

2022 Environmental, Social, and Governance (ESG) Overview

Retail
June 2023



Table of contents

	SLIDE
01 Letter from our Chief Administrative Officer	04
02 The Four Pillars of Our ESG Mission	05
03 2022 ESG Highlights	06
04 2030 ESG Goals	15
05 Looking Forward	20
06 Appendix	21
07 Glossary	22



Building a better world for people,
business, community, and the planet.

Meeting the Moment With Our Mission.

This past year was an important moment in our Environmental, Social, and Governance (ESG) journey as 2022 marked the successful conclusion of a five-year cycle of goals.

Our work over that time produced a 44% reduction in greenhouse gas emissions, a 26% reduction in water consumption, a 32% reduction in common area electricity usage, and a 52% annual rate of waste diversion from landfills. In addition to those benchmarks, we have made important progress across the four pillars of our mission statement: Lead on Sustainable Solutions, Partner for Thriving Communities, Empower our People, and Promote Trust through Governance.

We see getting to net zero by 2050 as an important manifestation of how we **lead on sustainable solutions**. In service of that commitment, we conducted an assessment to identify the highest scope 3 emissions produced from our assets and the steps to reduction. Additionally, a decarbonization study was completed at Oakbrook Center, just outside Chicago, helping us understand what it will take to decarbonize a large mixed-use regional shopping complex by 2050.

As we continually strive to be a better **partner for thriving communities**, we hosted more than 1,700 community events and food

relief programs at our centers in 2022, while also expanding our Partner to Empower program nationwide to increase opportunities at our properties for small business owners of color.

Empowering our people has resulted in 40% of our 1,500+ employees participating in at least one of our eight Employee Resource Groups (ERG) and raising thousands of dollars for charities that matter to them.

To **promote trust through governance**, 100% of our board meetings covered ESG risks and opportunities. In addition, we have been recognized for our efforts by ESG industry experts on multiple fronts.

Now, we are excited to announce our new set of goals: 12 targets that we will aim to reach by 2030. At its core, our business is about building community and we invite all who work with us to be part of this journey. We have made some great strides and intend to keep pushing forward in search of positive impacts we can make — on our people, our business, our communities, and our planet.

Brian McCarthy,
Chief Administrative Officer, Retail

The Four Pillars of Our ESG Mission:

These unwavering beliefs provide the foundation for the goals we set and support the actions we take.



01

Lead on Sustainable Solutions



02

Partner for Thriving Communities



03

Empower our People



04

Promote Trust through Governance

2022 ESG Highlights

Closing an impactful chapter

After five years, our 2022 sustainability goals have concluded, closing an impactful chapter in our sustainability journey.



As we look back on this period, we are proud to share the following highlights of the initiatives we have taken to **build a better world for people, business, community, and the planet.**

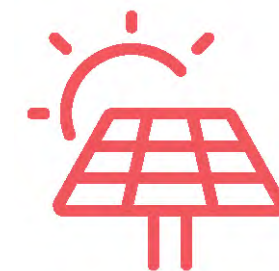
2022 PILLAR 1 HIGHLIGHTS

Lead on Sustainable Solutions



Lead on Sustainable Solutions

We create **efficient, resilient, and future-fit** properties for our communities, employees, and tenants.



Highlights

1,000+

solar panels installed on the former Macy's roof at Stonestown Galleria (CA).

1.7M kWh

of renewable energy expected to be generated annually by the solar array installed at Staten Island Mall (NY). This is the equivalent of taking 281 cars off the road.

55M+ kWh

of renewable energy generated across 52 retail properties in 2022.

780K+

electric vehicle (EV) charging sessions across our portfolio.

100%

of our retail portfolio committed to net zero greenhouse gas emissions by 2050.

100%

of waste recycled or donated in the refresh project at Northridge Fashion Center (CA), in our first project with Green Standards.

2022 PILLAR 2 HIGHLIGHTS

Partner for Thriving Communities



BAGS ON EACH SQUA



Partner for Thriving Communities



We're honored to **collaborate with our local partners across the country to create vibrant, sustainable communities**. In 2022, our properties hosted more than 1,700 community activations.

Highlights

Food relief

3.5M+

meals were provided to communities in need, exceeding our goal of 2.5M meals.

150+

food relief events were hosted at more than 110 properties.

Galleria at Tyler (CA) hosted the "Can Tree Wonderland," collecting 16,750 lbs. of food and raising more than \$23k. It was awarded 2022 Corporate Partner by Feeding America Riverside/San Bernardino.

Columbia Mall (MO) collected 5,000 lbs. of food and \$70k in funds, equivalent to more than 700k meals.

47

Partner to Empower stores open or under construction. The program helps business owners of color open brick-and-mortar stores in our retail centers nationwide.

32

adoptions due in part to the Heart Gallery displays, which connect youth in foster care with caring adults.

2022 PILLAR 3 HIGHLIGHTS

Empower Our People



Empower Our People

We lead with inclusivity, embracing our diverse culture, and empower our employees through our **four core values**:

- Act with integrity
- Build mutual trust
- Take initiative
- Work together



Highlights

\$176K+

raised for more than 215 charities.

1,550+

volunteer hours recorded, with over 215 causes impacted.

40%

of employees participated in at least one ERG.

2022 PILLAR 4 HIGHLIGHTS

Promote Trust Through Governance



Promote Trust Through Governance

We are committed to maintaining the highest ethical and legal standards. We manage risks and leverage opportunities to **build a sustainable, successful business.**



Highlights

52M+

square feet achieved IREM's Certified Sustainability Property program.

100%

of our retail business's board meetings covered ESG risks and opportunities.

#1 & #2

ranked in the Retail, Americas sector by global sustainability authority GRESB.*

7th

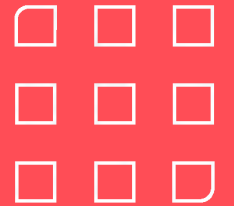
ranked for on-site solar adoption in the U.S. by the SEIA.

* 1st was for our three-mall joint-venture with CBRE-IM and 2nd was for our Core Retail portfolio.

2030 ESG Goals

With these 2022 goals behind us, we are excited to begin the next step of our sustainability journey.

We are proud to share our **2030 ESG goals**, setting out our forward-looking ambitions related to all four pillars of our mission.



Lead on Sustainable Solutions

2030 Pillar 1 Goals



Reduce scope 1 and 2 GHG emissions 67% per square meter by 2030, to achieve net zero by 2050.*



Engage our stakeholders to support scope 3 emissions reductions.



55% diversion from landfill.



10% reduction in water use.*

*Reductions measured against a 2019 baseline. See appendix for further detail on each scope.



• **Environmental**

Partner for Thriving Communities

2030 Pillar 2 Goals



Increase community activations at our comparable centers by 3% each year.



Every retail property to establish and host a "signature event" every year.



Achieve an average 90% participation in life safety principal assessment.



Attain 10% improvement in recordable injury rate.



Empower Our People

2030 Pillar 3 Goals

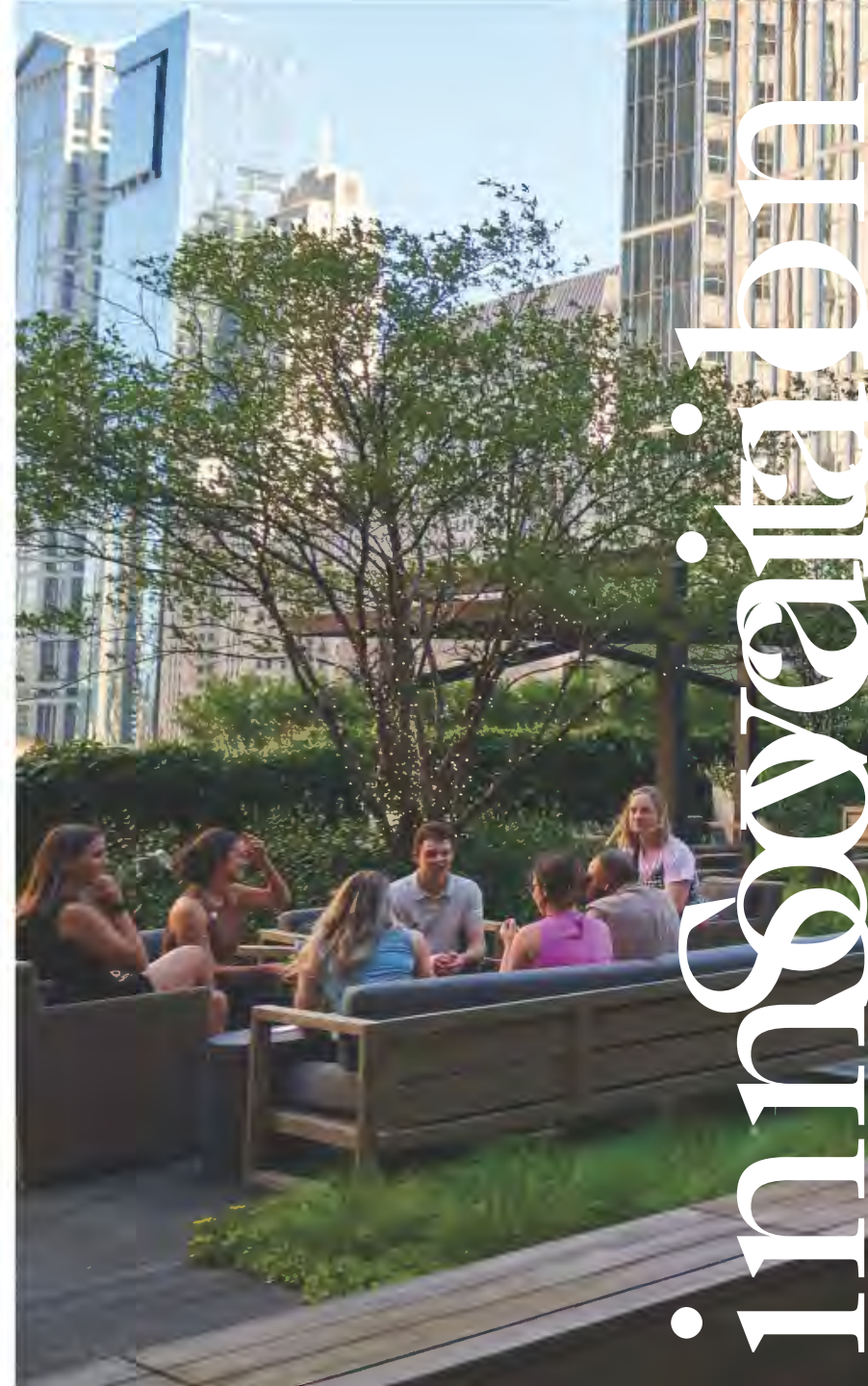


We commit to establish a D&I strategy and quantifiable goals across our talent acquisition processes.



Achieve 30% employee participation in giving back efforts.*

*Employee Participation Rate = % of employees who have either volunteered and/or donated in a year.



Innovation

Promote Trust Through Governance

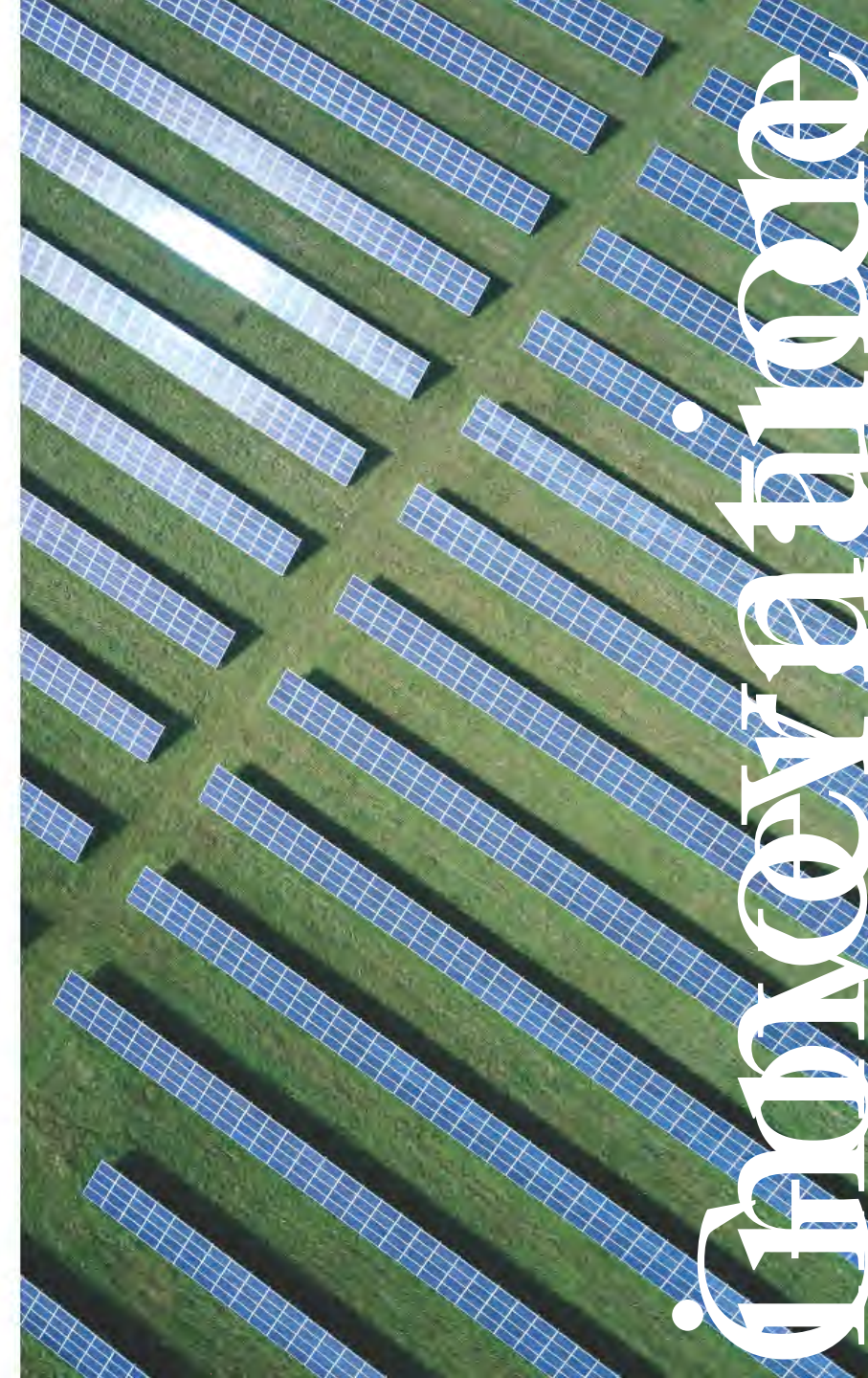
2030 Pillar 4 Goals



We commit to publicly report progress against our ESG goals.



Annual ESG training for our leadership team.



Innovation

Looking Forward

As our ESG program continues, we are driven by the fact that it is not just a solitary initiative but woven into everything we do — from the tenants and community partners we work with to how we develop our properties and conduct our corporate business. Sustainability and sound ESG practices are essential to Brookfield Properties as well as our parent company, Brookfield Asset Management, which sees ESG as integrally embedded throughout the investment process.

We are proud of the steps we have taken throughout 2022 to advance our ESG program, expanding social and community programs, and maintaining our status as a U.S. leader in on-site solar capacity.

In addition to our stated 2030 goals, in 2023 we are beginning to develop decarbonization plans for every Retail asset, part of our journey to net zero by 2050 or sooner.

We are also exploring new technologies — like our first battery storage project planned for 2023 installation at Willowbrook in New Jersey — and further renewables adoption, among other steps forward.

We remain committed to our communities and creating places for people to thrive. As part of this, we are launching Breaking the Plastic Habit, a program at Whalers Village in Hawaii focused on the reduction of single-use plastics, as well as portfolio-wide Earth Month efforts in 2023.

We look forward to continuing our journey to build a better world for people, business, community, and the planet.

Appendix

Pillar	Priority	Goals
01 Lead on Sustainable Solutions	Decarbonization	<ul style="list-style-type: none"> Reduce scope 1 and 2 GHG emissions 67% per square meter by 2030, to achieve net zero by 2050.* Engage our stakeholders to support scope 3 emissions reductions.
	Water	10% reduction in water use.*
	Waste	55% diversion from landfill.
02 Partner for Thriving Communities	Community	<ul style="list-style-type: none"> Increase community activations at our comparable centers by 3% each year. Every retail property to establish and host a "signature event" every year.
	Safety	<ul style="list-style-type: none"> Achieve an average 90% participation in life safety principal assessment. Attain 10% improvement in recordable injury rate.
03 Empower our People	Diversity & Inclusion	We commit to establish a D&I strategy and quantifiable goals across our talent acquisition processes.
	Employee participation	Achieve 30% employee participation in giving back efforts.
04 Promote Trust Through Governance	Transparency	We commit to publicly report progress against our ESG goals.
	Leadership training	Annual ESG training for our leadership team.

*Reductions measured against a 2019 baseline. See glossary for further details on terms.

Glossary

- Decarbonization: Reduction/removal of carbon dioxide emissions.
- Net zero: Greenhouse gas emissions going into the atmosphere are balanced by the removal of emissions out of the atmosphere.
- Greenhouse gas emissions: Gases that trap heat in the atmosphere (carbon dioxide, methane, etc.):
 - Scope 1: Direct emissions from sources owned/controlled by a site (company facilities, company vehicles)
 - Scope 2: Indirect emissions from the generation of purchased electricity.
 - Scope 3: Downstream emissions from a company's value chain (leased assets, waste generated in operations, business travel, etc.).



Rhianne Menzies

Director, ESG

rhianne.menzies@bpretail.com

Caitlin Skalon

Analyst, ESG

caitlin.skalon@bpretail.com

Real estate,
reimagined.

A better company for our
people and partners.

Better communities for
our neighbors.

A better world
for us all.