

GOVERNANCE AND NOMINATING COMMITTEE CHARTER

A committee of the board of directors of Brookfield Office Properties Inc. (the “Corporation”) to be known as the Governance and Nominating Committee (the “Committee”) shall have the following terms of reference:

MEMBERSHIP AND CHAIRPERSON

Following each annual meeting of shareholders, the board of directors of the Corporation (the “Board”) shall appoint from its number three or more directors (the “Members” and each as “Member”), to serve on the Committee until the close of the next annual meeting of shareholders of the Corporation or until the Member ceases to be a director, resigns or is replaced, whichever occurs first. All of the Members will be Independent Directors. Any Member may be removed from office or replaced at any time by the Board.

The Board shall appoint one Member as the Chairperson of the Committee. If the Chairperson is absent from a meeting, the Members shall select a Chairperson from those in attendance to act as Chairperson of the meeting.

RESPONSIBILITIES

The Committee shall:

- (a) consider from time to time the appropriate size and composition of the Board and its committees, and submit recommendations on the number of Board positions to be filled and the overall composition of the Board taking into consideration the business experience and specific areas of expertise of each current director;
- (b) to the extent feasible, ensure the Chief Executive Officer and the other executive officers of the Corporation are acting with integrity and developing a culture of integrity throughout the Corporation;
- (c) develop and maintain a Board succession plan that is responsive to the Corporation’s needs and the interests of its shareholders;
- (d) establish the qualifications (consistent with any criteria approved by the Board) for new directors and procedures for identifying possible nominees who meet these criteria;
- (e) review and assess the qualifications of persons proposed for appointment or election to the Board and submit to the Board for consideration and decision, consistent with any criteria approved by the Board, the names of persons to be nominated for election as directors at the annual meeting of shareholders, or to be appointed to fill vacancies between annual meetings and assess whether these candidates would be considered Independent Directors, Financially Literate or an Audit Committee Financial Expert;
- (f) be available as a forum for addressing the concerns of individual directors;
- (g) confirm that procedures are in place and resources are made available to provide new directors with a proper orientation to both the Corporation and their responsibilities and duties as directors and to provide directors with appropriate continuing education opportunities;

- (h) together with the Chairperson of the Board establish a process for reviewing directors' performance and oversee the evaluation of the Board;
- (i) periodically review the adequacy and form of director's compensation and make recommendations to the Board where appropriate;
- (j) review the program of the Board for each year, and the methods and processes to be pursued in carrying out this program including:
 - the frequency and content of Board Meetings, the requirement for any special meetings and meetings of Independent Directors;
 - the foreseeable issues to be presented to the Board at its meeting, including a list of topics for presentation and discussion;
 - the material to be provided to directors generally and with respect to meetings of the Board or its committees; and
 - the communication process between the Board and management, including monitoring the quality of the relationship between management and the Board and recommending improvements as may be deemed necessary or advisable;
- (k) review and make recommendations with respect to the disclosure required concerning corporate governance to be contained in public disclosure documents of the Corporation;
- (l) report on an annual basis on the effectiveness of the performance of the Board as a whole, including specifically reviewing areas in which the Board's effectiveness may be enhanced taking into account suggestions of the Board;
- (m) review and assess the corporate governance guidelines of the Corporation which includes a description of the Board's mandate and make recommendations to the Board, where appropriate;
- (n) develop charters for any new committees established by the Board and annually review the charters of each existing committee and recommend any amendments to the Board, where appropriate;
- (o) periodically review the position descriptions for the Chairperson of the Board and recommend any amendments to the Board, where appropriate;
- (p) review and recommend the implementation of structures and procedures to facilitate the Board's independence from management and to avoid conflicts of interest;
- (q) monitor relationships between senior management of the Corporation and the Board, and recommend procedures to allow directors to have access to, and an effective relationship with, senior management;
- (r) review all significant proposed related party transactions and situations involving a potential conflict of interest that are not required to be dealt with by an "independent special committee" pursuant to securities law rules (where appropriate under applicable laws, the Committee may sit as an independent special committee);
- (s) develop a policy governing charitable contributions by the Corporation;

- (t) review and assess the Corporation's code of business conduct and ethics for directors, officers and employees (the "Code") to confirm that it addresses, among other things, conflicts of interest, corporate opportunities, confidentiality, fair dealing, protection and proper use of the Corporation's assets, compliance with applicable laws, rules and regulations (including insider trading laws) and the reporting of illegal or unethical behaviour, and establishes mechanisms to facilitate the effective operation of the Code and the granting of waivers of the Code;
- (u) approve any waivers of the Code sought by directors and confirm that any waivers of the Code for directors are promptly disclosed to shareholders to the extent required by law, regulation or stock exchange requirement; and
- (v) review and make recommendations to the Board with respect to any shareholder proposal that relates to corporate governance including a director nomination by a shareholder.

REPORTING

The Committee shall regularly report to the Board on the Committee's proceedings, reviews, undertaking and any associated recommendations from time to time as shall be deemed advisable, but in any event not less than once each financial year.

ASSESSMENT

The effectiveness of the Committee in fulfilling its responsibilities set out in this Charter in a manner consistent with the corporate governance guidelines established by the Board will be reviewed at least annually by the Board.

REVIEW AND DISCLOSURE OF CHARTER

The Committee will review this Charter at least annually and submit it to the Board for approval together with such amendments as it deems necessary and appropriate.

This Charter will also be posted on the Corporation's Web site and the annual report of the Corporation will state that this Charter is available on the Web site.

ACCESS TO OUTSIDE ADVISORS

The Committee may retain any outside advisor, including a director search firm or a consulting firm used to evaluate director compensation, at the expense of the Corporation, without the Board's approval, at any time and has the authority to determine any such advisor's fees and other retention terms.

MEETINGS

Meetings of the Committee may be called by any Member, the Chairperson of the Board or the Chief Executive Officer of the Corporation. Meetings will be held at least twice a year and at such additional times as is necessary for the Committee to fulfill its responsibilities. The Committee shall appoint a secretary to be the secretary of each meeting of the Committee and to maintain minutes of the meeting and deliberations of the Committee.

The powers of the Committee shall be exercisable at a meeting at which a quorum is present. A quorum shall be not less than a majority of the Members from time to time. Matters decided by the Committee shall be decided by majority vote. Subject to the foregoing, the *Canada Business Corporations Act* and the

by-laws, and unless otherwise determined by the Board, the Committee shall have the power to regulate its procedure.

Notice of each meeting shall be given to each Member, and to the Chairperson of the Board and the Chief Executive Officer of the Corporation. Notice of meeting may be given orally, in person or by telephone or by letter, by facsimile or other electronic means not less than 24 hours before the time fixed for the meeting. Members may waive notice of any meeting and attendance at a meeting is deemed waiver of notice. The notice need not state the purpose or purposes for which the meeting is being held.

The Committee may invite from time to time such persons as it may see fit to attend its meetings and to take part in discussion and consideration of the affairs of the Committee.

DEFINITIONS

Capitalized terms used in this Charter and not otherwise defined have the meaning attributed to them below:

“Independent Director” means a director who has been affirmatively determined by the Board to have no material relationship with the Corporation, its parent or a subsidiary corporation, either directly or as a partner, shareholder or officer of an organization that has a relationship with the Corporation. In addition, a director will be deemed to have a material relationship if he or she has one of the following relationships with the Corporation (which in each case below must be read as including a parent company or subsidiary of the Corporation):

- (a) the director is or was within the last three years an employee or executive officer (or has an immediate family member who is or was within the last three years an executive officer) of the Corporation. A director is not disqualified from being independent if he or she previously acted as an interim chief executive officer of the Corporation, or currently acts or previously acted as a part-time chair or vice-chair of the Board or any Board committee;
- (b) the director (a) is a partner of or is employed by the Corporation’s internal or external auditor; (b) was within the last three years a partner or employee of that auditing firm and personally worked on the Corporation’s audit within that time; or (c) has a spouse, minor child or a child who lives in the director’s home and who (i) is a partner of the Corporation’s internal or external auditor; (ii) is an employee of the auditing firm and works in the audit, assurance or tax compliance (but not tax planning) practice; or (iii) was within the last three years a partner or employee of that auditing firm and personally worked on the Corporation’s audit during that time. For this purpose, a “partner” does not include a partner whose interest in the auditing firm is limited to the receipt of fixed amounts of compensation (including deferred compensation) for prior service, if the compensation is not contingent in any way on continued service;
- (c) the director is or was within the last three years (or has an immediate family member who is or was within the last three years) an executive officer of another entity if any of the Corporation’s current executive officers serve or served at the same time on the compensation committee of that entity;
- (d) the director has (or an immediate family member who is employed as an executive officer of the Corporation has) received more than Cdn. \$75,000 in direct compensation

from the Corporation in any 12-month period within the last three years, other than (a) fees for acting as a director or committee member, including as the Chairperson of the Board or a Board committee; and (b) fixed amounts of compensation under a retirement or deferred compensation plan for prior service with the Corporation, if receipt is not contingent in any way on continued service; or

- (e) the director is an employee of (or has an immediate family member who is an executive officer of), another company that has, in the last three fiscal years, made payments to, or received payments from, the Corporation in excess of the greater of US \$1 million and 2% of the other company's consolidated gross revenues.

For the purposes of the definition above, the term "executive officer" means the chair, vice-chair, president, vice-presidents in charge of principal business units, divisions or functions, and any other individual (whether employed by the Corporation or not) who performs a policy-making function in respect of the Corporation, and the term "immediate family member" means the director's spouse, parents, children, siblings, mothers- and fathers-in-law, sons- and daughters-in-law, brothers and sisters-in-law and anyone (other than a domestic employee) who lives in the director's home.

Additionally, members of the Audit Committee are subject to two additional requirements to be considered independent for audit committee purposes:

- (a) the director cannot after appointment to the Audit Committee accept, directly or indirectly, any consulting, advisory, or other compensatory fee from the Corporation or any of its subsidiaries, other than (a) fees for acting as a director, committee member, or part-time chair or vice-chair of the Board or any Board Committee; and (b) fixed amounts of compensation under a retirement or deferred compensation plan for prior service with the Corporation (provided such compensation is not contingent in any way on continued service). A fee is considered to have been indirectly received by the director if it is received by (a) the director's spouse, a minor child or a child who lives in the director's home; or (b) an entity in which the director is a partner, a member or an officer (such as a managing director or executive officer) if that entity provides accounting, consulting, legal, investment banking or financial advisory services to the Corporation or any of its subsidiaries, unless the director is a limited partner or a non-managing member of the entity and plays no active role in providing services to the entity; and
- (b) the director cannot be an affiliated entity of the Corporation or any of its subsidiaries.

For the purposes of the Audit Committee requirements above, the term "affiliated entity" means an individual or company that controls, is controlled by or is under common control with the Corporation. In addition, an individual is himself or herself an affiliated entity of the Corporation if the individual holds any of the following positions with an affiliated entity: a director who is an employee, an executive officer, a general partner or a managing member, and the term "control" means having the direct or indirect power to control the Corporation, whether through ownership of voting securities or otherwise. An individual who owns, directly or indirectly, 10% or less of any class of voting securities of the Corporation will be deemed not to control the Corporation if the individual is not an executive officer of the Corporation.

“Financially Literate” means the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Corporation’s financial statements.

“Audit Committee Financial Expert” means a person who has the following attributes:

- (a) an understanding of generally accepted accounting principles and financial statements;
- (b) the ability to assess the general application of such principles in connection with the accounting for estimates, accruals and reserves;
- (c) experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Corporation’s financial statements, or experience actively supervising one or more persons engaged in such activities;
- (d) an understanding of internal controls and procedures for financial reporting; and
- (e) an understanding of audit committee functions acquired through any one or more of the following:
 - (i) education and experience as a principal financial officer, principal accounting officer, controller, public accountant or auditor or experience in one or more positions that involve the performance of similar functions;
 - (ii) experience actively supervising a principal financial officer, principal accounting officer, controller, public accountant, auditor or person performing similar functions;
 - (iii) experience overseeing or assessing the performance of companies or public accountants with respect to the preparation, auditing or evaluation of financial statements; or
 - (iv) other relevant experience.

Adopted by the Board of Directors March 22, 2004.

Affirmed by the Board of Directors October 29, 2004.

Affirmed by the Board of Directors November 1, 2005.

Affirmed by the Board of Directors November 1, 2006.

Affirmed by the Board of Directors October 29, 2007.

Affirmed by the Board of Directors October 27, 2008.

Affirmed by the Board of Directors October 27, 2009.

Amended and Affirmed by the Board of Directors October 27, 2010.

Amended and Affirmed by the Board of Directors November 2, 2011.