Lake Ontario to cool buildings. Compared to a chiller, DLWC can reduce electricity consumption by 80%.

Enwave builds and operates a hot water plant that generates heat from both natural gas and electrically powered heat pumps to enhance resiliency and optimize energy use. A supplemental heat pump captures residual heat from the DLWC system and recycles it to heat the property.

Bay Adelaide North has a south-facing view of Arnell Plaza, which is a half-acre of open space and Cloud Gardens Park. The property features direct access to subways and to the downtown Toronto PATH underground pedestrian system.

Bay Adelaide North provides 400 bicycle storage facilities and 30 preferred parking spaces for electric, hybrid, and carpooling vehicles for the users of the complex.

