

Brookfield Property Partners

GREEN BOND ALLOCATION REPORT
SEPTEMBER 2022

Brookfield



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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 Asset Management (“BAM”), BPY’s parent company, became a signatory to the Net Zero Asset Managers (“NZAM”) initiative, formalizing our support for the goal of net zero greenhouse gas (“GHG”) emissions by 2050 or sooner. In Q1 2022, BAM provided an update on its interim GHG reduction targets to the NZAM initiative, identifying approximately one third of its business that will be put on an emissions reduction pathway by 2030, which will result in an approximate 66% absolute emissions reduction for in-scope GHG emissions versus baseline year.

BAM is also a supporter of the Task Force on Climate-related Financial Disclosures (“TCFD”) and this year continued our efforts to align with the TCFD recommendations by embedding climate change considerations into our strategy through our net zero commitment. In 2023, we are targeting to publish TCFD disclosures for the 2022 fiscal year.

This year, eleven Brookfield Real Estate businesses submitted to the Global Real Estate Sustainability Benchmark (“GRESB”) including our core office businesses in the U.S., Canada, Australia, the U.K., Germany and India, our core retail business, and three private funds – Brookfield Strategic Real Estate Partners III (“BSREP III”), Brookfield Premier Real Estate Partners (“BPREP”), and Brookfield European Real Estate Partnership (“BEREP”). As a result, approximately 74% of our real estate assets under management participate in GRESB. In 2023, we expect to expand participation in GRESB to cover additional segments of our real estate business.

In 2022, BAM formalized its commitment to strong ESG management practices by adopting a formal Environmental, Social and Governance (“ESG”) policy. This policy underscores our commitment to implementing robust ESG programs throughout our asset management business and underlying operations, which has always been a key priority for us.

We continue to expand our ESG initiatives and integrate ESG considerations across our investments

Brookfield is committed to leading real estate through sustainable solutions

100%

of core office
developments are LEED
Gold or higher



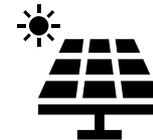
100%

of core office have a
sustainability designation



73

Million KWh of
electricity generated
from solar



Brookfield constantly strives to achieve sustainability in its global real estate portfolio



190

Certifications in the U.S. and Canada



100

Certifications



51

Certifications in the U.S.



60

Certifications in the U.S. and Canada



56

Certifications in our retail portfolio



49

Certifications in our office portfolio



36

Certifications



32

Certifications



6

Certifications

Notes:

As of December 31, 2021.

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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") September 2022 Green Bond Allocation Report, that the net proceeds from the issuance of the 4% Medium Term Notes Series 6, due September 30, 2026, on October 12, 2021 (the "Prospectus") were allocated by the Partnership during the period October 12, 2019 to March 31, 2022 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 October 12, 2019 to March 31, 2022 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
September 30, 2022

BPY is responsible for the completeness, accuracy and validity of the September 2022 Green Bond Allocation Report. We allocated an amount equal to the net proceeds from the offering of the 4% Medium Term Notes, Series 6 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.

Net Proceeds	Issuer	Issuance Date	Currency	Net Proceeds (US\$)
4.00%, Medium Term Notes, Series 6	Brookfield Property Finance ULC	October 12, 2021	USD	\$ 399.7M

Property	Asset Type	Location	LEED Certification ¹	Allocation to Eligible Green Projects as of September 30, 2022
Two Manhattan West	Office	New York, NY	LEED Gold	\$ 229.5M
The Edmund	Multifamily	Virginia, VA	LEED Silver	\$ 113.3M
Bay Adelaide Centre North	Office	Toronto, CA	LEED Platinum	\$ 56.9M
Total				\$ 399.7M

¹We anticipate Two Manhattan West, The Edmund (Halley Rise) and Bay Adelaide Centre North will achieve LEED Certification, based on estimated scorecards via our LEED 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 feet, 58-story office building expected to be completed 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.

At Two Manhattan West, superior indoor air quality is achieved through the careful selection of low-emitting materials and using the latest industry standards and the provision for ventilation air. Outdoor air will be highly filtered and spaces which can be sources of emissions, such as maintenance closets and chemical storage rooms, will be separated from the surrounding spaces through air-tight construction, and will have a dedicated exhaust.



Water efficiency and stormwater recycling are expected to be achieved through a combination of efficient fixture selection and stormwater harvesting and recycling. Water for landscaping, at grade and/or at roof terraces, will be significantly reduced through the reuse of water equivalent to the water held in 55 water towers and a careful selection of adaptive, drought-tolerant plant species, and through efficient irrigation techniques. All remaining irrigation water will be provided through recycled stormwater.

Access to natural light, plus views to the exterior, will be provided through extensive vision glazing and by maintaining the shortest practical distance from the exterior to the core walls. Daylight dimming system will further decrease lighting power requirements.

Two Manhattan West will incorporate the use of recycled and regionally-manufactured materials. The property will also incorporate FSC-certified wood products for at least 50% of the wood installed. Additionally, the building will be home to several beehives to protect the endangered population of bees.



The Edmund – LEED Silver

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The Edmund is a newly developed high-end multifamily property with seven stories and 353 units. It is located at the heart of the Dulles Corridor in Reston, Virginia.

The multifamily project is part of the all-new Halley Rise development which will feature 2.6 million square feet of innovative office space, in addition to retail, entertainment, and residential apartments. It is surrounded by beautiful campus environment with private lakes and ample outdoor spaces.

Expected to be complete by 2026, Halley Rise, the new mixed-use district will provide a vibrant community destination, innovative workspaces, and inspiring public open space.



The Edmund offers a variety of innovative residential floor plans and outdoor green spaces.

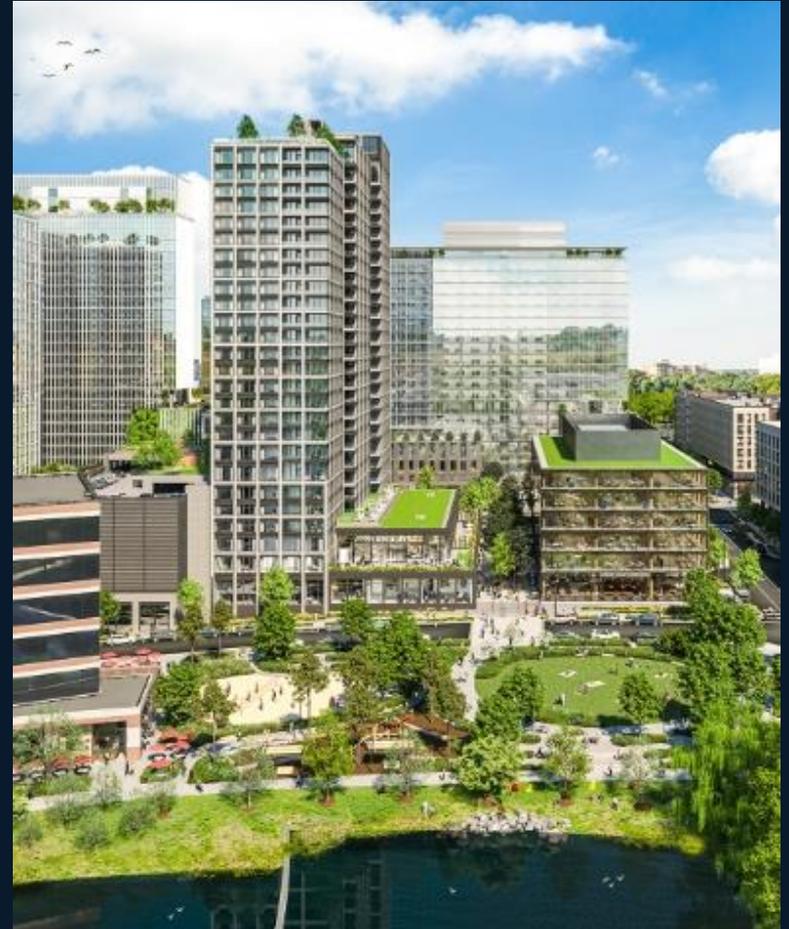
The Edmund is expected to achieve LEED Silver certification for Building Design and Construction.

The Edmund has thoughtfully comprehensive amenities, including coworking space, fitness, extensive common areas, entertainment and game lounge. There is also a grocery store, pet spa, bike shop and storage, and other retail offerings at the lower floors.

The two existing office buildings, One and Two Halley Rise, are 100% hydro-powered.

The Timber Building will start construction in 2023, featuring a majestic wooden structure. It is designed to be fire resistant and is estimated to produce approximately 1/3 fewer carbon emissions than a similarly-sized steel and concrete building.

Together with The Edmund, One and Two Halley Rise, and The Timber Building, Halley Rise aims to be the first community in Virginia to achieve LEED for Neighborhood Development.



Bay Adelaide Centre North is the third and final tower in the Bay Adelaide Centre complex, located in Toronto's financial core. The Bay Adelaide Centre North Tower is a 32-storey office building, with a 9-storey podium, and 820,000 square feet, newly delivered in 2022. The development of the North tower leads to the completion of the Bay Adelaide Centre campus spread over 3 million square feet, one of the most preeminent business locations in Toronto's financial core.

Bay Adelaide Centre West and Bay Adelaide Centre East, the two existing buildings in the broader campus, have achieved LEED Gold and LEED Platinum, respectively. The Bay Adelaide Centre North Tower is expected to achieve 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 will capture residual heat from the DLWC system and recycle it to heat the property.

The Bay Adelaide Centre North Tower 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.

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

