

## **Sustainability-Related Disclosures**

**Blackstone European Property Income Fund S.L.P.**

**Transparency of the promotion of environmental  
and social characteristics**

<b>Version history</b>	<b>Date</b>
V.1	9 March 2026

## Transparency of the promotion of environmental and social characteristics

Product Names (the "Fund")	Legal Entity Identifier
Blackstone European Property Income Fund S.L.P.	969500ANB6FE6SD25496

This disclosure is made in respect of the Fund pursuant to Article 10(1) of Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector ("SFDR") as supplemented by the Commission Delegated Regulation 2022/1288 of 6 April 2022. This disclosure should not be used as a basis for a decision to invest in the Fund. Such a decision should be based on the Fund's limited partnership agreement, as amended or restated from time to time (the "**Limited Partnership Agreement**"). In case of discrepancy between this disclosure and the Limited Partnership Agreement, the Limited Partnership Agreement shall prevail. This disclosure has been prepared in good faith, but the matters referred to within do not reflect binding aspects of the management of the Fund except to the extent that they are such under the Limited Partnership Agreement or required to be by virtue of regulatory requirements. Defined terms not otherwise defined have the meaning given to them in the Fund's Limited Partnership Agreement.

### a) Summary

This financial product promotes environmental or social characteristics but does not have as its objective sustainable investment.

The Fund promotes decarbonisation, efficient energy usage, and sustainable communities. This is its promoted environmental and social characteristic.

The Fund does this by engaging, at least annually, with the manager of each Controlled portfolio asset to encourage the manager to adopt and implement a sustainability action plan covering the portfolio asset, with such sustainability action plan incorporating at least two of the following action items:

- 1) Data gathering, and reporting to Blackstone Real Estate Asset Management, in relation to the portfolio asset's energy performance, support for clean transport, use of green leases, and/or similar metrics.
- 2) Installation of solar capacity at logistics assets.
- 3) Obtaining and maintaining green building certification at office assets.
- 4) With respect to properties owned by The Arch Company, conducting tenant engagement surveys, covering (amongst other matters) support for tenants' business, safety of tenants' employees and visitors in the properties and community well-being.

"**Control**" and "**Controlled**" mean portfolio assets (excluding fund interests and similar) where the Fund, alone or together with other fund entities controlled by Blackstone, holds over 50% of the voting rights.

The Fund will invest primarily in substantially stabilized income-generating European real estate.

The Fund may make one or more "sustainable investments"<sup>1</sup> within the meaning of Article 2(17) of SFDR but it does not commit to make any such investment and it does not have sustainable investment as its objective.

The Fund seeks to achieve its promoted characteristic primarily through the ongoing management and enhancement of the assets it holds, instead of investment selection.

The binding element is that the Fund will engage with the managers of Controlled portfolio assets about the implementation of a sustainability action plan, covering the Controlled portfolio asset, which includes at least two of the action items.

<sup>1</sup> Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance.

---

The Fund may make investments in environmentally sustainable economic activities as defined in Regulation (EU) 2020/852 ("**Taxonomy-aligned**"<sup>2</sup> investments) but it does not commit to make such investments - it is not part of the Fund's investment strategy to actively seek to invest in Taxonomy-aligned investments.

As a minimum proportion of investments which will be used to meet the promoted environmental and social characteristic of the Fund, it is expected that, from the reporting period 1 January 2026, at least 75% of the Fund's assets, on average over each reporting period, will be treated as aligned with the promoted characteristic. Examples of investments that the Fund will make which are not treated as treated as aligned with the promoted characteristic include portfolio assets, such as public and private real estate debt, where the Fund has not engaged with the manager of the portfolio asset or has engaged with the manager of the portfolio asset but the portfolio asset is not covered by a sustainability action plan implementing at least two of the action items, or derivative financial instruments held for risk management purposes and sovereign exposures and other money market instruments held as temporary investments.

The sustainability indicators for the Fund are:

- 1) Percentage of investments in Controlled portfolio assets where the Fund has engaged with the relevant manager at least once within the reporting period with a view to encouraging the manager to implement a sustainability action plan covering the Controlled portfolio asset.
- 2) Percentage of investments in Controlled portfolio assets which are covered by a sustainability action plan implemented by their manager incorporating at least two relevant action items as of the end of the reporting period.

When calculating sustainability indicator 1), the Fund divides the value of Controlled portfolio assets where the Fund has engaged at least once about the adoption of a sustainability action plan or about the implementation/progress of the plan by the total value of Controlled portfolio assets.

When calculating sustainability indicator 2), the Fund divides the value of Controlled portfolio assets where the Fund has received a sustainability action plan from the relevant manager incorporating at least two relevant action items by the total value of Controlled portfolio assets.

Data will be obtained from internal sources and directly from managers of Controlled portfolio entities. The Fund will take reasonable steps to ensure its records are accurate. No noteworthy data processing steps are anticipated. None of the data is expected to be estimated (except to the extent that subjective judgement may be relied upon as part of the Fund's determining the gross asset value of investments in accordance with the Fund's valuation policy).

The Fund will assess whether implemented sustainability action plans contain one or more of the identified action items. This may require the exercise of subjective judgement. The Fund will act in good faith when exercising its judgement and will seek to ensure that staff with appropriate knowledge and expertise carry out the assessment.

Before making investments, the Investment Manager will conduct due diligence that it deems reasonable and appropriate based on the facts and circumstances known at that time. Due diligence may entail, among other factors, evaluation of important and complex business, financial, tax, accounting, environmental, social, governance, real property and legal issues.

Engagement practices include new managers of Controlled portfolio assets going through an onboarding process as part of which they are connected with the Blackstone Real Estate Sustainability Team to discuss Blackstone Real Estate's sustainability program.

---

<sup>2</sup> The EU Taxonomy is a classification system laid down in Regulation (EU) 2020/852, establishing a list of environmentally sustainable economic activities (and associated qualifying criteria). Taxonomy aligned investments are investments in economic activities which qualify as environmentally sustainable.

---

**b) No sustainable investment objective**

This financial product promotes environmental or social characteristics but does not have as its objective sustainable investment.

**c) Environmental or social characteristics of the financial product**

The Fund promotes decarbonisation, efficient energy usage, and sustainable communities. This is its promoted environmental and social characteristic.

The Fund does this by engaging, at least annually, with the manager of each Controlled portfolio asset to encourage the manager to adopt and implement a sustainability action plan covering the portfolio asset, with such sustainability action plan incorporating at least two of the following action items:

- 1) Data gathering, and reporting to Blackstone Real Estate Asset Management, in relation to the portfolio asset's energy performance, support for clean transport, use of green leases, and/or similar metrics.
- 2) Installation of solar capacity at logistics assets.
- 3) Obtaining and maintaining green building certification at office assets.
- 4) With respect to properties owned by The Arch Company, conducting tenant engagement surveys, covering (amongst other matters) support for tenants' business, safety of tenants' employees and visitors in the properties and community well-being.

**d) Investment strategy**

*The investment strategy used to meet the environmental and social characteristics promoted by the product*

The Fund invests its assets, mainly, directly or indirectly, through an aggregator established as a Luxembourg special limited partnership (*société en commandite spéciale*) (“**BEPIF Aggregator**”) for the purpose of indirectly holding the Fund’s investment. The Fund will invest in parallel with Blackstone European Property Income Fund (Master) FCP, a Luxembourg mutual fund (*fonds commun de placement*) governed by Part II of the Luxembourg law of 17 December 2010 on undertakings for collective investments, as amended (“**BEPIF Master FCP**”). The investment information set out below describes the indirect investments of the Fund held through BEPIF Aggregator.

The Fund will target an allocation of approximately 90% of the gross asset value of its Investments in European real estate, through: (i) direct and indirect Investments primarily in substantially stabilized income-generating real estate and (ii) investments in and/or alongside Blackstone Property Partners Europe, Blackstone’s flagship European Core+ real estate fund for institutional investors. The Fund may invest in special purpose vehicles, operating companies or platforms (including private or public equity positions in companies whose primary business relates to real estate or investing in real property), joint ventures, and/or other vehicles, minority investments or shares in listed companies, and/or indirectly through intermediate vehicles in derivatives or options.

The Fund may invest up to 10% of the gross asset value of its Investments in public and private real estate debt including, but not limited to, commercial mortgage-backed securities, residential mortgage-backed securities, real estate-related corporate credit, mortgages, loans, mezzanine and other forms of debt (including other forms of residential credit), private or public equity positions in companies whose primary business relates to investing in real estate debt, interests of collateralized debt obligation and collateralized loan obligation vehicles, as well as preferred equity and debt related derivatives, cash, cash equivalents and other short-term investments. The Fund may also invest in other securities or debt instruments or in Investments outside of Europe.

The Fund's investment strategy is as set out in the Fund's Limited Partnership Agreement. The foregoing is intended only as a summary and in case of discrepancy between this summary and the Fund's Limited Partnership Agreement, the Limited Partnership Agreement shall prevail.

The Fund seeks to achieve its promoted characteristic primarily through the ongoing management and enhancement of the assets it holds, instead of investment selection. The binding element is that the Fund will engage with the managers of Controlled portfolio assets about the implementation of a sustainability action plan, covering the Controlled portfolio asset, which includes at least two of the action items.

*The policy to assess good governance practices of investee companies*

Good governance practices are assessed both during the investment underwriting process and as part of ongoing monitoring. The nature and depth of the assessment depends on the type and structure of the investment and other factors such as the availability of relevant information.

When assessing good governance practices, the Investment Manager will, at a minimum, assess matters it sees as pertaining to the four identified pillars of good governance (sound management structures, employee relations, remuneration of staff and tax compliance).

When acquiring investee companies, good governance practices are typically assessed with respect to the entity or entities being acquired. An initial assessment is undertaken as part of due-diligence and pre-closing checks and may take into account remedial and other actions that will be undertaken immediately upon closing or reasonably promptly thereafter. As part of ongoing monitoring, investee companies undergo an at least annual review process to confirm that good governance practices continue to be observed (although the form of the review process varies between structures and may vary between review cycles).

**e) Proportion of investments**

From the reporting period 1 January 2026, at least 75% of the Fund's assets, on average over each reporting period, are expected to be treated as aligned with the promoted characteristic. An investment will be treated as aligned with the promoted characteristic where the investment is in a portfolio asset that is covered by a sustainability action plan which includes at least two of the action items identified as part of the Fund's promoted characteristic.

Examples of investments that the Fund will make which are not treated as treated as aligned with the promoted characteristic include portfolio assets, such as public and private real estate debt, where the Fund has not engaged with the manager of the portfolio asset or has engaged with the manager of the portfolio asset but the portfolio asset is not covered by a sustainability action plan implementing at least two of the action items, or derivative financial instruments held for risk management purposes and sovereign exposures and other money market instruments held as temporary investments.

All of the Fund's exposures to investments are expected to be indirect, through the Fund's investment in the BEPIF Aggregator.

The Fund may make Taxonomy-aligned investments but it does not commit to make such investments – it is not part of the Fund's investment strategy to actively seek to invest in Taxonomy-aligned investments and therefore the minimum extent of Taxonomy-aligned investments has been assessed to be zero percent.

To the extent that the Fund reports in its annual report that a proportion of investments are Taxonomy-aligned those figures may be derived from public disclosures and/or equivalent information directly obtained from investee companies. In some circumstances complementary assessments and estimates based on information from other sources may also be used. Any figures are not expected to be assured by one or more auditors or reviewed by one or more third parties. All exposures to investee companies are expected to be direct exposures.

The Fund may hold sovereign exposures in the form of sovereign debt as temporary investments. It is unlikely that it will be possible to assess whether these sovereign exposures contribute to environmentally sustainable activities but the proportion of such investments in relation to other investments made by the Fund is anticipated to be low (if any).

**f) Monitoring of environmental or social characteristics**

---

The sustainability indicators for the Fund are:

- 3) Percentage of investments in Controlled portfolio assets where the Fund has engaged with the relevant manager at least once within the reporting period<sup>3</sup> with a view to encouraging the manager to implement a sustainability action plan covering the Controlled portfolio asset.
- 4) Percentage of investments in Controlled portfolio assets which are covered by a sustainability action plan implemented by their manager incorporating at least two relevant action items as of the end of the reporting period.

The promoted characteristic is monitored through these sustainability indicators. Investments are identified as either Controlled portfolio assets or not, based on the nature and the terms of the transaction.

#### **g) Methodologies**

Unless otherwise stated asset values are calculated based on gross asset value at the Fund's share in accordance with the Fund's valuation policy.

The sustainability indicators are calculated as follows:

##### Engagement with managers to adopt a sustainability action plan

When calculating sustainability indicator 1), the methodology is as follows:

- Numerator: the value of Controlled portfolio assets at the end of the reporting period where the Fund has engaged at least once during the reporting period about the adoption of a sustainability action plan or, to the extent a qualifying sustainability action plan already exists, where the Fund has engaged about the implementation / progress of the plan.
- Denominator: the total value of Controlled portfolio assets at the end of the reporting period.

##### Investments covered by a sustainability action plan

When calculating sustainability indicator 2), the methodology is as follows:

- Numerator: the value of Controlled portfolio assets at the end of the reporting period where the Fund has received a sustainability action plan from the relevant manager incorporating at least two relevant action items in respect of the relevant Controlled portfolio asset.
- Denominator: the total value of Controlled portfolio assets at the end of the reporting period.

#### **h) Data sources and processing**

Data will be obtained from internal sources and directly from managers of Controlled portfolio entities. The Fund will take reasonable steps to ensure its records are accurate. No noteworthy data processing steps are anticipated. None of the data is expected to be estimated (except to the extent that subjective judgement may be relied upon as part of the Fund's determining the gross asset value of investments in accordance with the Fund's valuation policy).

#### **i) Limitations to methodologies and data**

The Fund will assess whether implemented sustainability action plans contain one or more of the identified action items. This may require the exercise of subjective judgement. The Fund will act in good faith when exercising its judgement and will seek to ensure that staff with appropriate knowledge and expertise carry out the assessment.

#### **j) Due diligence**

Before making investments, the Investment Manager will conduct due diligence that it deems reasonable and appropriate based on the facts and circumstances known at that time. Due diligence may entail, among other factors, evaluation of important and complex business, financial, tax, accounting, environmental, social, governance, real property and legal issues. When conducting due diligence and making an assessment regarding an investment, the Investment Manager will rely on the resources available to it, including information provided by the counterparty and, in some circumstances, third-

---

<sup>3</sup> The reporting period is the Fund's financial year, i.e. 1 January to 31 December.

---

party investigations and the due diligence conducted by certain other Blackstone affiliated funds, vehicles or accounts.

Where applicable, good governance practices are assessed during the investment underwriting process.

**k) Engagement policies**

Engagement practices include new managers of Controlled portfolio assets going through an onboarding process as part of which they are connected with the Blackstone Real Estate Sustainability Team (the “**Sustainability Team**”) to discuss Blackstone Real Estate’s sustainability program. As part of that discussion, they are provided with the Blackstone Real Estate Sustainability Framework (the “**Sustainability Framework**”) which details how they are expected to integrate and manage sustainability considerations in their business practices. The Sustainability Team meets with managers at least quarterly. The matters discussed at any particular meeting vary but the Sustainability Team is mindful of opportunities for the energy performance of assets, new solar projects at logistics assets, green building certifications for office assets and tenant engagement at properties owned by The Arch Company and seeks to raise such matters with the relevant managers. The Sustainability Team may also provide ad-hoc advice on projects and achieving certifications and introduce managers to specialist third-party consultants. The Sustainability Team also conducts an annual data collection cycle which includes issuing a scorecard to relevant managers in order to create a feedback loop on sustainability progress across the portfolio. The scorecard provides a benchmark against other Blackstone Real Estate portfolio/management companies, joint venture partners and operating partners managing similar asset types and identifies areas for improvement. The discussions associated with these scorecards may be used to encourage improvements to data reporting, tenant engagement activities and obtaining green building certifications. The Sustainability Team will typically seek to discuss progress towards any action items, where a portfolio asset is covered by a sustainability action plan.