2021 ANNUAL REPORT

Blackstone Property Partners Europe Holdings S.à r.l.

Blackstone

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Management Statement

Dear Investors,

We hope you and your families remain safe and well.

Over the past four years, we have assembled on behalf of Blackstone Property Partners Europe Holdings S.à r.l ("BPPEH") a diversified portfolio comprised primarily of high-quality logistics, residential and office properties across major European markets, with a total GAV of €13.2 billion as of 31 December 2021. 98% of BPPEH's portfolio is located in Western and Southern Europe, with no assets in Russia, Belarus or Ukraine. Taking into account transactions closed after year end, our portfolio currently stands at over €13.3 billion of total GAV.

During 2021, BPPEH continued to grow and further diversify its portfolio while maintaining a focus on high-quality, substantially stabilised assets in Europe's major markets. This was achieved despite continued uncertainty in the global economy, highlighting the strength and flexibility of our balance sheet, our continued support from institutional equity investors as well as the scale and expertise of Blackstone's $279 billion global real estate platform. We believe our portfolio is positioned to perform well through market cycles, including periods of higher inflation.

Our acquisition activity during the year was focused on our highest-conviction investment themes, including a continued focus on logistics assets in Europe's key distribution corridors and office assets in European knowledge centres. We also acquired a high-quality portfolio located primarily in Milan's historical city centre, including a trophy asset on Via Montenapoleone, Milan's iconic luxury retail high street. The portfolio, which we believe to be the highest-quality asset base to trade in Italy in over 20 years, offers the opportunity to potentially capture significant rental reversion over time.

As of 31 December 2021, our portfolio comprised 793 assets[1] in 14 countries. Operating performance across our asset base has been strong, with our portfolio 94%[1] leased on a 6-year WALL (excluding residential) at year end. On a like-for-like basis, occupancy in our portfolio was broadly flat while passing rent per sqm increased by 5.6% driven primarily by our office and residential portfolios.

As our portfolio has grown and diversified, we have maintained a conservative debt profile. Our net LTV as of 31 December 2021 stood at 47%, within our target range of 45–50%. We continued to programmatically access the capital markets during the last year, issuing over €3 billion of unsecured notes under our EMTN programme across two issuances, including our debut green bond issuance. The proceeds of these bonds were primarily used to repay existing bank debt, to fund new acquisitions and for Eligible Green Investments in accordance with our Green Financing Framework.[2] As of 31 December 2021, our debt had a weighted average interest rate of 1.5% and weighted average maturity of 4.5 years and consisted primarily of fixed rate unsecured notes.

We are proud of the business we have built, which in 2021 demonstrated remarkable growth without compromising on asset quality or capital structure. We thank you for your continued partnership as we look to carry this momentum into the year ahead.

Frank Cohen
Global Head of
Core+ Real Estate
Blackstone

Wesley LePatner
Global COO of
Core+ Real Estate
Blackstone

James Seppala
Head of Real Estate
Europe
Blackstone

Abhishek Agarwal
Head of Core+
Real Estate Europe
Blackstone

Jean-Francois Bossy
Board Member
BPPEH

Diana Hoffmann
Board Member
BPPEH

1. Excludes forward funded assets.
2. Capitalised terms relating to the Green Financing Framework (the "GFF") shall have the same meaning as defined in the GFF.

Business Overview & Strategy

BPPEH seeks to acquire high-quality, substantially stabilised real estate assets across Europe. Investments are concentrated primarily in the logistics, residential and office sectors, with a focus on major European markets and key gateway cities. BPPEH is 100% owned by Blackstone Property Partners Europe, an open-ended core+ real estate fund managed by Blackstone.

Blackstone is the largest owner of commercial real estate globally, with $279 billion of invested capital under management, and a €114 billion portfolio across 25 countries in Europe as of 31 December 2021.

Blackstone's access to proprietary information from its global portfolio coupled with the breadth and expertise of its team enables BPPEH to identify attractive investment themes, on which it can then execute in scale. Blackstone's platform allows BPPEH to source and evaluate investment opportunities that others may be less well-equipped to identify or pursue. Blackstone has developed an unrivalled network of relationships with real estate owners, operating partners and agents, which provides BPPEH with access to the full spectrum of potential transactions. In addition, we target opportunities where our ability to navigate complexity and transact quickly allows us to invest on attractive terms.

BPPEH is focused on value creation through active asset management, including leasing, physical renovations and expense management. This is driven by Blackstone's dedicated asset management professionals and more than 11,000 full-time employees within Blackstone's portfolio companies across Europe who have deep-rooted expertise in our major markets.

BPPEH seeks to maintain moderate leverage, targeting 45–50% LTV, and to have a principally unsecured capital structure with fixed interest rates and a staggered debt maturity profile. Combined with BPPEH's focus on a high-quality, diversified asset base, we believe our financing strategy results in an attractive, low-risk investment profile.

Key Highlights

Large, Diversified Portfolio

14
countries

€13.2B
GAV

793
assets[1]

Stable Cash Flows with Operational Upside

94%
occupancy[1]

6-Year
WALL[2]

13%
below market rents[1]

Strong Credit Profile

47%
net LTV

1.5%
weighted average interest rate

99%
fixed rate debt

Blackstone's European Management Platform

€114B
real estate portfolio

11,000+
full-time employees[3]

25
years of investing experience in Europe

Note: All BPPEH metrics in this Annual Report are calculated at 100% share (including the portion attributable to minority owners). See Definitions on page 122.

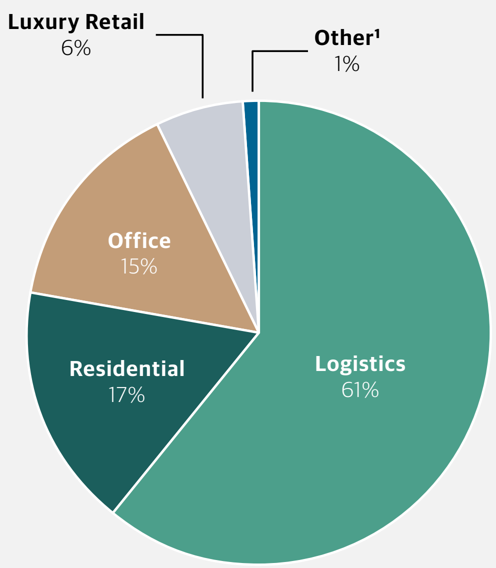
1. Excludes forward funded assets.
2. Excludes residential assets.
3. Includes Blackstone's portfolio companies.

Portfolio Overview

BPPEH owns a diversified portfolio of high-quality, well-located properties primarily in the logistics, residential and office sectors. The portfolio consists of 793 assets[1] spanning 6.2 million sqm[1] across 14 countries, with a GAV of €13.2 billion as of 31 December 2021.

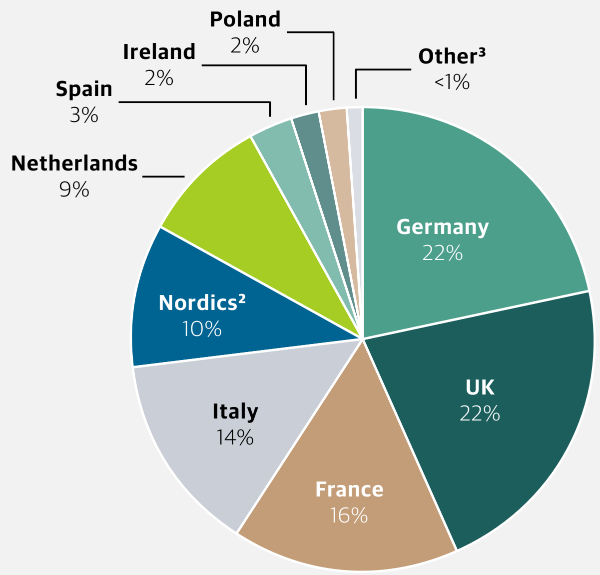
Sector Allocation

(% of GAV)

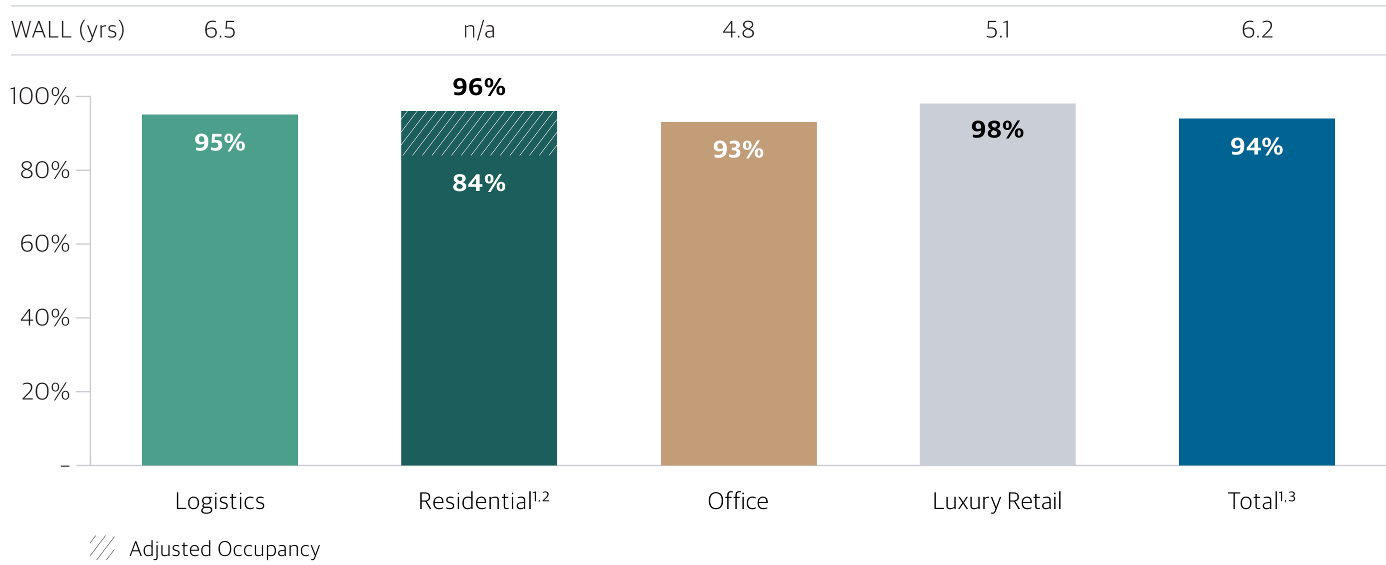


Geographic Allocation

(% of GAV)



Occupancy and WALL by Sector



1. Excludes forward funded assets.
2. Represents occupancy of residential units only.
3. Total includes assets classified as Other.

Acquisitions[4]

BPPEH follows a disciplined investment approach, with a focus on acquiring high-quality assets in major European markets and gateway cities at attractive pricing.

Logistics: During 2021, BPPEH acquired 76 logistics assets primarily located in the United Kingdom, France, the Netherlands and Germany for an all-in cost of €2.8 billion. The assets comprise high-quality warehouses totalling 1.1 million sqm and are primarily concentrated in major distribution centres and key logistics corridors in their respective markets.[5]

Residential: In 2021, BPPEH acquired nine prime residential assets in Milan as part of the trophy Milan city centre portfolio for an all-in cost of €215 million. BPPEH also launched a new residential aggregation strategy focused on increasing the supply of high-quality, professionally managed single family rental homes across the United Kingdom. As of year-end 2021, BPPEH had commitments of £88 million (approximately €105 million) in respect of 345 residential units.

Office: BPPEH acquired controlling stakes in two high-quality office assets in Central Dublin for an all-in cost of €313 million. These offices comprise 394k sqf and are located in two of Dublin's top submarkets, the Central Business District ("CBD") and the Docklands. BPPEH also signed an agreement to acquire the remaining minority stake in the CBD office property for €70 million. This transaction is expected to close in Q4 2022. BPPEH also acquired a high-quality BREEAM-rated office in Södermalm, Stockholm's technology district, for an all-in cost of SEK 1.1 billion (approximately €103 million). The 12k sqm office property primarily leased to Spotify is newly refurbished to Grade-A specifications with an industrial loft-style design, which facilitates collaboration. BPPEH also acquired two landmark office properties in central Milan totalling 24k sqm as part of the trophy Milan city centre portfolio for an all-in cost of €238 million.

Luxury Retail: As part of its purchase of the trophy Milan city centre portfolio, BPPEH acquired a 3k sqm[6] trophy asset on Via Montenapoleone, Milan's iconic luxury retail high street, for an all-in cost of €777 million. The asset is located in the heart of Via Montenapoleone and due to its central position on the street and frontage, the asset is one of the most visible and prominent properties in the heart of Milan's city centre.

Other: The acquisition of the trophy Milan city centre portfolio also comprised a 5-star hotel in central Milan, fully leased on a 14-year term to one of Europe's largest operators as well as a historical gallery in central Turin that were acquired for an all-in cost of €90 million.

Dispositions[7]

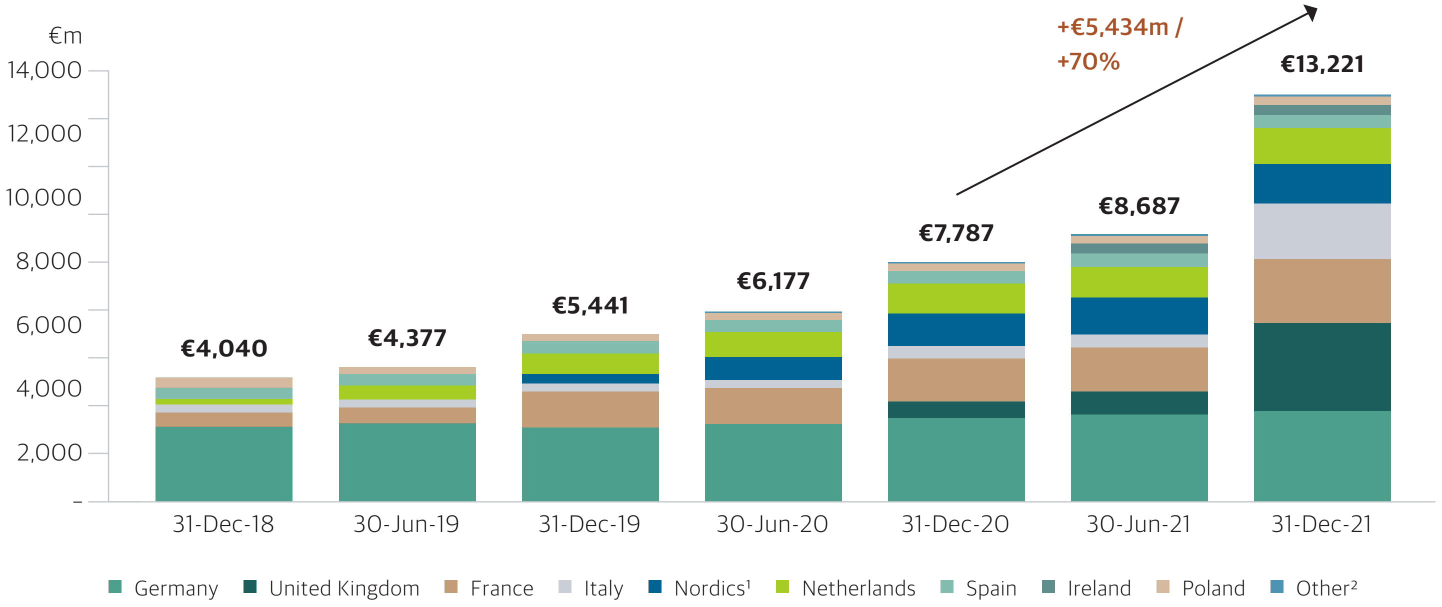
While BPPEH generally intends to pursue a long-term buy and hold strategy, we selectively dispose assets that we deem to be non-core or that we believe offer only modest growth potential over the medium to long term.

During 2021, BPPEH sold one Italian logistics property for €19 million through a competitive marketing process following the execution of a renewed lease at the asset. BPPEH also sold three units in its German residential portfolio for €1.7 million. The units were deemed to be non-core as they were located in an asset only partially owned by BPPEH.

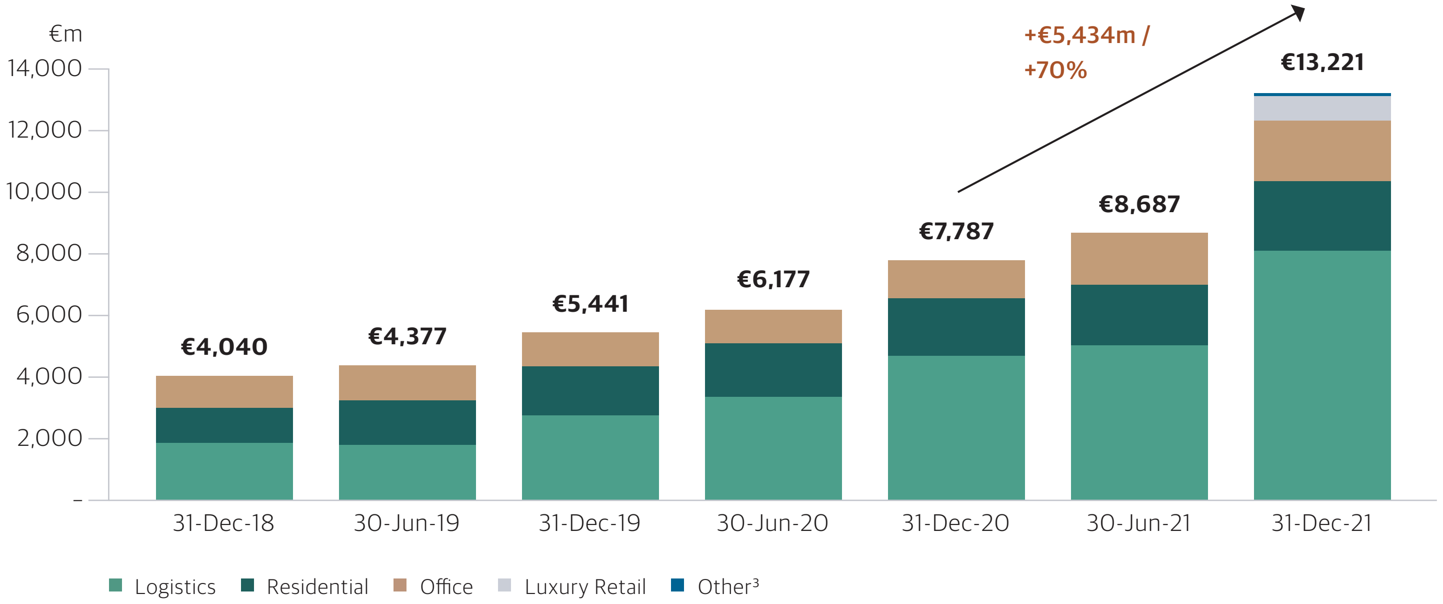
Note: Totals may not sum due to rounding.
1. Other includes a fully-leased 5-star hotel in central Milan and a historical gallery in central Turin.
2. Nordics includes Sweden (6%), Denmark (3%), Norway (<1%) and Finland (<1%).
3. Other includes Switzerland (<1%) and Greece (<1%).
4. All figures as of acquisition date and at 100% share.
5. As part of the acquisition of properties in the United Kingdom, BPPEH signed a forward sale agreement for approximately half of the portfolio, upon completion of which, a portfolio of 17 assets was retained.
6. Area excludes office and residential units.
7. Excludes forward sale agreed in connection with the acquisition of logistics properties in the United Kingdom.

Portfolio Update

GAV by Country



GAV by Sector



1. Nordics includes Sweden, Denmark, Norway and Finland.
2. Other includes Switzerland and Greece.
3. Other includes a fully-leased 5-star hotel in central Milan and a historical gallery in central Turin.

Logistics

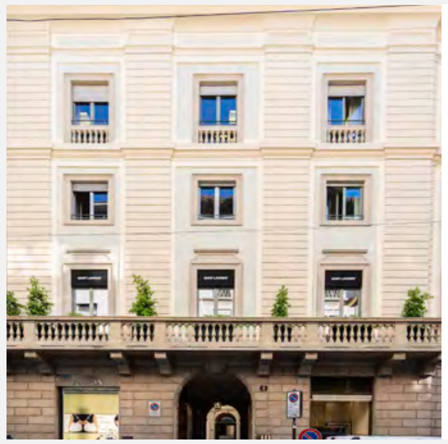
Key Metrics	31-Dec-21	31-Dec-20	LfL Change
GAV (€m)	8,095	4,687	+9.4%
GLA ('000s)	5,403	4,313	-
Occupancy (%)	95%	95%	(42) bps
WALL (years)	6.5	3.9	(0.2) years
Passing Rent (€/sqm/year)	63	55	+2.1%

Residential

Key Metrics	31-Dec-21	31-Dec-20	LfL Change
GAV (€m)	2,265	1,864	+7.7%
Number of Residential Units[1]	6,448	6,349	-
Occupancy (%)[1,2]	84%	84%	+232 bps
Adjusted Occupancy (%)[1,2]	96%	97%	+106 bps
Passing Rent (€/sqm/month)[1]	10.4	9.1	+22.6%

Office

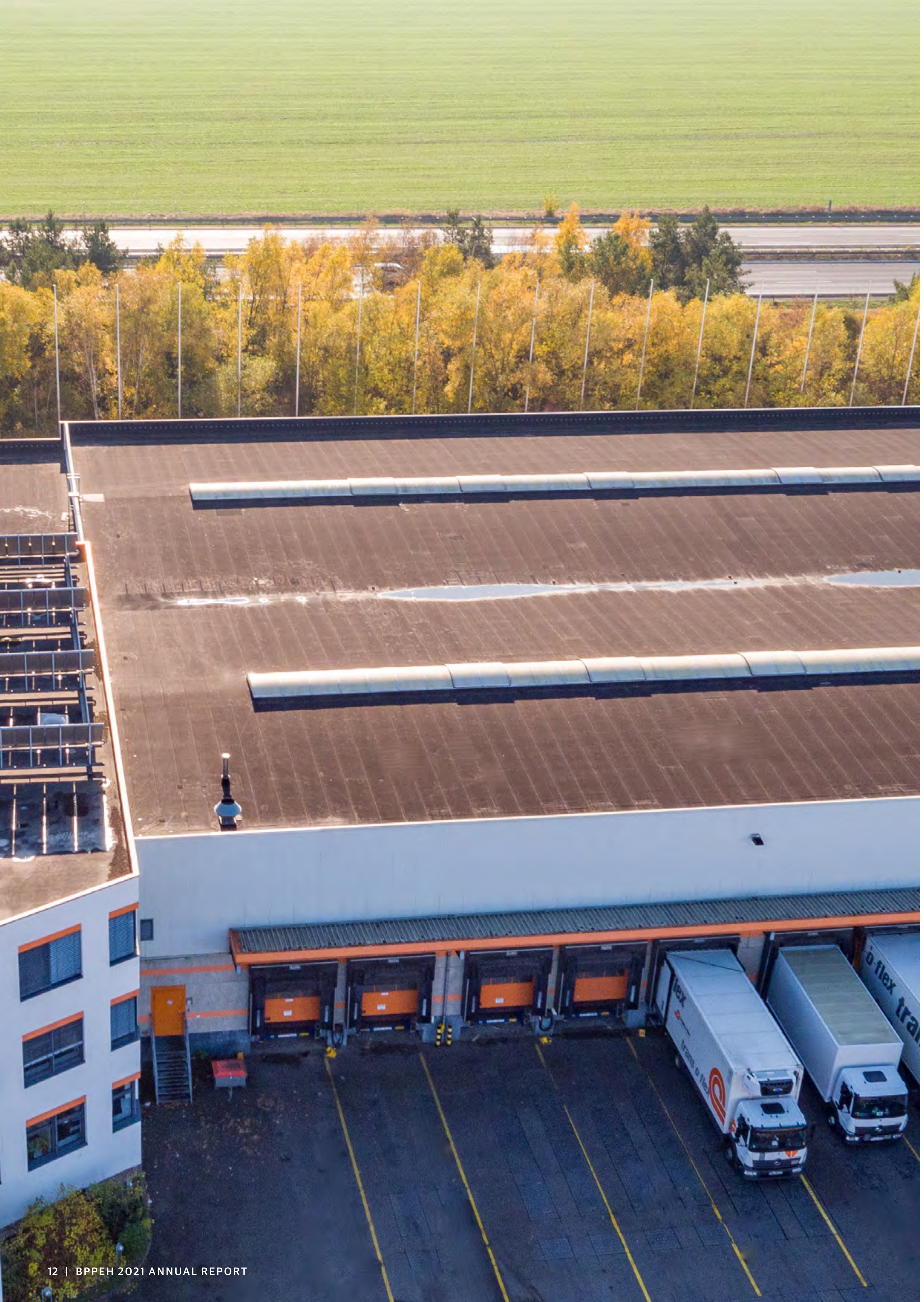
Key Metrics	31-Dec-21	31-Dec-20	LfL Change
GAV (€m)	1,957	1,235	+3.6%
GLA ('000s)	242	169	-
Occupancy (%)	93%	95%	(241) bps
WALL (years)	4.8	3.9	(0.2) years
Passing Rent (€/sqm/year)	335	272	+11.1%



Luxury Retail

Key Metrics	31-Dec-21
GAV (€m)	810
GLA ('000s)[3]	3
Occupancy (%)	98%
WALL (years)	5.1
Passing Rent (€/sqm/year)	4,369

Note: "LfL Change" represents the change in each metric for our like-for-like portfolio, which is comprised of assets owned throughout 2021 (i.e., excludes assets developed, acquired or sold during 2021). All like-for-like changes in area and number of units in this Annual Report exclude the impact of development, remeasurement and combination/division of existing units.
1. Excludes forward funded assets.
2. Represents occupancy of residential units only.
3. Area excludes office and residential units.



Logistics

BPPEH owns a high-quality €8.1 billion pan-European logistics portfolio located in key distribution corridors. The portfolio consists of 236 properties comprising 5.4 million sqm across 13 countries. The portfolio is 95% occupied on a 6.5-year WALL.

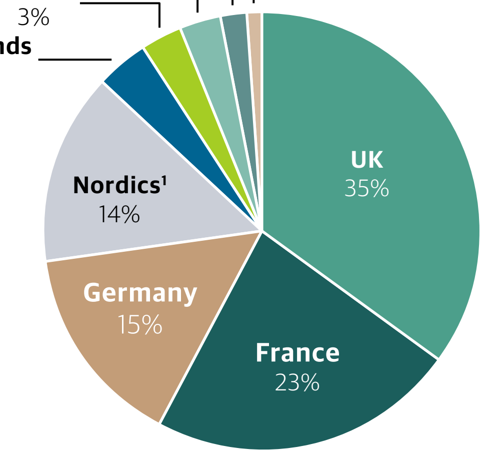
€8.1B
GAV

5.4M
square metres

95%
occupancy

6.5 Years
WALL

Geographic Allocation
(% of GAV)



1. Nordics includes Sweden (8%), Denmark (5%), Norway (1%) and Finland (<1%).
2. Other includes Switzerland (1%) and Greece (<1%).

Logistics Portfolio Summary

Logistics assets represent approximately 61% of BPPEH's GAV as of 31 December 2021. In European logistics, strong e-commerce growth is driving occupier demand, which continues to outpace new supply as online retailers, third-party logistics providers and distributors look for new space to capitalise on the higher levels of e-commerce penetration. Robust occupier demand continues to drive competition for modern, well-located logistics facilities across European markets, contributing to high market absorption and pushing vacancy rates to a new low at 2.8%. We expect these strong demand and supply dynamics to support rental growth, which we are beginning to see across continental Europe and the United Kingdom. Given the high quality and strong locations of our properties, we continue to believe our logistics portfolio is positioned to benefit from these trends. We also believe that our logistics portfolio is well positioned in the context of rising inflation – because in continental Europe leases are generally indexed annually to CPI, and in the United Kingdom, leases generally are subject to periodic rent reviews.

Our logistics portfolio is well-leased, with 95% occupancy and a 6.5-year WALL as of 31 December 2021. Occupancy rates across our markets are generally in excess of 90%, with the exception of Spain where a tenant fully vacated one asset in Q4 2021. We are in active discussions to release this space at rent levels that would capture meaningful reversion. The portfolio continued to deliver strong operating results during the year, with passing rent growing 2.1% on a like-for-like basis. Due to the strong fundamentals in the logistics sector and the operating performance of our assets in particular, the GAV of our logistics portfolio increased by 9.4% on a like-for-like basis.

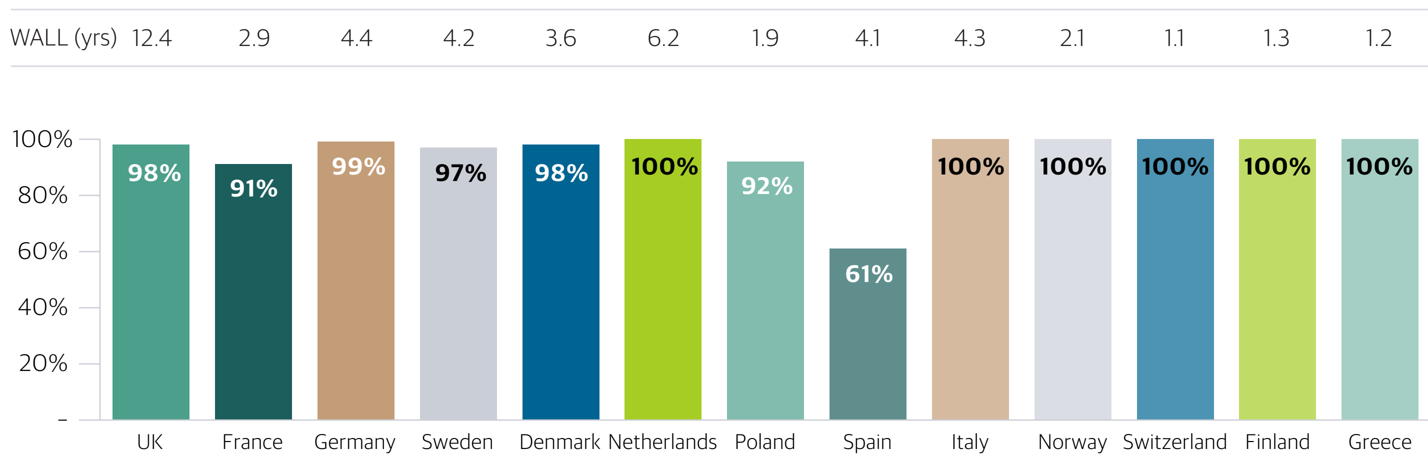
During the year, we acquired 76 high quality logistics properties, comprising 1.1 million sqm, located primarily in the United Kingdom, France, the Netherlands and Germany for an all-in cost of €2.8 billion.[1]

1. As part of the acquisition of properties in the United Kingdom, BPPEH signed a forward sale agreement for approximately half of the portfolio, upon completion of which, a portfolio of 17 assets was retained.

Logistics Portfolio Summary (cont'd)

Country	GAV (€m)	Number of Assets	Area ('000 sqm)	Occupancy	WALL (years)	Passing Rent (€/sqm/year)
United Kingdom	2,822	76	1,148	98%	12.4	92
France	1,833	60	1,496	91%	2.9	49
Germany	1,249	35	1,031	99%	4.4	49
Sweden	679	21	459	97%	4.2	67
Denmark	394	8	247	98%	3.6	75
Netherlands	341	12	221	100%	6.2	70
Poland	270	9	352	92%	1.9	48
Spain	203	6	216	61%	4.1	47
Italy	157	4	136	100%	4.3	56
Norway	54	2	20	100%	2.1	131
Switzerland	48	1	16	100%	1.1	135
Finland	39	1	28	100%	1.3	66
Greece	8	1	33	100%	1.2	18
Total / Weighted Average	**8,095**	**236**	**5,403**	**95%**	**6.5**	**63**
2020 Total Wgt. Avg.	4,687	161	4,313	95%	3.9	55
LfL change	**+9.4%**	**–**	**–**	**(42) bps**	**(0.2) years**	**+2.1%**

Occupancy and WALL by Country



Note: Totals may not sum due to rounding. Please refer to the Logistics Asset List in the Appendix on page 112 for a comprehensive asset list.

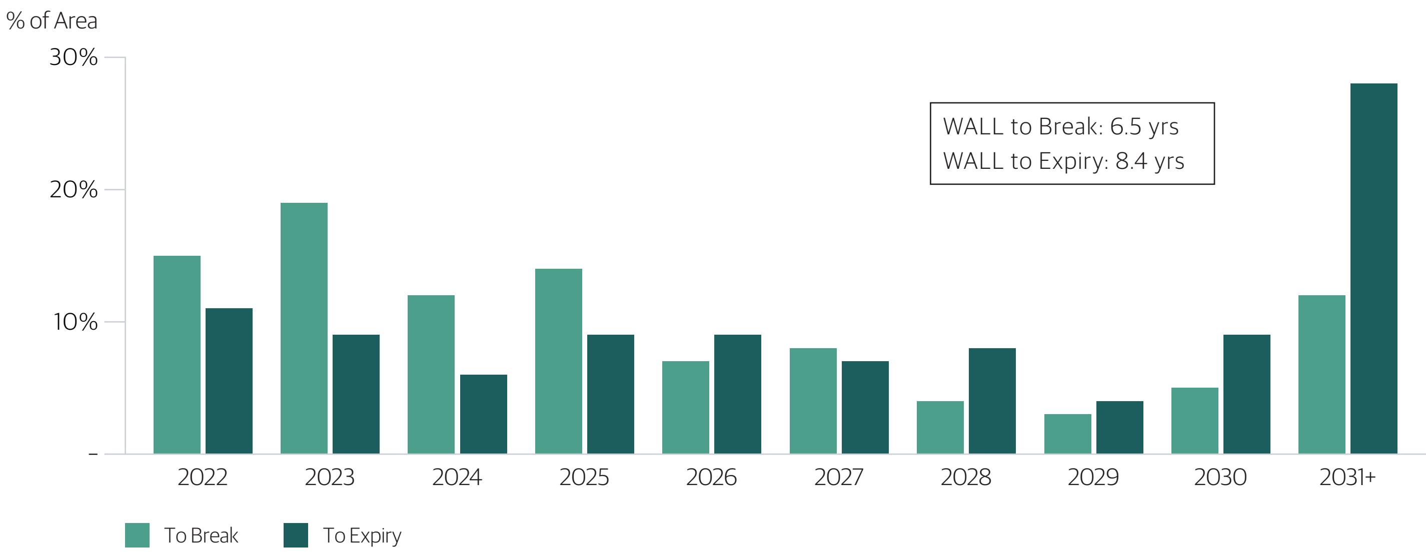
Tenant Overview

BPPEH's logistics portfolio benefits from a high-quality, diversified tenant base comprised primarily of large corporates and major third-party logistics providers. As of 31 December 2021, the top ten tenants represented 34% of passing rent. Major tenants include Amazon, ASDA, DHL, DSV, Great Bear, Kuehne+Nagel, Rhenus Logistics, Screwfix, Simon Hegele Logistics and Service and XPO.

Leasing Activity

In 2021, we signed lease agreements amounting to 791k sqm across our logistics portfolio, including 311k sqm of new leases and 480k sqm of renewals. BPPEH achieved an average releasing spread of 2% for all leases on previously occupied space. Leases with break options or expiries during the year totalled 578k sqm, for which we achieved a retention ratio of 93%.

Lease Maturity Profile



Logistics Portfolio Map[1]

1. Geographic allocation based on area ('000 sqm).

Residential

BPPEH owns a €2.3 billion portfolio of 539 high-quality residential properties[1] in Germany, the Netherlands, Italy and the United Kingdom.

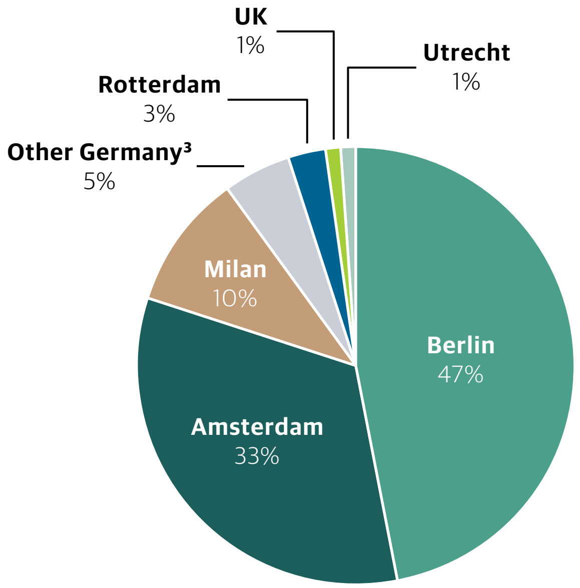
€2.3B
GAV

6.4K
residential units[1]

84% / 96%
occupancy[1,2] / adjusted occupancy[1,2]

539
properties[1]

Geographic Allocation
(% of GAV)



1. Excludes forward funded assets.
2. Represents occupancy of residential units only.
3. Includes Brandenburg, Dresden, Magdeburg and Potsdam.

Residential Portfolio Summary

Residential assets represent approximately 17% of BPPEH's GAV as of 31 December 2021. Our residential portfolio is concentrated in Berlin, Amsterdam and Milan, which together represent 90% of our residential portfolio by GAV. These markets have continued to demonstrate strong demand amidst structural undersupply, maintaining residential vacancy at frictional levels of <1% in both Berlin and Amsterdam.

During 2021, we launched a new residential aggregation strategy focused on increasing the supply of high-quality, professionally managed single family rental homes across the United Kingdom. Through 31 December 2021, BPPEH has partially funded the acquisition of 345 units which will be delivered over the coming years.[1] Additionally, we acquired nine residential assets comprised of 93 residential units in Milan through the acquisition of the trophy Milan city centre portfolio.

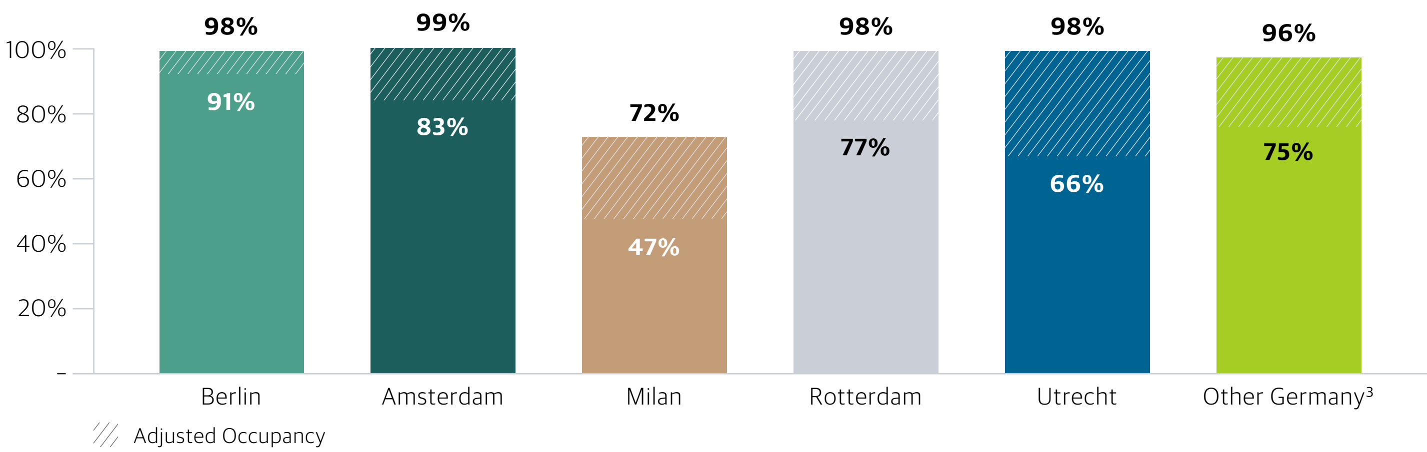
Operating performance in our residential portfolio was strong with occupancy increasing by 232 bps, on a like-for-like basis. This was driven by favourable underlying market fundamentals, specifically strong residential demand coupled with undersupply in Berlin and Amsterdam. Adjusting for vacancy due to refurbishment, BPPEH's average residential occupancy as of 31 December 2021 would be 96%.[2]

Our portfolio is reversionary, with in-place rents below market levels. We continue to evaluate renovation opportunities, capital expenditure projects and resident experience improvements. We refurbished 785 units and invested €67 million of capex into our portfolio during 2021.

We believe the portfolio is well positioned in the context of rising inflation, because in the Netherlands and Italy leases are generally indexed annually to CPI, while in Germany, the majority of our portfolio is subject to the annual Mietspiegel rental index.

			Number of Units					
City	GAV (€m)	Number of Assets	Residential	Commercial	Total	Occupancy[2,3]	Adjusted Occupancy[2,3]	Passing Rent (€/sqm/mo)
Berlin	1,062	129	3,702	282	3,984	91%	98%	8.8
Amsterdam	749	283	1,458	134	1,592	83%	99%	20.3
Milan	225	9	93	69	162	47%	72%	13.3
Rotterdam	60	52	249	33	282	77%	98%	11.1
United Kingdom[1]	33	–	–	–	–	–	–	–
Utrecht	22	19	76	10	86	66%	98%	19.0
Other Germany[4]	115	47	870	61	931	75%	96%	6.9
Total / Weighted Avg.	**2,265**	**539**	**6,448**	**589**	**7,037**	**84%**	**96%**	**10.4**
2020 Total / Weighted Avg.	1,864	530	6,349	522	6,871	84%	97%	9.1
LfL Change	**+7.7%**	**–**	**–**	**–**	**–**	**+232 bps**	**+106 bps**	**+22.6%**

Occupancy by City[5]



Note: Totals may not sum due to rounding.
1. Through 31 December 2021, zero units in the United Kingdom residential portfolio have been delivered. The units are expected to be delivered between 2022 and 2025. Operating metrics associated with the portfolio will be included in BPPEH reporting as units are delivered.
2. Excludes forward funded assets.
3. Represents occupancy of residential units only.
4. Includes Brandenburg, Dresden, Magdeburg and Potsdam.
5. Excludes United Kingdom.

German Residential Portfolio Summary

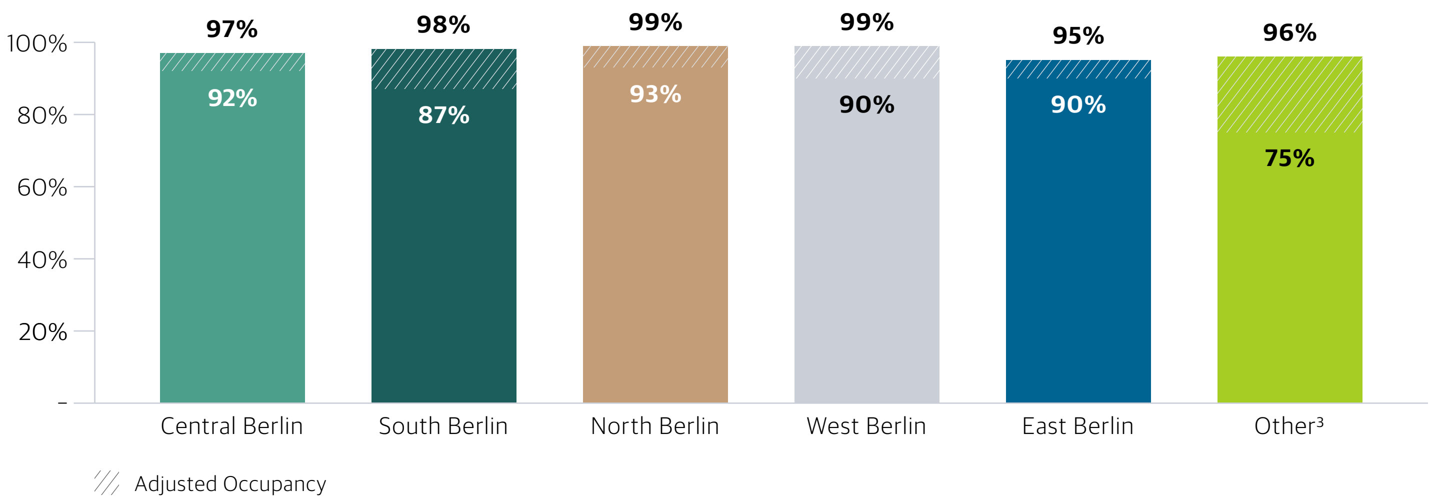
BPPEH owns a high-quality, well-located portfolio of residential assets in Germany. Over half of our German residential portfolio is located in the prime districts of Mitte, Charlottenburg-Wilmersdorf and Friedrichshain-Kreuzberg in Berlin, with the remainder concentrated in attractive neighbourhoods with strong demographic and economic fundamentals. Our Berlin portfolio has an average Walk Score of 83 (out of 100), illustrating our properties' strong micro-locations. Altbau[1] properties account for 74% of GAV, highlighting the irreplaceable nature of our portfolio. In addition, our portfolio is highly granular, with 26 residential units per asset on average.

The value of our German residential portfolio increased by 9% on a like-for-like basis, driven by the reversal of the Berlin rent regulations. As of 31 December 2021, our Berlin residential portfolio represented 8% of BPPEH's GAV and 6% of BPPEH's rental income.

While we continue to believe in the long-term fundamentals of the Berlin residential market, there remains considerable uncertainty given the current political and regulatory climate and we continue to monitor the regulatory environment for our residential assets in Germany.

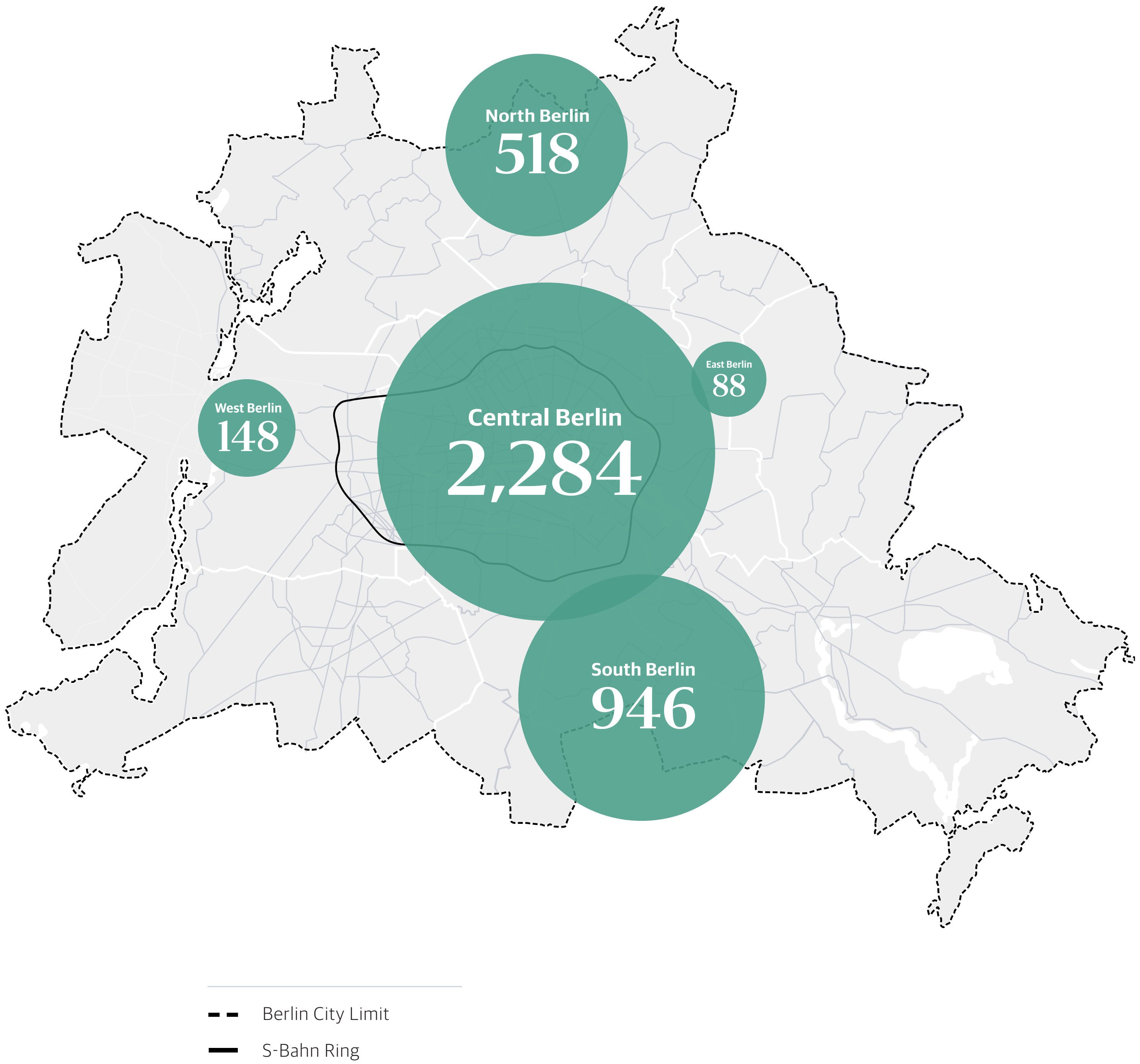
			Number of Units					
Submarket	GAV (€m)	Number of Assets	Residential	Commercial	Total	Occupancy[2]	Adjusted Occupancy[2]	Passing Rent (€/sqm/mo)
Central Berlin	581	58	2,160	124	2,284	92%	97%	8.8
South Berlin	263	37	854	92	946	87%	98%	8.6
North Berlin	164	22	475	43	518	93%	99%	9.4
West Berlin	34	8	128	20	148	90%	99%	7.4
East Berlin	20	4	85	3	88	90%	95%	9.3
Other	115	47	870	61	931	75%	96%	6.9
Total / Weighted Avg.	**1,177**	**176**	**4,572**	**343**	**4,915**	**88%**	**98%**	**8.5**
2020 Total / Weighted Avg.	1,082	176	4,569	350	4,919	88%	97%	7.0
LfL Change	**+8.8%**	**-**	**-**	**-**	**-**	**(10) bps**	**+15 bps**	**+22.2%**

Occupancy by Submarket



Note: Totals may not sum due to rounding.
1. Altbau refers to properties built before 1930.
2. Represents occupancy of residential units only.
3. Includes Brandenburg, Dresden, Magdeburg and Potsdam.

Berlin Residential Portfolio Map[1]



1. Geographic allocation based on total units. Excludes units in Brandenburg, Dresden, Magdeburg and Potsdam.

Dutch Residential Portfolio Summary

BPPEH has assembled a high-quality portfolio of exceptionally well-located residential assets in the Netherlands primarily through off-market transactions. As of 31 December 2021, the portfolio comprised nearly 1,800 residential units in Amsterdam, Rotterdam and Utrecht, with virtually all properties located within a 10- to 15-minute bicycle ride of the historic city centres.

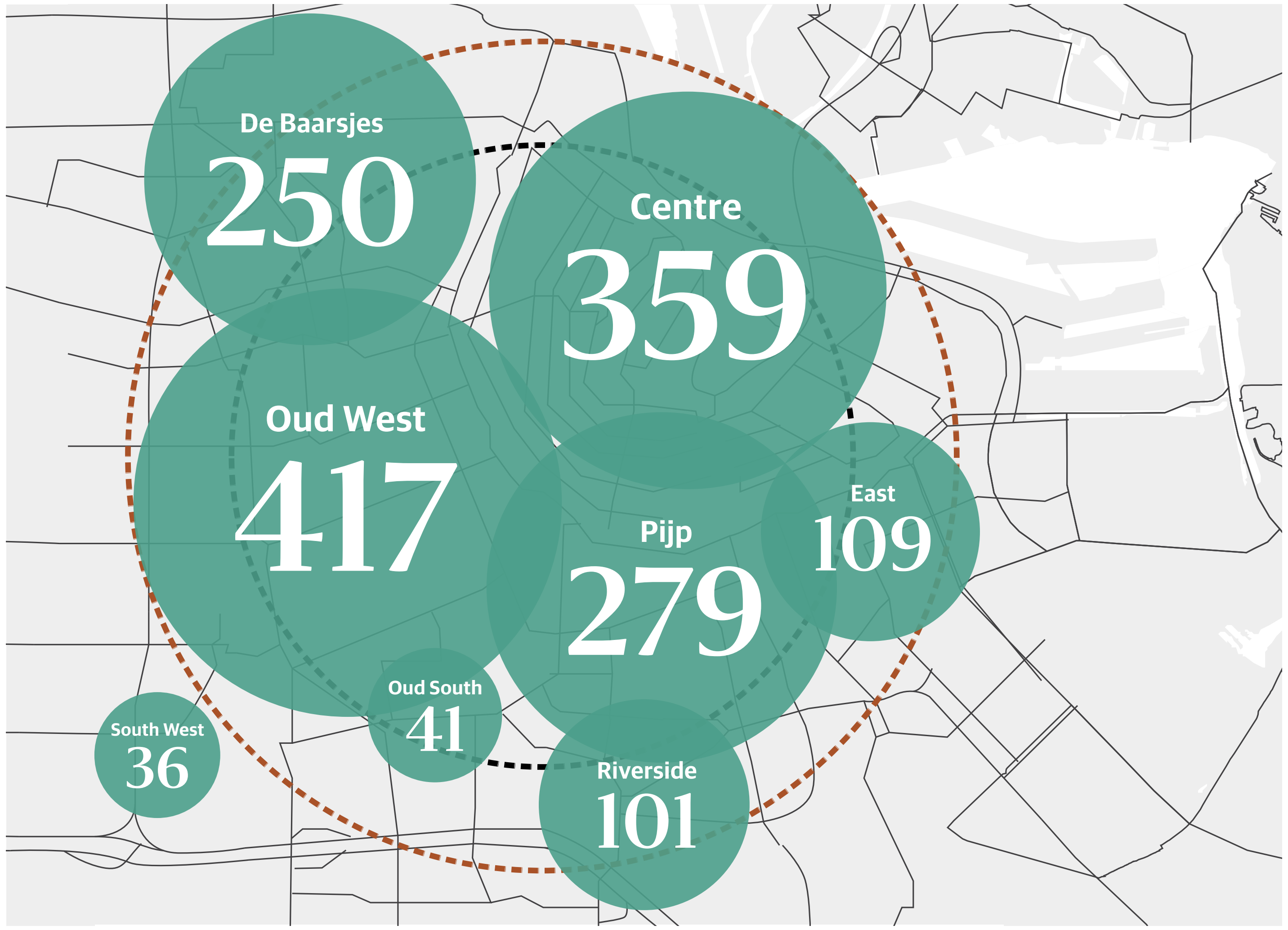
Our portfolio's operating performance during 2021 has been positive, with GAV increasing by 6% on a like-for-like basis primarily due to favourable market activity and strong leasing performance as vacancy levels in Amsterdam return to pre-COVID levels. We continue to implement sustainable capex programmes aimed at improving the quality of our assets and adding supply through attic conversions and renovation of previously unlettable units. Occupancy increased during 2021 as we continued the releasing of units following refurbishment. We continue to monitor the regulatory environment in the Netherlands.

Submarket	GAV (€m)	Number of Assets	Number of Units Residential	Commercial	Total	Occupancy[1]	Adjusted Occupancy[1]	Passing Rent (€/sqm/mo)
Amsterdam	749	283	1,458	134	1,592	83%	99%	20.3
Rotterdam	60	52	249	33	282	77%	98%	11.1
Utrecht	22	19	76	10	86	66%	98%	19.0
Total / Weighted Avg.	**831**	**354**	**1,783**	**177**	**1,960**	**81%**	**99%**	**19.0**
2020 Total / Weighted Avg.	782	354	1,780	172	1,952	73%	95%	16.2
LfL Change	**+6.1%**	**-**	**-**	**-**	**-**	**+877 bps**	**+386 bps**	**+17.4%**

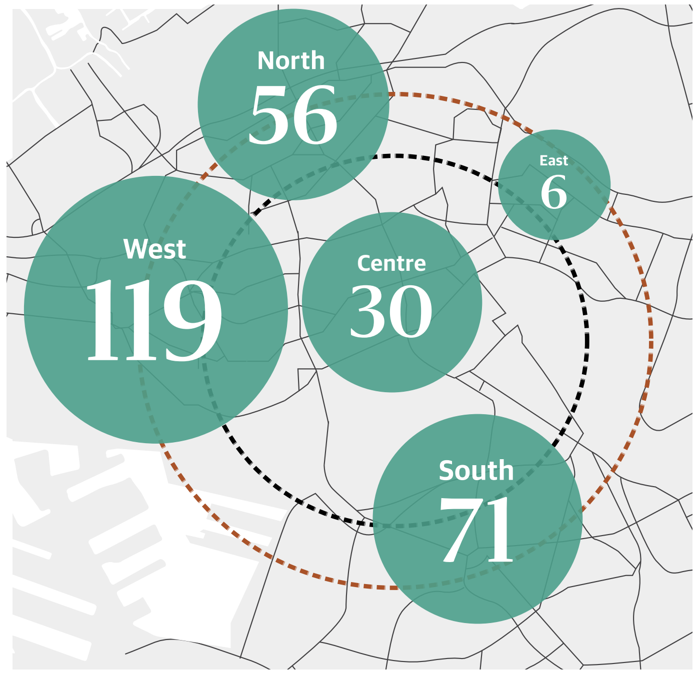
1. Represents occupancy of residential units only.

Dutch Residential Portfolio Maps[1]

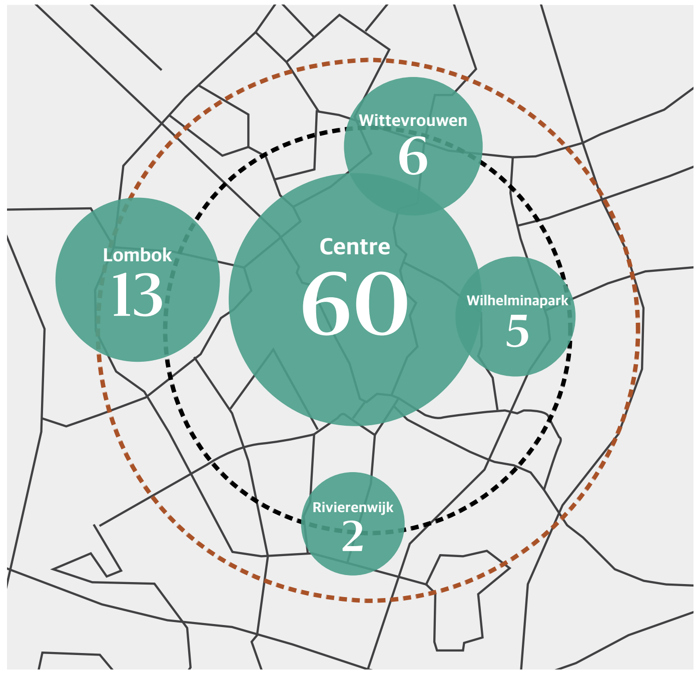
Amsterdam



Rotterdam



Utrecht



10-minute cycle to City Centre

15-minute cycle to City Centre

1. Geographic allocation based on total units.

Italian Residential Portfolio Summary

During 2021, we expanded our residential footprint by acquiring a portfolio of nine prime residential properties as part of the acquisition of the trophy Milan city centre portfolio. The portfolio, comprised of 162 units, is exceptionally well-located in Milan, concentrated in the most desirable neighbourhoods including Brera, Porta Venezia, Magenta and Monti.

			Number of Units					
Submarket	GAV (€m)	Number of Assets	Residential	Commercial	Total	Occupancy[1]	Adjusted Occupancy[1]	Passing Rent (€/sqm/mo)
City Centre	100	3	27	21	48	29%	71%	11.4
Historical Centre	67	3	33	30	63	70%	70%	14.9
CBD	58	3	33	18	51	74%	74%	13.9
Total / Weighted Avg.	**225**	**9**	**93**	**69**	**162**	**47%**	**72%**	**13.3**

1. Represents occupancy of residential units only.

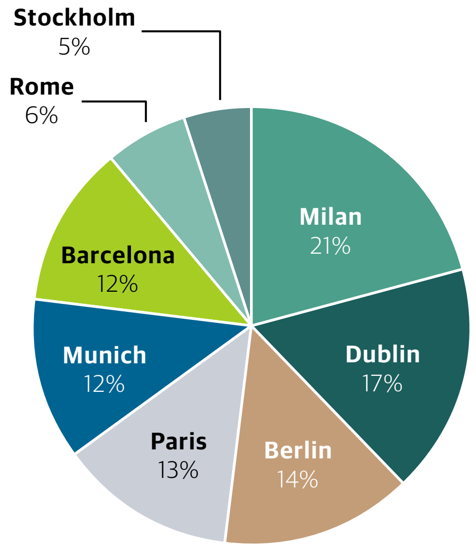
Milan Residential Portfolio Map[1]

1. Geographic allocation based on total units.

Office

BPPEH owns a €2.0 billion portfolio of 15 high-quality office properties located across major European knowledge centre cities. The portfolio is 93% leased on a 4.8-year WALL at rents on average 21% below market.

Geographic Allocation
(% of GAV)



€2.0B
GAV

242K
square metres

93%
occupancy

4.8 Years
WALL

Office Asset List

Ilot Panhard
Paris, France: 22k sqm

Arabella
Munich, Germany: 49k sqm

Leibniz Kolonnaden
Berlin, Germany: 16k sqm

Pariser Platz
Berlin, Germany: 9k sqm

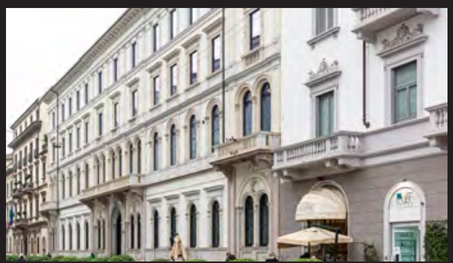
Burlington Plaza
Dublin, Ireland: 22k sqm

Three Building
Dublin, Ireland: 15k sqm

Scarsellini
Milan, Italy: 18k sqm

Verdi
Milan, Italy: 14k sqm

Turati
Milan, Italy: 10k sqm



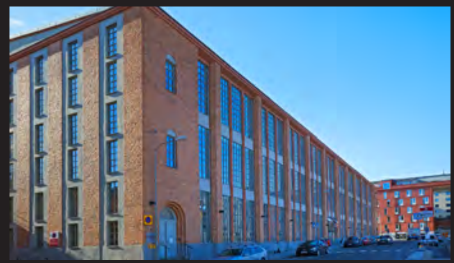
Amedeo
Milan, Italy: 7k sqm

Palazzo Luigi Sturzo
Rome, Italy: 10k sqm

Quirinale
Rome, Italy: 9k sqm

Quattro Fontane
Rome, Italy: 2k sqm

Avenida Diagonal
Barcelona, Spain: 28k sqm



Brick
Stockholm, Sweden: 12k sqm

Green Certified Building

Office Portfolio Summary

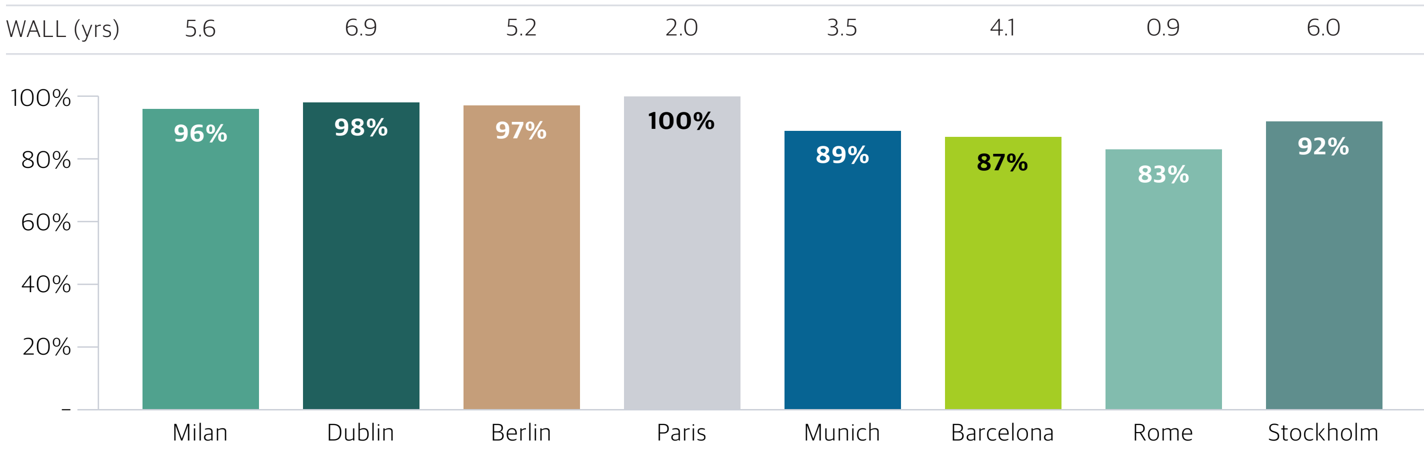
Office assets represent approximately 15% of BPPEH's GAV as of 31 December 2021. We continue to focus on acquiring high-quality office assets located in dynamic, innovation-focused cities across Europe, which are benefitting from attractive fundamentals and favourable urbanisation trends. We also believe that our office portfolio is well positioned in the context of rising inflation, because in continental Europe leases are generally indexed annually to CPI, and in Ireland, leases generally are subject to periodic rent reviews.

Approximately 21% of our office portfolio is located in Milan, where we own four well-located assets. We also own high-quality assets located in Dublin's CBD, in central locations in Berlin on Pariser Platz and Leibnizstrasse (just off of Kurfürstendamm), in Paris' 13th arrondissement, in the Arabella submarket of Munich, on Avenida Diagonal in Barcelona, in Rome's CBD and EUR submarkets and in Stockholm's technology district.

Our office portfolio was well-leased as of 31 December 2021, with 93% occupancy and a 4.8-year WALL. In-place rents are 21% below market on average, offering embedded NOI growth potential over time. Occupancy declined by 241 bps on a like-for-like basis during 2021 as a result of churn in our Rome, Barcelona and Munich assets. However, passing rent per sqm increased by 11% due to strong leasing activity, contributing to a like-for-like change in GAV of 4%.

City	GAV (€m)	Number of Assets	Area ('000 sqm)	Occupancy	WALL (years)	Passing Rent (€/sqm/year)
Milan	407	4	49	96%	5.6	290
Dublin	323	2	37	98%	6.9	514
Berlin	280	2	24	97%	5.2	301
Paris	247	1	22	100%	2.0	425
Munich	242	1	49	89%	3.5	188
Barcelona	231	1	28	87%	4.1	306
Rome	121	3	21	83%	0.9	262
Stockholm	106	1	12	92%	6.0	342
Total / Weighted Average	**1,957**	**15**	**242**	**93%**	**4.8**	**335**
2020 Total Wgt. Avg.	1,235	10	169	95%	3.9	272
LfL change	**+3.6%**	**-**	**-**	**(241) bps**	**(0.2) years**	**+11.1%**

Occupancy and WALL by City



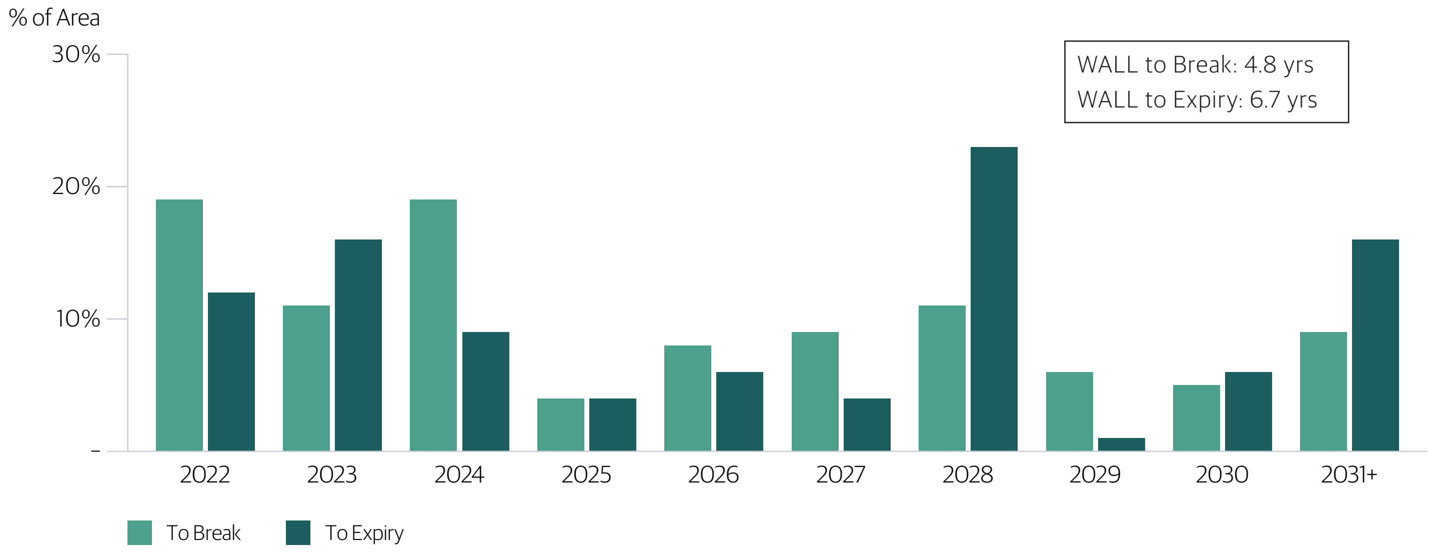
Tenant Overview

BPPEH's office portfolio is comprised of institutional grade occupiers. As of 31 December 2021, the top five tenants represented 45% of passing rent and had a WALL of four years. Major tenants include Amazon; AREP[1]; Gattai, Minoli, Partners; Grupo Planeta; Spotify; and Three.

Leasing Activity

In 2021, we signed lease agreements amounting to 8k sqm across our office portfolio and achieved an average releasing spread of 75% for all leases on previously occupied space. Releasing activity consisted primarily of leases signed at our offices in Dublin, Milan and Germany. Leases with break options or expiries during the year totalled 33k sqm, for which we achieved a retention ratio of 76%.

Lease Maturity Profile



1. AREP is a subsidiary of SNCF Gares & Connexions, the French government-owned national railway owner / operator.

Luxury Retail

BPPEH owns a trophy asset on Via Montenapoleone, Milan's iconic luxury retail high street. The asset comprises 3k square metres[1] and is 98% occupied on a 5.1-year WALL.

Via Montenapoleone is a highly concentrated luxury retail destination in Milan, one of the world's fashion capitals. The combination of higher tenant sales than Paris, London and New York at lower or similar rent levels has kept tenant demand high and vacancy rates low.

The asset is located in the heart of Via Montenapoleone. Due to its central position on the street, the length of its frontage and its location on the corner of Via Sant'Andrea (also a top luxury shopping destination), the asset is one of the most visible and prominent properties on the street. With rents more than 50% below market, we believe BPPEH has the opportunity to capture significant reversionary potential over time.

€810M
GAV

3K
square metres[1]

98%
occupancy

5.1 Years
WALL

1. Area excludes office and residential units.

Milan Fashion District Map

Tenant Overview

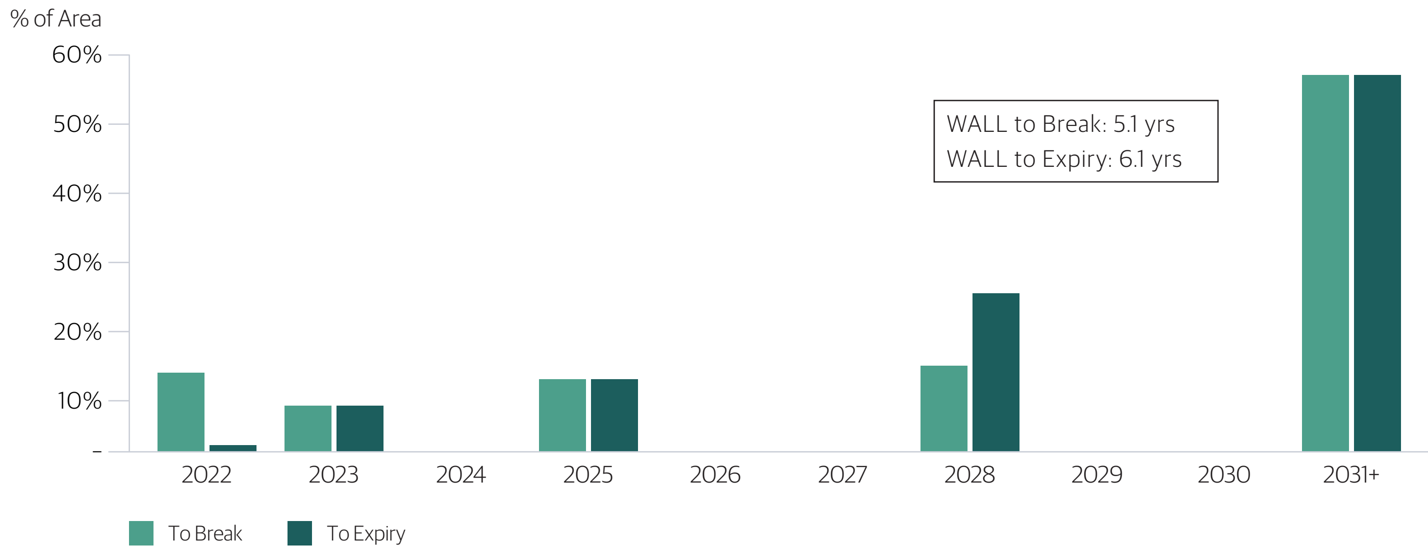
Tenants at BPPEH's asset on Via Montenapoleone include some of the world's leading luxury brands:

PRADA

MISSONI

PROMEMORIA®

Lease Maturity Profile

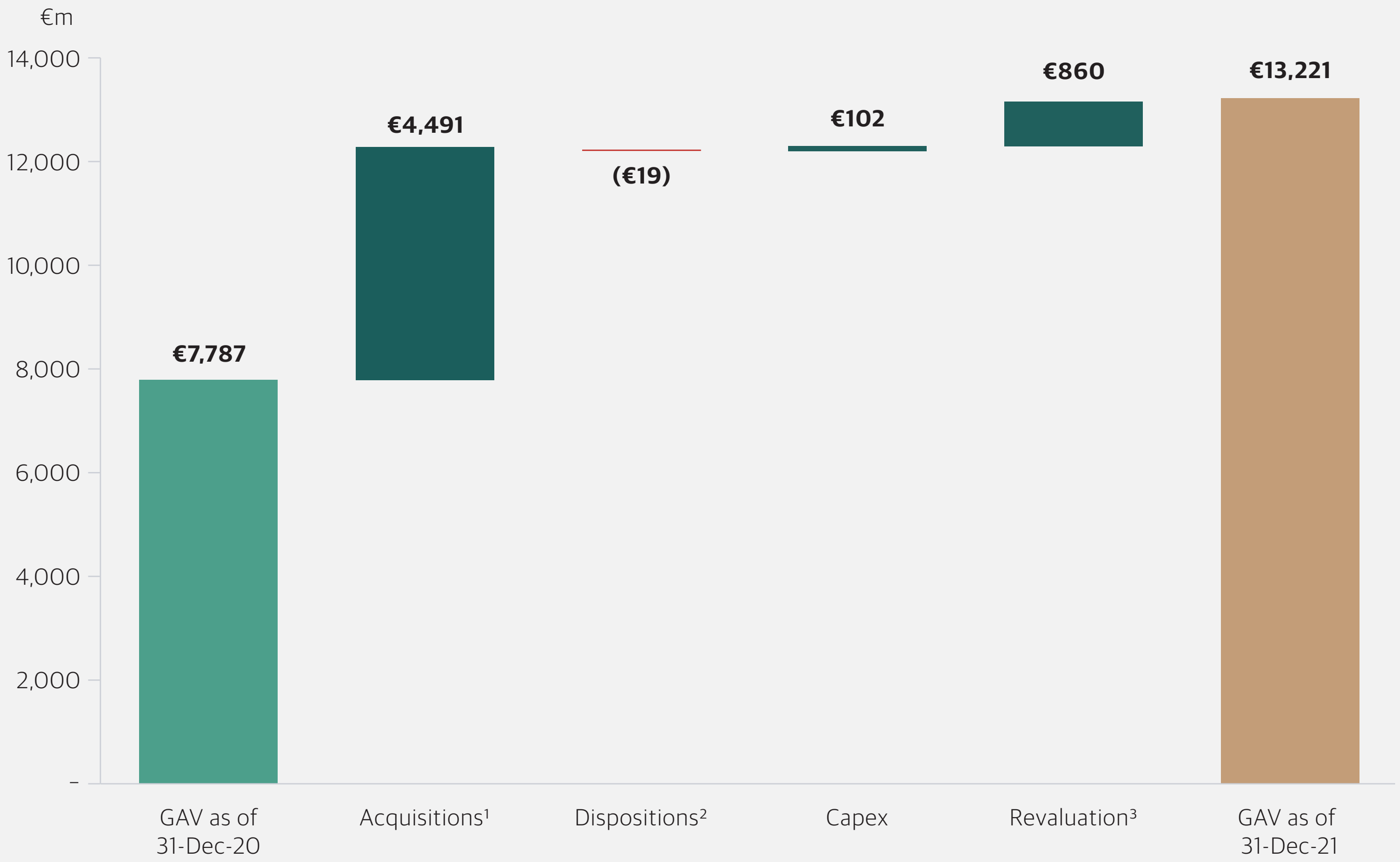


Portfolio Valuation

BPPEH's portfolio had a total value of €13.2 billion as of 31 December 2021, representing a weighted average NOI yield of 3.3%.

GAV Bridge

BPPEH's GAV increased by €5.4 billion during the year to €13.2 billion as of 31 December 2021. This increase was largely attributable to new acquisitions completed during the year. We invested approximately €102 million of capex into our portfolio during 2021, predominantly in our residential assets. The revaluation of €860 million represents a 6.9% increase on a like-for-like basis.



Note: "GAV" calculated at 100% share (including the portion attributable to minority owners). See Definitions on page 122.

1. Investment cost adjusted for any latent capital gains tax liability. Excludes transaction costs. Presented net of forward sale agreed in connection with the acquisition of logistics properties in the United Kingdom.
2. Reflects carrying value as of 31 December 2020. Presented net of forward sale agreed in connection with the acquisition of logistics properties in the United Kingdom.
3. Includes FX movements.

NOI Yields

BPPEH's portfolio had an NOI yield of 3.3% as of 31 December 2021. Overall, yields for our logistics and residential portfolios tightened, while our office yields remained stable during 2021. The yield compression in the logistics portfolio is largely attributable to the continuation of favourable operational and investment market trends in the European logistics sector. In our residential portfolio, the decrease in yield is attributable to strength in the Berlin and Dutch residential markets as well as newly acquired assets, which are 47% occupied at rents meaningfully below market. In Luxury Retail, rents are more than 50% below market, providing an opportunity to capture significant reversionary potential over time.

Note: "NOI Yield" calculated as Adjusted NOI divided by GAV. See Definitions on page 122.

1. Weighted average includes assets classified as Other.

Capital Structure

BPPEH has a robust capital structure, with primarily unsecured debt and a staggered maturity profile.

Overview

BPPEH employs a prudent financial policy, including a target LTV of 45–50%. As of 31 December 2021, BPPEH had €6.8 billion of primarily fixed rate debt outstanding at a weighted average interest rate of 1.5% and a weighted average maturity of 4.5 years.

Net debt totalled €6.2 billion, implying a net LTV of 47%. BPPEH has access to diversified debt financing sources and currently employs a mix of unsecured notes, bank facilities and limited secured debt. The bank facilities we have put in place enable us to continue our growth while accessing the bond markets in a disciplined manner. In addition, BPPEH has access to financing sources in multiple currencies and generally seeks to match-fund its investments.

BPPEH has a staggered debt maturity profile and a robust liquidity position with total available funds of €1,170 million as of 31 December 2021. This was comprised of €604 million of unrestricted cash and €566 million of availability under BPPEH's revolving credit facility.

As a wholly-owned indirect subsidiary of BPPE, Blackstone's open-ended European core+ real estate fund, BPPEH benefits from excellent access to new growth capital. The fund is supported by a strong institutional investor base and expects to continue to have regular closings going forward. Importantly, there is no legal obligation for BPPE to sell assets to meet any redemption requests. In addition, neither BPPE nor BPPEH have any pre-defined dividend commitments, providing further financial flexibility.

47%
net LTV

BBB (stable outlook)
S&P credit rating

1.5%
weighted average interest rate

4.5 Years
weighted average maturity

Debt Financing Sources

Unsecured Notes

BPPEH established an EMTN programme on 21 June 2018, and currently has €6.6 billion of unsecured notes[1] outstanding. BPPEH's unsecured notes have robust covenant requirements,[2] including:

- Total debt to total assets ≤ 60%
- Secured debt to total assets ≤ 40%
- Interest coverage ratio ≥ 1.5x
- Unencumbered assets to unsecured debt ≥ 150%

BPPEH was in compliance with all of its covenants as of 31 December 2021.

Acquisition Facilities

BPPEH generally finances acquisitions with borrowings under an acquisition facility at closing. As of 31 December 2021, BPPEH had €1.8 billion of soft commitments from a group of banks to provide unsecured term loans on new acquisitions at up to 50% loan-to-cost.

The acquisition facilities have an interest rate of Euribor + 1.40% and a maturity of three years without prepayment limitations.[3]

Acquisition facilities allow BPPEH the flexibility to close on investments quickly while maintaining a prudent capital structure. BPPEH intends to repay these facilities periodically with proceeds from additional issuances under its EMTN programme. The medium-term maturity of the acquisition facilities provides BPPEH the ability to access the bond markets in an orderly manner.

BPPEH did not have any borrowings outstanding under its acquisition facilities as of 31 December 2021.

Revolving Credit Facility

As of 31 December 2021, BPPEH had a €600 million revolving credit facility bearing an interest rate of Euribor + 1.00%.[4]

BPPEH had €34 million drawn under its revolving credit facility as of 31 December 2021.

Mortgage Loans

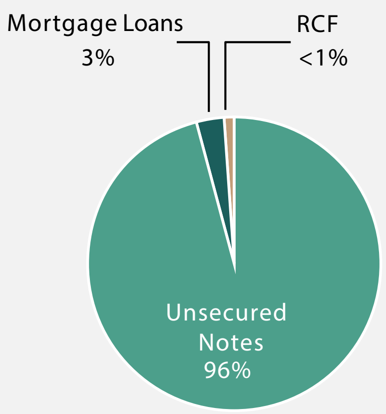
While BPPEH intends to primarily utilise unsecured debt going forward, there may be certain instances where we use mortgage financing. As of 31 December 2021, BPPEH had three mortgage loans outstanding, including a £130 million (€154 million) mortgage loan and two mortgage loans totalling €65 million, all of which were assumed as part of the acquisitions of the underlying properties. We intend to refinance these loans with unsecured notes upon, and selectively in advance of, their maturities.

1. Includes £800 million of GBP-denominated unsecured notes. GBP balances converted at 31 December 2021 spot rate.
2. BPPEH's acquisition and revolving credit facilities are subject to the same requirements.
3. Interest rate steps up to Euribor +1.65% in year 2 and Euribor + 1.90% in year 3. Euribor may be substituted by any other relevant interbank rate for non-Euro denominated draws.
4. Euribor may be substituted by any other relevant interbank rate for non-Euro denominated draws.

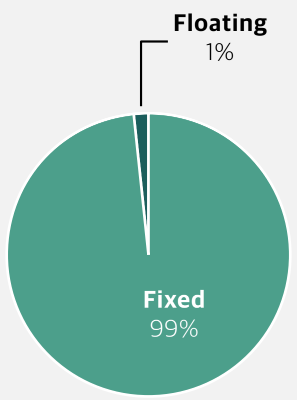
Debt Summary

As of 31 December 2021, BPPEH's debt consisted primarily of fixed rate unsecured notes.

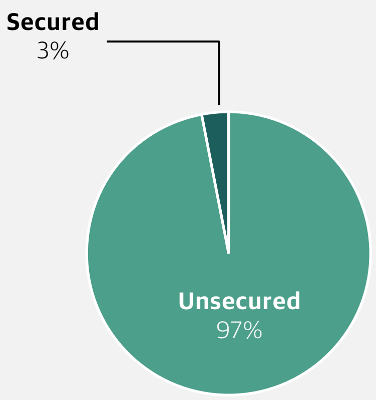
Debt by Type



Fixed vs. Floating

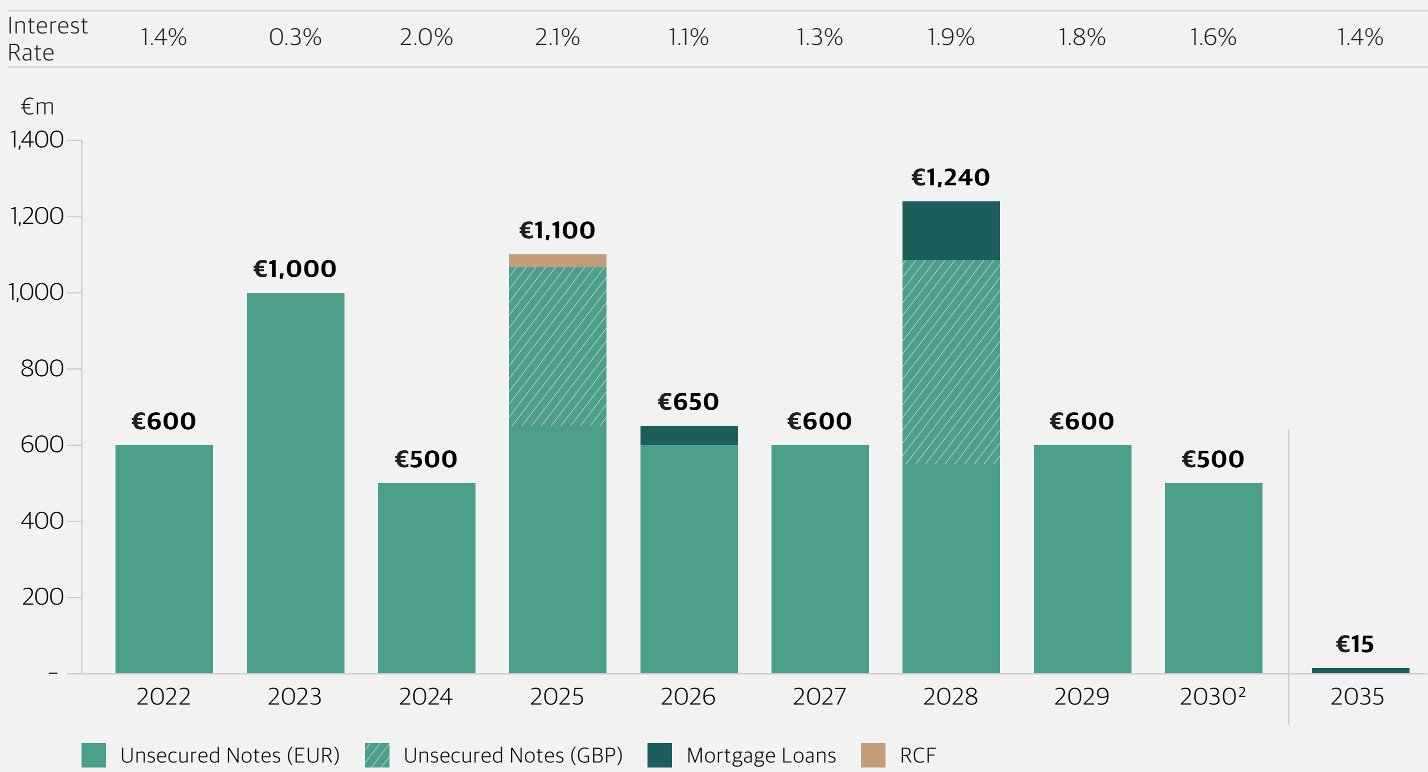


Secured vs. Unsecured



Debt Maturity Profile[1]

As of 31 December 2021, BPPEH's debt had a 4.5-year weighted average maturity and a 1.5% weighted average interest rate.



1. Debt maturity profile reflects fully extended maturity dates and excludes principal amortisation. Interest rate represents weighted average all-in interest rate.
2. Includes €500m of Green Bonds issued pursuant to BPPEH's Green Financing Framework.

Capital Structure Summary[1]

	As of 31-Dec-21			As of 31-Dec-20		
	€m	Interest Rate²	WAM³ (years)	€m	Interest Rate²	WAM³ (years)
Unsecured Notes	6,552	1.5%	4.4	3,450	1.5%	4.5
Acquisition Facilities	-	-	-	332	1.4%	3.0
Mortgage Loans	219	2.3%	6.9	145	2.6%	7.9
Revolving Credit Facility	34	1.0%	3.4	30	1.0%	4.4
Total Debt	**€6,805**	**1.5%**	**4.5**	**€3,957**	**1.6%**	**4.5**
Less: Cash	(614)			(276)		
Net Debt	**€6,190**			**€3,681**		
GAV	**€13,221**			**€7,787**		
Net LTV	**47%**			**47%**		
% Unsecured Debt	97%			96%		
% Fixed Rate Debt	99%			91%		
Available Liquidity	€1,170			€836		

Note: Totals may not sum due to rounding.
1. All debt balances are shown in EUR equivalents. GBP balances converted at 31 December 2021 spot rate.
2. Weighted average all-in interest rate.
3. Weighted average debt maturity.

Key Financial Metrics

KPIs[1]

Number of Assets	793
GLA	6.2m sqm
Occupancy	94%
WALL[2]	6 years
Below Market Rents	13%

Balance Sheet Highlights

	€m
GAV	13,221
Total Debt	6,805
Cash	614
Net Debt	6,190
LTV	47%

Profit & Loss Summary by Sector

€m	Net Turnover	(Net Operating Expenses)	(Straight Line Rent Adjustment)	NOI	(Other Expenses)	+ Straight Line Rent Adjustment	EBITDA
Logistics	**257.0**	(7.4)	(7.2)	**242.4**	(30.0)	7.2	**219.6**
Office	**54.5**	(5.4)	(3.6)	**45.5**	(8.0)	3.6	**41.1**
Residential	**51.9**	(13.2)	–	**38.7**	(19.0)	–	**19.7**
Luxury Retail	**2.3**	(0.5)	–	**1.8**	(0.2)	–	**1.6**
Other	**0.7**	(0.4)	–	**0.3**	–	–	**0.3**
Total	**366.4**	**(26.9)**	**(10.8)**	**328.7**	**(57.2)**	**10.8**	**282.3**

Profit & Loss Summary by Country

€m	Net Turnover	(Net Operating Expenses)	(Straight Line Rent Adjustment)	NOI	(Other Expenses)	+ Straight Line Rent Adjustment	EBITDA
Germany	**93.2**	(10.4)	(1.1)	**81.7**	(19.1)	1.1	**63.7**
United Kingdom	**63.6**	(1.5)	(5.8)	**56.3**	(9.3)	5.8	**52.8**
France	**61.5**	(2.7)	1.5	**60.3**	(7.3)	(1.5)	**51.5**
Sweden	**30.5**	(2.4)	(0.2)	**27.9**	(4.4)	0.2	**23.7**
Netherlands	**29.7**	(5.2)	(0.8)	**23.7**	(6.0)	0.8	**18.5**
Italy	**24.8**	(5.3)	(4.2)	**15.3**	(3.2)	4.2	**16.3**
Spain	**15.3**	2.2	(0.8)	**16.7**	(1.6)	0.8	**15.9**
Denmark	**15.9**	0.3	(0.3)	**15.9**	(2.0)	0.3	**14.2**
Poland	**14.2**	(0.7)	0.8	**14.3**	(1.7)	(0.8)	**11.8**
Ireland	**10.9**	(1.1)	–	**9.8**	(1.6)	–	**8.2**
Norway	**2.4**	–	–	**2.4**	(0.5)	–	**1.9**
Switzerland	**2.1**	–	–	**2.1**	(0.2)	–	**1.9**
Finland	**1.8**	–	–	**1.8**	(0.2)	–	**1.6**
Greece	**0.5**	(0.1)	0.1	**0.5**	(0.1)	(0.1)	**0.3**
Total	**366.4**	**(26.9)**	**(10.8)**	**328.7**	**(57.2)**	**10.8**	**282.3**

Note: Totals may not sum due to rounding. KPIs and balance sheet data as of 31 December 2021. Profit & loss data for the year ended 31 December 2021. See Definitions on page 122. Luxembourg GAAP Disclosure: During 2021, BPPEH did not carry out any research and development, buy back any of its own shares, or have any branches.

1. Excludes forward funded assets.
2. Excludes residential assets.

Subsequent Events

Since 31 December 2021, BPPEH has acquired a further 19% in the trophy Milan city centre portfolio, bringing ownership to nearly 100%. BPPEH has also acquired a logistics asset in the United Kingdom for a gross purchase price of £143 million (approximately €170 million). The last mile logistics park comprises 499k sqf and is well-located on the M25, London's main ring road. The asset is 100% leased on a 10-year WALL to the United Kingdom's largest retailer of carpets, flooring and beds. BPPEH also acquired a logistics asset in Sweden for a gross purchase price of SEK235 million (approximately €23 million) as well as a prime logistics asset in the Netherlands for a gross purchase price of €17 million. As part of the UK residential aggregation strategy, BPPEH has made further commitments of £34 million (approximately €41 million) in respect of 110 additional residential units. In addition, BPPEH has also sold three non-core logistics assets for €142 million.

Prior to year-end 2021, BPPEH signed an agreement to acquire a 19-unit logistics park in the United Kingdom for a gross purchase price of £119 million (approximately €142 million). Closing on this transaction is expected to occur in Q2 2022. BPPEH also signed an agreement to acquire the remaining minority stake in one of the office assets in Central Dublin, Ireland for €70 million. This transaction is expected to close in Q4 2022.

Blackstone Environmental, Social and Governance (ESG) Policy

Blackstone believes that Environmental, Social and Governance (ESG) principles are crucial to developing resilient companies and assets that deliver long-term value for our investors. We are committed to integrating ESG into our investment process and operating philosophy.

This ESG Policy outlines our firm-wide approach to integrating ESG in our business and investment activities. Certain of our business units maintain their own individual ESG policies, which are aligned with this policy and reflect the unique factors applicable to their respective investment strategies.

ESG at Blackstone

Blackstone is committed to integrating ESG factors throughout its own corporate operations and we focus on matters that are meaningful to our employees and investors. We seek to lead by example and apply our insights to drive change across our portfolio, including by:

- Measuring and reducing GHG emissions resulting from our business operations and increasing the use of clean energy across our corporate offices
- Recruiting and fostering diverse talent through active affinity networks such as the Women's Initiative, Diverse Professionals Network, Veterans Network and OUT Blackstone that are dedicated to hiring, retaining and raising awareness of diverse groups through speaker series, networking events, service opportunities and mentoring relationships
- Driving social change in communities where we operate by providing opportunities for the people in those communities through the Blackstone Charitable Foundation in collaboration with our nonprofit and educational partners
- Training applicable full-time employees and certain other temporary personnel, consultants and advisers through Annual Compliance Training, which includes topics such as data protection and privacy, our Code of Ethics and fiduciary duties / conflicts of interest among others, in addition to an initial training during their onboarding
- Engaging the entire firm annually through our cybersecurity awareness programme to educate our employee population to recognise suspicious activities and report them for investigation

ESG Integration in the Investment Process

The integration of material ESG factors[1] into our investment decisions and ownership is an important part of fulfilling our mission to create strong returns for our investors.

Based on our experience, we think that consideration of ESG factors not only enhances our assessment of risk—it helps us identify opportunities for transformation and value creation. We believe that our ESG programme can strengthen companies, drive value, enhance returns and help to create better outcomes for people and communities.

As applicable and material to any given investment, the ESG factors that may be incorporated into our investment evaluation and monitoring processes include, but are not limited to, the following:

Environmental Considerations	Social Considerations	Governance Considerations
Greenhouse gas emissions	Diversity, equity, and inclusion (including anti-discrimination)	Corporate governance and oversight
Air pollution	Human rights and modern slavery	Risk management
Waste management (including land and water impact)	Employee health and safety	Conflicts of interest
Energy management and efficiency	Labour relations and practices	Transparency (including financial and operational reporting)
Land use	Customer privacy and security	Fraud, anti-bribery and anti-corruption controls
Climate risk	Product quality and safety	

ESG expertise is embedded across Blackstone, with domain experts sitting within our business units, Asset Management teams and corporate functions. We strive for a highly coordinated approach, knitting our efforts together through a dedicated corporate ESG team that looks to apply best practices, champion firm-wide initiatives and regularly report to stakeholders where applicable.

Pre-investment

We consider ESG factors a key part of evaluating new portfolio companies, investments and businesses (collectively, Portfolio Companies). By considering applicable ESG factors in the investment process, we aim to identify and address material investment risks and drive value.

For majority and minority investments, as the firm deems appropriate, our team engages external counsel or other advisors to assist in conducting ESG due diligence. Our Investment Committees are apprised of material ESG findings where applicable.[2]

ESG Monitoring and Engagement

Post-investment

Post-investment, we generally use an annual ESG survey and data collection process to monitor certain participating Portfolio Companies. Participation in our survey and data collection is expected for companies where we hold significant influence.[3] In addition, Portfolio Companies that are in scope of our Emissions Reduction Programme (as described below) are expected to track utility spend in our centralised utility management system. We use this data to calculate annual greenhouse gas (GHG) emissions, allowing us to measure progress and focus our efforts on the largest opportunities for achieving reductions within our portfolio. We also encourage Portfolio Companies to report to their respective boards regarding ESG on a regular basis, with respect to priority ESG topics that they deem to be material to their business.

1. For the purposes of this ESG Policy, "material" ESG factors are defined as those factors that the firm determines have – or have the potential to have – a material impact on an investment's going-forward ability to create, preserve or erode economic value, including as related to environmental and social value, for that organisation and its stakeholders. The word "material" as used herein should not be equated to or taken as a representation about the "materiality" of such ESG factors under the US federal securities laws or any similar legal or regulatory regime globally.
2. ESG due diligence will vary based on (i) the nature of Blackstone's investment, (ii) the transaction process and timeline, (iii) the level of access to information, specifically as it pertains to ESG factors, and (iv) the target investment's sector or business model.
3. Significant influence is generally deemed to exist where there is ownership of more than 20% of the company's common equity. Data collection is conducted with respect to Portfolio Companies of Blackstone business units including Private Equity, Tactical Opportunities, Growth, Infrastructure, Real Estate, Blackstone Credit, and BAAM (BSCH only).

Portfolio Company Engagement

Our Portfolio Operations Group and Asset Management teams seek to partner with participating Portfolio Companies. We help them implement best practices through offering tools, training and expertise; manage material ESG factors; implement Blackstone-specific initiatives; and measure progress. We also have firm-wide programmes in which in-scope Portfolio Companies acquired after January 1, 2021 are expected to participate, including:

- Our target to reduce carbon emissions of new Portfolio Companies where we control energy usage by 15% in aggregate within three years of ownership (the Emissions Reduction Programme); and
- Our target of one-third (1/3) diverse representation on controlled Portfolio Company boards located in the U.S. and Europe.

As owners and operators, we seek to encourage and implement appropriate governance structures, policies, controls and processes at our Portfolio Companies to strengthen them and thereby enhance returns.

For Portfolio Companies that are not controlled or otherwise not in scope, we seek to encourage participation in our firm-wide ESG programmes, offering resources and expertise to support implementation and improvements.

Focus Areas

Across our corporate and investment activities, we have identified priority ESG topics that we believe can most affect our ability to build strong companies of enduring value.

Climate Change Mitigation, Resiliency, and Adaptation

We recognise that climate change is a systemic issue, affecting all sectors and geographies. Our goal is to partner with Portfolio Companies across sectors to help them reduce carbon emissions through our Emissions Reduction Programme – a commitment that is guided by climate science. We also see energy transition as an important investment theme. Finally, over time we intend to assess physical and transition risks to Portfolio Companies from climate change, and develop resiliency responses to these risks, where applicable, as part of our investment process.

Diversity, Equity, and Inclusion (DEI)

We are highly focused on driving diversity, equity and inclusion within Blackstone and across our portfolio, as demonstrated by our one-third board diversity target across controlled Portfolio Companies acquired after January 1, 2021 located in the US and Europe. Moreover, we are working to foster employment opportunities and career mobility for diverse and historically underrepresented talent at our Portfolio Companies through our Career Pathways pilot programme. We are also committed to hiring veterans and their spouses and caregivers across Blackstone and our Portfolio Companies.

Good Governance

We believe that good corporate governance is essential for financially sound companies. We support our Portfolio Companies at various stages of their life cycles to implement good governance spanning board governance to controls. Specifically, we prioritise an experienced, active and engaged board of directors with the skill to properly oversee and direct management and encourage protocols to enhance transparency and good governance. Further, we provide governance training to our professionals serving on Portfolio Company boards and recommend Portfolio Companies provide regular board reporting on their ESG programme.

Stewardship

We regularly engage with our limited partners, investors, stakeholders and industry on ESG matters. As applicable, ESG matters are discussed at Blackstone's quarterly board meetings, at annual investor meetings for our business groups, and annual Limited Partner Advisory Committee (LPAC) meetings. Blackstone is a member of Ceres Investor Network, Business for Social Responsibility (BSR), the Global Impact Investing Network (GIIN), the 30% Coalition, the Sustainable Markets Initiative, a signatory of the Principles for Responsible Investment (PRI) and the UK Walker Principles, helped craft the American Investment Council (AIC) Guidelines for Responsible Investment for our industry and participates in group-sponsored initiatives that align with our ESG Focus Areas (Climate Change, DEI and Good Governance). Blackstone's membership in these institutions contributes to informing its consideration of material ESG factors throughout the investment process.

Reporting

We are committed to being transparent with our investors, shareholders and other stakeholders about Blackstone's ESG initiatives, successes and goals. Our ESG report provides updates regarding our ESG programme firm-wide on an annual basis, and we provide periodic ESG updates on our website. We value regular, frequent engagement with our stakeholders on ESG matters.

Roles and Responsibilities

Blackstone's Chairman/CEO and President/COO have ultimate responsibility for overseeing the Blackstone's ESG Policy. The corporate ESG team coordinates initiatives across the firm to maintain consistency in approach. The Legal & Compliance teams of Blackstone's respective business units, along with Heads of ESG, are responsible for supporting and ensuring compliance with additional ESG policies and related standards and overseeing their annual review. The corporate ESG team also monitors changes or updates to industry trends, policy and regulations and provides specialised expertise to the business units as needed.

Blackstone's Global ESG Steering Committee, which consists of professionals from across the firm's business units and corporate groups, advises on ESG matters across Blackstone. We have regional steering committees in Europe and Asia, which regularly report to the Global ESG Steering Committee.

Blackstone has dedicated Heads of ESG for our reporting segments, who work with Blackstone's investment and Asset Management teams to integrate the consideration of material ESG factors throughout the investment lifecycle. The Portfolio Operations and Asset Management teams are responsible for operationalising key ESG programmes across Portfolio Companies.

Scope

This ESG Policy applies to Blackstone's investments and business units and is reviewed annually to reflect changes to the business. We have separate ESG policies for certain of our business units, as well as specific ESG frameworks and approaches, which consider the material ESG factors according to each industry, geography, asset class and investment horizon. Blackstone's ability to influence and exercise control over ESG matters with respect to the companies in which its business units invest will vary depending on the asset class, investment structure and contractual rights. In cases where Blackstone determines it has limited ability to conduct diligence or to influence and control the consideration of ESG issues in connection with an investment, Blackstone will only apply those elements of this ESG Policy and the foregoing approaches that it determines to be practicable in light of the underlying facts and circumstances. Examples of such cases may include where Blackstone is a minority shareholder and has limited governance rights or other circumstances where Blackstone is a minority shareholder and has limited ability to assess, set or monitor ESG-related performance.

This ESG Policy was last updated in January 2022 and is subject to change as the firm considers necessary or advisable. This policy is intended to be reviewed approximately annually. Further, this policy shall supersede and replace Blackstone's September 2019 Responsible Investing Policy and shall apply on a going forward basis, subject to the limitations discussed herein, to the firm's existing and future investments.

Blackstone Real Estate ESG Framework

We believe that having a comprehensive ESG programme can drive value and enhance returns. Our Real Estate ESG Framework (the "Framework") outlines our ESG Pillars, reflecting current and relevant ESG topics, as well as our expectations for integration and management of ESG across our portfolio. The Framework aligns with global ESG reporting standards, such as GRESB, and guides our ESG engagement with our portfolio companies and operating partners. We believe Blackstone Real Estate is well positioned to leverage our scale and experience to make a positive impact while creating long-term value for our stakeholders.

Environmental

Delivering resource management and emissions reduction strategies to enhance value

Sustainable Operations

- Resource Management
- Benchmarks & Performance Targets
- Green Leases
- Certifications, Labels & Ratings

Climate Resiliency

- Transition to a Low-Carbon Economy
- Climate Risk & Opportunity
- Biodiversity

Social

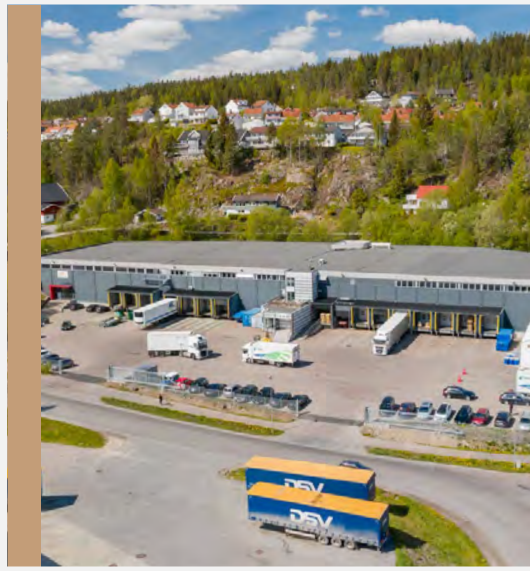
Investing in our people and communities creates lasting value

Diversity, Equity and Inclusion

- Recruit Diverse Talent
- Employee Engagement & Retention
- Career Development
- Board Diversity
- Supplier Diversity

Stakeholder Engagement

- Investors
- Tenants & Residents
- Employees
- Communities



Governance

Ensuring robust oversight of ESG practices and enhancing ESG reporting

Management and Compliance

- ESG Ownership & Accountability
- Comprehensive ESG Policies & Procedures
- Regulatory Compliance

Transparency and Reporting

- Transparent Reporting
- Ownership, Accountability & Accuracy
- Data Management

Industry Engagement

Blackstone partners with industry leading organisations to further engage on ESG integration.

GRESB Real Estate
Ceres
PRI Principles for Responsible Investment
TCFD Task Force on Climate-Related Financial Disclosures
Sustainalytics
SASB
Rocky Mountain Institute
Invest Europe
RepRisk ESG data science and quantitative solutions
BSR
BBP Better Buildings Partnership
American Investment Council

BPPEH ESG Programme

Blackstone — and by extension, BPPEH — are committed to being responsible investors. BPPEH seeks to incorporate the principles of Blackstone's ESG programme into the way we operate the business. We have progressed a number of ESG activities across the portfolio over the past year, including adoption of Schneider Electric to facilitate enhanced data collection, initiation of pilot photovoltaic (PV) projects and participation in GRESB for the second time. We look forward to advancing these and other initiatives in the year ahead.

Environmental

- Progressing our 15% carbon emission reduction target across new investments[1]
- Implementing green clauses in new commercial leases to facilitate sustainability initiatives[2]
- Providing best practices to scale solar panel installations across the portfolio
- Partnering with Schneider Electric, an energy solutions provider, to enhance monitoring of utility consumption and expenditure

Social

- Mandated one-third diverse representation on boards for new portfolio companies[3]
- Implementing Housing Principles to provide best possible resident experience
- Established a Diversity, Equity and Inclusion Community for European portfolio companies[4]

Governance

- Fully integrated and dedicated global Real Estate ESG team provides subject matter expertise
- Appointing dedicated ESG leads at portfolio companies
- Incorporated ESG factors into personnel performance targets
- Regular portfolio company board reporting on ESG to track progress and highlight key initiatives

Key Blackstone ESG Goals

15%
carbon emissions reduction across new investments[1]

1/3
target for diverse representation on controlled portfolio company boards[3]

Select BPPEH ESG Goals

100%
Green Building Certifications for all office properties[5]

100%
adoption of Schneider Electric systems, increasing energy usage tracking and efficiency

Note: While Blackstone believes ESG factors can enhance long-term value, BPPEH does not pursue an ESG-based investment strategy or limit its investments to those that meet specific ESG criteria or standards. Any reference herein to environmental or social considerations is not intended to qualify our duty to maximise risk-adjusted returns.

1. Applicable where Blackstone controls energy usage. Target carbon emissions reduction within first three years of ownership for investments acquired beginning in 2021. Applies to Scope 1 and 2 carbon emissions and includes implementing energy efficiency initiatives, using renewable energy and leveraging carbon offsets, where needed. Excludes assets under development.
2. Green lease clause requirements were mandated in Q4 2020. Applicable to investments where Blackstone has majority control. Green clauses will be implemented on a rolling basis.
3. Blackstone target applicable to new control investments in the U.S. and Europe, beginning 2021. Applicable to real estate portfolio companies with external boards.
4. Beginning Q4 2021 this group meets quarterly to share best practices.
5. BPPEH will aim to obtain certifications within two years of acquisition.

Integrating ESG across all platforms

100%
of Portfolio Companies are developing a three-year ESG strategy[1]

Dedicated ESG resources

7
dedicated ESG professionals[2] in place and working on advancing ESG initiatives

On the path to certify all office properties

88%
of the BPPEH office portfolio obtained Green Building Certifications, a 14 percentage point increase from last year[3]

Enhancing energy efficiency

7/10
of energy labels obtained are E or above[4]

Aspiring to build a robust PV platform

11 MW
of on-site installed energy capacity and 4 MW of renewable energy pipeline of on-site PV projects, equivalent to powering over 2k+ homes per year[5]

1. Portfolio companies and Blackstone Real Estate Asset Management and ESG teams meet at least semi-annually to review programme initiatives and progress.
2. Includes two Blackstone employees, one Revantage Europe employee and four portfolio company employees.
3. By GAV.
4. Across all BPPEH properties where information is available.
5. Reflects estimated average number of U.S. homes powered by solar, assuming 1 MW powers 190 homes. SEIA.org.

Carbon Footprint

BPPEH supports the transition to a low carbon economy to maximise value across our portfolio. We seek to understand and reduce our carbon footprint across scope 1 (direct emissions), scope 2 (purchased energy) and scope 3 (non-BPPEH controlled energy consumption, e.g., tenant spaces) emissions.[1]

We have calculated the carbon footprint of BPPEH to support the analysis of longer-term emissions reduction opportunities. Our carbon footprint has been independently assured following the International Standard on Assurance Engagements (ISAE) 3000.

Scope	GHG Emissions ($MTCO_2e$)[2]
Scope 1	1,524
Scope 2	5,996
Scope 3	96,422
Total	**103,942**

1. BPPEH Scope 1 and 2 emissions represent onsite and purchased energy in Blackstone-controlled common areas while scope 3 emissions represent energy consumed in tenant spaces as well as properties where BPPEH has a minority interest and cannot claim operational control. The sources of our emissions include electricity, natural gas and steam. BPPEH carbon footprint excludes refrigerant emissions and operations of the Fund.
2. Metric tons of carbon dioxide equivalent. Emissions calculation for the Fund uses the methodology outlined in the Fifth Assessment Report (AR5) of the United Nations Intergovernmental Panel on Climate Change (IPCC). Reflects location-based GHG emissions for the 2020 calendar year. 62% of emissions are estimated.

Industry Participation

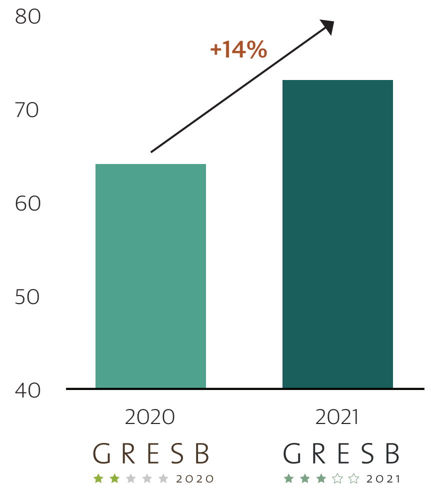
BPPEH continues to engage with recognised leaders in the industry to better understand, benchmark and communicate with investors the ESG profile of its portfolio.

GRESB

Global Real Estate Sustainability Benchmark

BPPEH participated in the GRESB assessment for the second time in 2021, underscoring our commitment to continuous ESG progress and driving value for investors.

In 2021, BPPEH achieved an overall score of 73, representing a 14% improvement over 2020 and earning it a 3-star GRESB rating.



SUSTAINALYTICS

Second Party Opinion provided on BPPEH's Green Financing Framework[1]

BPPEH is recognised as a Nasdaq ESG Transparency Partner, reflecting our engagement in market transparency and in raising environmental standards

Schneider Electric

Partnering to enhance the monitoring of our utility consumption and monitor spend

1. Sustainalytics, a provider of environmental, social and governance (ESG) research and analysis, evaluated Blackstone Property Partners Europe Holdings S.à r.l.'s Green Financing Framework (the "Framework") and the alignment thereof with relevant market standards and provided views on the robustness and credibility of the Framework which views are intended to inform investors in general, and not for a specific investor.

ESG Accomplishment Spotlights

BPPEH progressed a number of ESG initiatives across its portfolio over the course of 2021. We are pleased to share several highlights from the past year and we look forward to continuing these and other initiatives in the year ahead.

Logistics

Logistics, which is a key sector exposure for BPPEH, continues to be a focus of our ESG initiatives, including progress towards the next phase of our PV programme

- Additional 4 MW of on-site PV capacity is anticipated to come online within 18 months
- During the year, BPPEH improved the BREEAM certification of an asset in the Netherlands from Good to Very Good

11 MW

of on-site installed solar capacity and 4 MW of renewable energy pipeline of on-site PV projects, equivalent to powering over 2k+ homes per year[1]

100%

planned adoption of Schneider Electric systems, increasing energy usage tracking and efficiency

Case Study: LED Lighting Pilot Programme

In 2021, we launched an LED lighting pilot programme across a select group of properties in our logistics portfolio

- Programme anticipated to result in a total energy savings of over €900k
- 25 properties are currently under evaluation for installation with a target completion by the end of 2022
- Used e-bidding process to maximise cost efficiency across the programme

1. Reflects estimated average number of U.S. homes powered by solar, assuming 1 MW powers 190 homes. SEIA.org.

Office

88% of our office portfolio have obtained Green Building Certifications[1], and we continue to work towards the full certification of our office portfolio through our active asset management initiatives and targeted capex programmes

- During 2021, BPPEH improved the BREEAM ratings of two Milan office assets, bringing Amedeo from Very Good to Excellent and Scarsellini from Good to Very Good
- At Scarsellini, one of our Milan office assets, a 72-panel PV system helps to save 10 tonnes of CO_2 per year

88%

of portfolio currently obtained Green Building Certifications[1]

100%

target Green Building Certifications for office portfolio[2]

Case Study: Avenida Diagonal Office Renovation

- BPPEH implemented an extensive capex programme at our office asset on Avenida Diagonal in Barcelona, including the installation of improved HVAC systems and LED lighting throughout the property
- Obtained LEED Gold Certification
- Obtained EPC Energy Label A

Residential

We continue to focus on advancing various ESG initiatives across our residential portfolio

- In Germany, we launched our inaugural tenant survey of our residential tenants. In the Netherlands, we continue to actively engage with our tenants
- In the Netherlands, we published a tenant guide with information on sustainability topics such as waste management and energy savings; we also launched a tenant app designed to improve communication with tenants and enhance service
- 59% of the Dutch and 69% of the German residential portfolios have an energy label rating of E and above, a certification level in line with anticipated legislative requirements

100%

of portfolio engaging with tenants

17%

of the Dutch residential portfolio has achieved an A or B energy label rating

Case Study: German Residential Sustainability Programmes

Across our German residential portfolio, during 2021 we have implemented enhanced ESG initiatives, with a focus on water management and tenant engagement

- Implemented digitised water drinking systems across 48 properties covering a total of over 1,900 units, resulting in an increase in the longevity of drinking water systems as well as more hygienic systems
- All units were transitioned to wireless energy meters during 2021, resulting in increased access to data with no disruption to the resident experience

1. By GAV.
2. BPPEH will aim to obtain certifications within two years of acquisition.

BPPEH Green Bond Use of Proceeds Report

In October 2021, BPPEH issued an inaugural €500 million Green Bond, which was fully allocated to nine Eligible Green Investments in accordance with its Green Financing Framework. Further details on the allocation are included in this Use of Proceeds Report.

Green Financing Framework Overview

Use of Proceeds

- Eligible categories for Use of Proceeds are aligned with those recognised by the Green Bond Principles 2018 and the Green Loan Principles 2021
- Sustainalytics considers that the eligible categories will lead to positive environmental impacts and advance the United Nations Sustainable Development Goals ("UN SDGs"), specifically SDG 7, 9 and 11

Process for Project Evaluation and Selection

- Eligible projects will be evaluated and selected by a Green Finance Committee made up of senior management representatives and professionals of BPPEH across business units and disciplines
- The Committee will meet at least quarterly, and additionally as required

Management of Proceeds

- Net proceeds to eligible projects will be made under the supervision of the Green Finance Committee; proceeds will be tracked on a portfolio basis
- Pending allocation, all or a portion of the net proceeds may be used for the payment of outstanding indebtedness or other capital management activities

Reporting

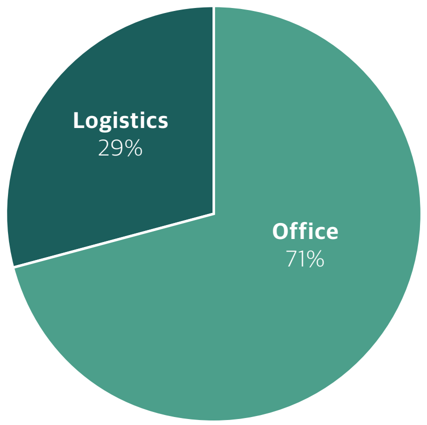
- Reporting on the allocation of net proceeds will be done on an annual basis until full allocation or while financing instruments remain outstanding
- To the extent practicable, we will report on relevant impact metrics such as green building certification level, renewable energy installed capacity and annual energy savings

SUSTAINALYTICS SECOND-PARTY OPINION

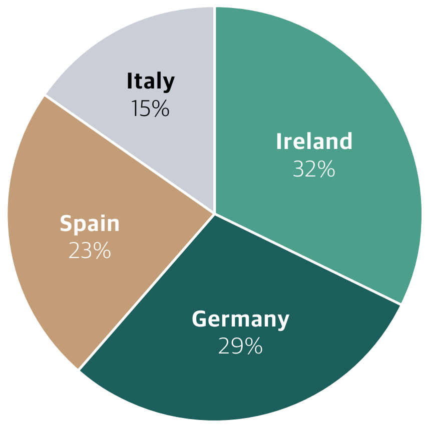
Sustainalytics issued a positive Second Party Opinion, stating that BPPEH's Green Financing Framework "is credible and impactful and aligns with the four core components of the Green Bond Principles 2018."

Allocation of Green Bond Proceeds[1]

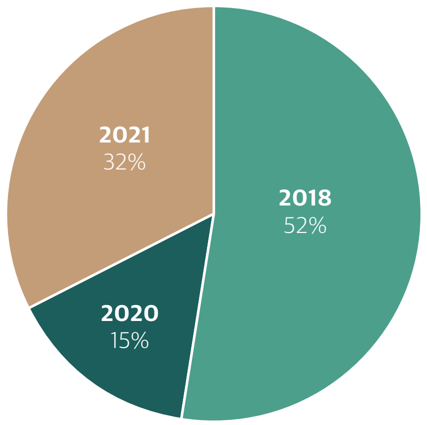
Allocation of Proceeds by Sector



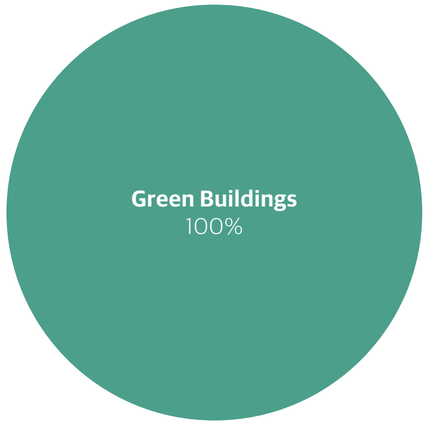
Allocation of Proceeds by Geography



Allocation of Proceeds by Year of Asset Acquisition



Allocation of Proceeds by Category



Green Bond Allocation Highlights

Avenida Diagonal
Barcelona, Spain: 28k sqm

- Achieved LEED Gold
- Obtained EPC energy label A
- Enhanced HVAC systems
- LED lighting
- Low water consumption features and green walls

Burlington Plaza
Dublin, Ireland: 22k sqm

- Achieved BREEAM Very Good
- LED lighting
- Improvements to HVAC and mechanical systems

Scarsellini
Milan, Italy: 18k sqm

- Achieved BREEAM Very Good from previous BREEAM Good
- Achieved LEED Gold
- Powered by PV systems

1. By net green bond proceeds.

Allocation of 1.625% Green Notes Due 2030

Property	Sector	Country	Acquisition Year	Green Building Certification	Use of Proceeds Category
Burlington Plaza	Office	Ireland	2021	BREEAM Very Good	Green Buildings
Three Building	Office	Ireland	2021	BREEAM Very Good	Green Buildings
Amedeo	Office	Italy	2020	BREEAM Excellent & LEED Gold	Green Buildings
Scarsellini	Office	Italy	2020	BREEAM Very Good	Green Buildings
Duisburg	Logistics	Germany	2018	DGNB Gold	Green Buildings
Huckelhoven	Logistics	Germany	2018	DGNB Gold	Green Buildings
Avenida Diagonal	Office	Spain	2018	LEED Gold	Green Buildings
Hamm	Logistics	Germany	2018	DGNB Gold	Green Buildings
Schwabisch Gmund	Logistics	Germany	2018	DGNB Gold	Green Buildings
Net Green Bond Proceeds		**€497,180,000**			
Allocated Green Bond Proceeds		**€497,180,000**			
Allocation %		**100%**			

Alignment with United Nations Sustainable Development Goals

SUSTAINABLE DEVELOPMENT GOALS

7 AFFORDABLE AND CLEAN ENERGY

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

INDEPENDENT LIMITED ASSURANCE REPORT (ISAE 3000 (Revised))

To the Board of Managers of
Blackstone Property Partners Europe Holdings S.à r.l.
(the "Company" or "Engaging Party")
2-4, Rue Eugene Ruppert
L- 2453 Luxembourg

You have requested that we conduct a limited assurance engagement as to whether the net proceeds related to the Green Bonds issued on 20 October 2021 – ISIN XS2398746144 denominated EUR 500,000,000 1.625 PER CENT GUARANTEED GREEN NOTES DUE 2030 ("Green Bond") have been allocated to eligible green investments in line with the eligibility criteria defined by the Company's Green Financing Framework ("the criteria") and as presented in the Report on the Use of Proceeds ("subject matter information") prepared by Blackstone Property Partners Europe Holdings S.à r.l.

The Company's Green Financing Framework follows the International Capital Market Association ("ICMA") Green Bond principles 2018 and the Loan Market Association ("LMA") Green Loan Principles 2021.

Limited assurance is a lower level of assurance and it is not a guarantee that an assurance engagement conducted in accordance with International Standard on Assurance Engagements (ISAEs) will always detect a material misstatement when it exists.

RESPONSIBILITIES OF THE ENGAGING PARTY

Management of Blackstone Property Partners Europe Holdings S.à r.l. is responsible for the preparation, content and presentation of the Company's Report on the Use of Proceeds in accordance with ICMA Green Bond Principle 2018 and the Loan Market Association ("LMA") Green Loan Principles 2021 and the Company's Green Financing Framework.

The Engaging party is responsible for:

- Adhering to the green project eligibility criteria in the Company's Green Financing Framework and the ICMA Green Bond Principles 2018 and LMA Green Loan Principles 2021 to evaluate, select and fund eligible green projects;
- Applying and updating (as relevant) the policies and procedures to track the investment process, expenditure and other costs covered by the Green Bond's proceeds;
- Allocating the Green Bond proceeds, tracking the investments, expenditure and other costs allocated; managing the unallocated proceeds;
- Establishing appropriate risk management, systems, processes and internal controls for the collection, processing and accuracy of the quantitative disclosures included in the Company's Report on the Use of Proceeds to avoid material misstatement due to fraud or error;
- To the extent practicable, assess and monitor the environmental benefits of the projects to which Green Bond proceeds have been allocated;
- Release the Report on the Use of Proceeds free of material misstatements presenting the use of proceeds and the environmental benefit of the green projects funded by the Green Bond.

RESPONSIBILITIES OF THE *REVISEUR D'ENTREPRISES AGREE*

Our engagement has been conducted in accordance with the International Standard on Assurance Engagements 3000 (Revised) applicable to Assurance Engagements Other Than Audits or Reviews of Historical Financial Information (ISAE 3000 (Revised)) established by the International Auditing and Assurance Standards Board ("IAASB") of the international Federation of Accountants (IFAC). In accordance with this standard we have planned and performed our engagement to obtain a limited assurance regarding the subject matter of the engagement.

We applied International Standard on Quality Control 1, Quality control for firms that perform audits and review of historical financial information, and other assurance and related services engagements ("ISQC1"), as adopted for the audit profession in Luxembourg by the *Commission de Surveillance du Secteur Financier*, and accordingly maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We complied with the applicable independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, as adopted for the audit profession in Luxembourg by the *Commission de Surveillance du Secteur Financier* ("the Code"). The Code is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behaviour.

SUMMARY OF WORK PERFORMED

The procedures that we have carried out are based on our professional judgement and have included consultation, observation of processes, document inspection, analytical procedures and random sampling tests.

We intended to perform the following assurance procedures amongst others:

- Obtain an understanding of the Company's policies and procedures to track investment process, expenditure and other costs covered by the Green Bond's proceeds.
- Perform interviews with relevant personnel in charge of the tracking process, data management, green projects evaluation and selection as well as personnel in charge of related controls.
- Procedures to assess the data collection, the reporting processes and reliability of reported data via sample testing.
- Review the consistency of eligible categories declared by the Company's Green Financing Framework with the information disclosed in the Company's Report on the Use of Proceeds.
- Review the description of the financed projects and related selected supporting documents for the matter of eligibility in relation to the Company's Green Financing Framework criteria.
- Review and assess that monitoring and reporting are regularly performed as required by the standard applied by the Company (ICMA Green Bond Principles 2018 and LMA Green Loan Principles 2021).

In a limited assurance engagement, the procedures performed vary in nature and timing from, and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement.

The procedures performed do not constitute an audit according to the International Standards on Auditing as adopted by the Luxembourg by the *Commission de Surveillance du Secteur Financier*, nor an examination of the effectiveness of the Company's internal control systems, or an examination of compliance with laws, regulations, or other matters. Accordingly, our performance of the procedures does not result in the expression of an opinion, or any other form of assurance on the Company's internal control systems or its compliance with laws, regulations, or other matters.

The assurance provided by our procedures should therefore be considered in light of these limitations on the nature and extent of evidence-gathering procedures performed.

We believe that our evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusion.

CONCLUSION

Based on the procedures performed and the evidence obtained, nothing came to our attention that causes us to believe that the allocation of the funds from the Green Bond proceeds to eligible Green Projects as declared in the Report on the Use of Proceeds is not in compliance with the green project eligibility criteria defined by the Company's Green Financing Framework.

LIABILITY

This report is not intended to be used by third parties as a basis for making (financial) decisions and we are liable solely to Blackstone Property Partners Europe Holdings S.à r.l. and our liability is governed by the engagement letter as agreed by Blackstone Property Partners Europe Holdings S.à r.l. as well as the "General Engagement Terms" promulgated by the *Institut des réviseurs d'entreprises* ("IRE") in the version dated 16 May 2019. We assume no responsibility with regard to any third parties.

For Deloitte Audit, *Cabinet de révision agréé*

Bogdan Gordiichuk, *Réviseur d'entreprises agréé*
Partner

1 April 2022

Risk Factors

The following are certain risk factors that could affect our business, net assets, financial condition, cash flows and results of operations. For further details of some of these risk factors and for additional risk factors that relate to us, please refer to the offering circular dated 17 September 2021 as most recently supplemented on 8 October 2021 (the "Offering Circular").

In addition to the risk factors presented below and in the Offering Circular, risks and uncertainties that are not presently known to us or are currently deemed to be immaterial may also have a material adverse effect on our business, financial condition and results of operations in the future. Although we have attempted to identify some of the significant risks and factors that could cause actual actions, events or results to differ materially from those described in or implied by our forward-looking statements, other factors and risks may cause actions, events or results to differ materially from those anticipated, estimated or intended.

The order in which the risks are presented is not an indication of the likelihood of the risks actually materialising, or the significance or degree of the risks or the scope of any potential harm to our business, net assets, financial condition, cash flows or results of operations. The risks mentioned herein may materialise individually or cumulatively.

Risks Related to the Market

- Uncertainty regarding economic conditions, financial markets and geopolitical stability, especially in Europe, following the military invasion of Ukraine by the Russian Federation. In particular, the imposition of sanctions on the Russian Federation, higher energy costs and commodity prices, cyber disruptions or attacks, heightened general operating risks and disruption of logistic chains in Europe, may result in economic instability, market volatility and heightened inflation, and could adversely impact our financial performance, liquidity and profitability. In addition, economic conditions in Europe may also be adversely affected by the continuing impact of the sovereign debt crises and the exit of the United Kingdom from the European Union.
- The coronavirus (COVID-19) outbreak has adversely impacted social life and global commercial activity and has significantly increased economic uncertainty. While the effects of the outbreak continue to be uncertain and its long term impact cannot be accurately predicted, the persistence of COVID-19 variants and the resulting business closures, travel restrictions and quarantine requirements continue to have an adverse impact on market conditions, including in Europe. Such conditions, especially in the European market, may have adverse impacts on our financial performance, liquidity and profitability. In particular, our rental income could decline due to lower rent collection rates and default by our tenants, as well as rent reductions or deferrals, which we may agree with our tenant.
- Our operating results will be affected by economic and regulatory changes that impact the real estate market in general, including market risks generally attributable to the ownership of real property.
- The current economic environment is characterised by low interest rates and any rise in interest rates could place upward pressure on real estate capitalisation rates and decrease interest in real estate investments, thereby having a material adverse effect on asset valuations, the real estate market and on us.
- Higher vacancy rates and our inability to charge rents at expected levels or on favourable terms could have a material adverse effect on our business, net assets, financial condition, cash flows and results of operations.
- Our portfolio may be concentrated in a relatively limited number of geographies or sectors and as a result our portfolio may become more susceptible to fluctuations in value resulting from adverse economic or business conditions affecting that particular sector or geography.
- We depend on tenants for our revenue and therefore our revenue is dependent on the success and economic viability of our tenants, which may be adversely impacted due to the COVID-19 pandemic. Further, our reliance on single or significant tenants in certain buildings may decrease our ability to lease vacated space, as these buildings may be suited to the particular or unique needs of such tenants.
- We face competition in the real estate market, including competition from similar properties in the same market and in case of our residential assets, competitive housing alternatives. Such competition may adversely affect our financial performance.
- Consistent increases in rents and strong market fundamentals may increase development of new assets and expose us to heightened competition for tenant demand.
- We may be adversely affected by trends in the office real estate industry, such as a potential long-term reduction in demand for office space in light of the COVID-19 pandemic, or general changes in occupiers' preferences with regards to communication, flexible work schedules and open workplaces.
- Short-term leases associated with our residential properties may expose us to the potential impact of declining market rent.
- Our income from our hotel asset is subject to the terms of the lease agreement with the hotel operator, and in addition, may be adversely affected by trends in the Italian hospitality sector, including due to the COVID-19 pandemic.
- Our income from our retail asset may be adversely affected by trends in the retail industry, including due the COVID-19 pandemic and the resulting restrictions on operations, and the potential long-term reduction in demand for retail space in light of the growth of e-commerce.

Risks Related to Our Investment Strategy and Business

- We face risks associated with property acquisitions, such as risk that the acquired properties may fail to perform as expected or that we may be unable to quickly and efficiently integrate new acquisitions.
- Competition in acquiring properties may result in an increase in purchase prices and reduce yields, thereby reducing our profitability.
- Certain properties may require an expedited transaction, which may result in limited information being available before we decide to purchase an asset.
- In our due diligence review of potential investments, we may rely on third-party consultants and advisors and representations made by sellers of potential portfolio properties, and we may not identify all relevant facts that may be necessary or helpful in evaluating potential investments.
- There can be no assurance that Blackstone will be able to detect or prevent irregular accounting, employee misconduct or other fraudulent practices during the due diligence phase or during our efforts to monitor the investment on an ongoing basis or that any risk management procedures implemented by us will be adequate.
- Acquisitions of properties may expose us to undisclosed defects and obligations, resulting in additional costs, and could have a material adverse effect on the rental income and proceeds from sales of the relevant properties.
- We may have difficulty selling our properties, including on account of adverse conditions in the state of the investment markets and market liquidity, which may limit our flexibility and ability to service our debt.
- We have assets in European jurisdictions with currency other than the Euro and are exposed to risks associated with fluctuations in currency exchange rates.
- We rely on property managers to operate our properties and leasing agents to lease vacancies in our properties, and as a result our ability to direct and control how our properties are managed on a day-to-day basis may be limited.
- We depend on the availability of public utilities and services, especially for water and electric power. Any reduction, interruption or cancellation of these services may adversely affect us.
- We may incur significant capital expenditures and other fixed costs, including property taxes, maintenance costs, insurance costs and related charges, which we may not be able to pass on to our tenants.
- We may experience material losses or damage related to our properties arising from natural disasters, vandalism or other crime, faulty construction or accidents, fire, war, acts of terrorism, disease outbreaks and pandemics (such as the COVID-19 pandemic) or other catastrophes, and such losses may not be covered by insurance.
- We will face risks in effecting operating improvements and in any failure to do so, could affect the profitability of certain of our investments.
- Our information technology systems could malfunction or become impaired, resulting in delays or interruptions in our business processes, which may have a significant adverse effect on us if employees are required to work remotely.
- Operational risks, including the risk of cyberattacks, in relation to our operations or in relation to the operations at Blackstone's headquarters in New York City, may disrupt our business, result in losses or limit our growth.
- Property valuation is inherently subjective and uncertain and is based on assumptions which may prove to be inaccurate or affected by factors outside of our control.

Risk Factors (cont'd)

Risks Related to Our Organisational Structure

- As we are a holding company, our cash flows are dependent on the distributable capital and annual profit and profitability of our subsidiaries.
- Blackstone manages our portfolio pursuant to broad investment guidelines and there can be no assurance that Blackstone will be successful in applying any strategy or discretionary approach to our investment activities.
- We depend on Blackstone and its employees for their services in relation to managing our business, and do not have control of the staff employed by them.
- We may enter into various types of investment arrangements such as joint ventures, including with Blackstone affiliates, which could be adversely affected by our lack of sole decision-making authority and our reliance on the financial condition of third parties as well as disputes between us and such third parties.
- Insolvency proceedings with respect to BPPEH would be subject to Luxembourg insolvency rules, which may not be favourable and comparable to creditors' interests in other jurisdictions.

Legal and Regulatory Risks

- We may face legal risks, including the risk of dispute over interpretation or enforceability of legal documents and contracts, when making investments.
- The acquisition and disposition of real properties carry certain legal and contractual risks that may reduce our profitability. These include risks of litigation in relation to activities that took place prior to our acquisition of a property and indemnification claims against us in relation to sold properties.
- Certain of our investments may be in the form of ground leases, which provide limited rights to the underlying property, and we may be exposed to the possibility of losing the property upon termination, or an earlier breach by us, of the ground lease.
- Certain properties may require permits or licenses and there can be no guarantee of when and if such a license or permit will be obtained.
- We could become subject to liability in the form of fines or damages for non-compliance with environmental laws and regulations in the jurisdictions where our properties are located, regardless of whether we caused such violations.
- Changes in government regulations governing the ownership and leasing of real property, employment standards, environmental matters, taxes, and other matters may affect our investments.
- Regulatory requirements may limit a future change of use for some properties and this may therefore inhibit our ability to re-let vacant space to subsequent tenants or may adversely affect our ability to sell the affected properties.
- Increased rent restrictions could adversely affect our results of operations.
- Our business is subject to the general tax environment in the jurisdictions where our properties are located and also to possible future changes in the taxation of enterprises which may change to our detriment.
- Changes in international tax rules in the European Union, for instance, an increase in withholding taxes on dividends or interest, may adversely affect our cash flows and financial condition.
- Our properties are, and any properties we acquire in the future will be, subject to property taxes that may increase in the future, which could adversely affect our cash flow.
- We could be required to pay additional taxes, for instance in relation to the non-deductibility of intragroup payments for services or loans or interest and / or requalification of intragroup payments for services or loans, following tax audits.
- BPPEH and some of the guarantors under the EMTN programme established by us may qualify as an alternative investment fund, which imposes additional requirements, among others, relating to risk management, minimum capital requirements, the provision of information, governance, and compliance requirements, with consequent increase in governance and administration expenses.

Risks Related to Conflicts of Interest

- We depend on Blackstone to select our investments and otherwise conduct our business, and any material adverse change in its financial condition or our relationship with Blackstone could have a material adverse effect on our business, net assets, financial condition, cash flows, and results of operations, and our ability to achieve our investment objectives.
- We may purchase assets from or sell assets to Blackstone and its affiliates or their clients, and even though negotiated in good faith and on an arm's length basis, such transactions may cause conflicts of interest.
- Certain principals and employees of Blackstone may be involved in and have a greater financial interest in the performance of other Blackstone funds or accounts, and such activities may create conflicts of interest in managing our investments.
- Blackstone's relationships with third-party corporations or portfolio companies may reduce the opportunities available to us as Blackstone is under no obligation to decline any engagements or investments in order to make an investment opportunity available to us.
- Blackstone may raise and / or manage other investment funds, real estate investment trusts, vehicles, accounts, products and / or other similar arrangements, which could result in the reallocation of Blackstone personnel and the direction of potential investments from us to such other Blackstone accounts.
- Blackstone's potential involvement in financing a third-party's purchase of assets from us could lead to potential or actual conflicts of interest.
- Blackstone may face conflicts of interest in choosing our service providers (including accountants, administrators, lenders, bankers, brokers, attorneys, consultants, title agents, property managers, and investment or commercial banking firms), and certain service providers may provide services to Blackstone on more favourable terms than those payable by us.
- Although we have attempted to identify important risks and factors that could cause actual actions, events or results to differ materially from those described in or implied by our forward-looking statements, other factors and risks may cause actions, events or results to differ materially from those anticipated, estimated or intended.

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To the sole Shareholder of
Blackstone Property Partners Europe Holdings S.à r.l.
2-4, Rue Eugène Ruppert
L-2453 Luxembourg

REPORT OF THE RÉVISEUR D'ENTREPRISES AGRÉÉ

Opinion

We have audited the consolidated annual accounts of Blackstone Property Partners Europe Holdings S.à r.l. (the "Company") and its subsidiaries (together – "the Group"), which comprise the consolidated balance sheet as at 31 December 2021, the consolidated profit and loss account, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated annual accounts, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated annual accounts give a true and fair view of the consolidated financial position of the Group as at 31 December 2021, and of the consolidated results of its operations for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the consolidated annual accounts.

Basis for Opinion

We conducted our audit in accordance with the Law of 23 July 2016 on the audit profession (Law of 23 July 2016) and with International Standards on Auditing (ISAs) as adopted for Luxembourg by the "*Commission de Surveillance du Secteur Financier*" (CSSF). Our responsibilities under the Law of 23 July 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the "Responsibilities of the "*réviseur d'entreprises agréé*" for the Audit of the Consolidated Annual Accounts" section of our report. We are also independent of the Group in accordance with the International Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants (IESBA Code) as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the consolidated annual accounts, and have fulfilled our other ethical responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The Board of Managers is responsible for the other information. The other information comprises the information stated in the management report but does not include the consolidated annual accounts and our report of the "*réviseur d'entreprises agréé*" thereon.

Our opinion on the consolidated annual accounts does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated annual accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated annual accounts or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report this fact. We have nothing to report in this regard.

Responsibilities of the Board of Managers for the Consolidated Annual Accounts

The Board of Managers is responsible for the preparation and fair presentation of these consolidated annual accounts in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the consolidated annual accounts, and for such internal control as the Board of Managers determines is necessary to enable the preparation of consolidated annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated annual accounts, the Board of Managers is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Managers either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Responsibilities of the "*réviseur d'entreprises agréé*" for the Audit of the consolidated Annual Accounts

Our objectives are to obtain reasonable assurance about whether the consolidated annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue a report of the *"réviseur d'entreprises agréé"* that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF 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 economic decisions of users taken on the basis of these consolidated annual accounts.

As part of an audit in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated annual accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Managers.
- Conclude on the appropriateness of Board of Managers use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report of the "*réviseur d'entreprises agréé*" to the related disclosures in the consolidated annual accounts or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report of the "*réviseur d'entreprises agréé*". However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated annual accounts, including the disclosures, and whether the consolidated annual accounts represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities and business activities within the Group to express an opinion on the consolidated annual accounts. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

Report on Other Legal and Regulatory Requirements

The management report is consistent with the consolidated annual accounts and has been prepared in accordance with applicable legal requirements.

For Deloitte Audit, *Cabinet de révision agréé*

Bogdan Gordiichuk, *Réviseur d'entreprises agréé*
Partner

1 April 2022

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Consolidated Balance Sheet

Assets

€m	Notes	As at 31 December 2021	As at 31 December 2020
Fixed assets		**11,327.5**	**6,920.1**
Tangible fixed assets	4	**11,327.5**	**6,920.1**
Land and buildings		11,327.5	6,920.1
Current assets		**1,196.6**	**594.6**
Inventories	5	**69.0**	**–**
Land and buildings held for resale		**69.0**	**–**
Debtors	6	**513.2**	**318.3**
Trade debtors	6.1	**24.2**	**26.7**
becoming due and payable within one year		24.2	26.7
Amounts owed by affiliated undertakings	6.2	**390.4**	**226.7**
becoming due and payable after more than one year		180.5	136.3
becoming due and payable within one year		209.9	90.4
Other debtors	6.3	**98.6**	**64.9**
becoming due and payable within one year		98.6	64.9
Cash at bank and in hand	7	**614.4**	**276.3**
Prepayments	8	**117.1**	**77.9**
Total assets		**12,641.2**	**7,592.6**

Note: The accompanying notes on pages 80 to 111 form an integral part of these consolidated annual accounts.

Capital, Reserves and Liabilities

€m	Notes	As at 31 December 2021	As at 31 December 2020
Capital and reserves	9	**2,603.8**	**1,577.6**
Subscribed capital	9.1	1.4	1.4
Share premium	9.2	2,108.2	1,403.5
Reserves	9.3	24.6	11.6
Profit/(loss) brought forward		(101.9)	(52.2)
Profit/(loss) for the financial year		(50.6)	(49.4)
Interim dividends	9.4	(54.7)	-
Non-controlling interests	9.5	676.8	262.7
Provisions	10	**16.6**	**8.3**
Provisions for taxation	10.1	16.6	8.3
Creditors	11	**9,972.3**	**5,966.0**
Unsecured notes	11.1	**6,596.7**	**3,479.8**
becoming due and payable after more than one year		5,952.1	3,450.0
becoming due and payable within one year		644.6	29.8
Amounts owed to credit institutions	11.2	**254.2**	**508.6**
becoming due and payable after more than one year		251.7	507.2
becoming due and payable within one year		2.5	1.4
Trade creditors	11.4	**98.6**	**38.8**
becoming due and payable within one year		98.6	38.8
Amounts owed to affiliated undertakings	11.5	**2,801.6**	**1,851.9**
becoming due and payable after more than one year		2,653.5	1,668.9
becoming due and payable within one year		148.1	183.0
Other creditors	11.6	**221.2**	**86.9**
tax authorities		166.0	49.2
becoming due and payable after more than one year		14.8	7.4
becoming due and payable within one year		40.4	30.3
Deferred income	12	**48.5**	**40.7**
Total capital, reserves and liabilities		**12,641.2**	**7,592.6**

Note: The accompanying notes on pages 80 to 111 form an integral part of these consolidated annual accounts.

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Consolidated Profit and Loss Account

€m	Notes	For the year ended 31 December 2021	For the year ended 31 December 2020
Net turnover	13	**366.4**	**249.6**
Other operating income	14	**67.9**	**57.0**
Raw materials and consumables and other external expenses		**(35.0)**	**(24.8)**
Other external expenses	15	(35.0)	(24.8)
Value adjustments		**(199.8)**	**(132.6)**
in respect of formation expenses and of tangible and intangible fixed assets	4	(198.7)	(131.1)
in respect of current assets		(1.1)	(1.5)
Other operating expenses	17	**(111.5)**	**(84.6)**
Other interest receivable and similar income	18	**27.6**	**6.1**
other interest and similar income		24.8	4.5
derived from affiliated undertakings		2.8	1.6
Interest payable and similar expenses	19	**(158.0)**	**(124.2)**
other interest and similar expenses		(111.9)	(70.0)
concerning affiliated undertakings		(46.1)	(54.2)
Tax on profit or loss	20	**(22.2)**	**(13.2)**
Profit/(loss) after taxation		**(64.6)**	**(66.7)**
Other taxes not included in the previous captions		**(0.7)**	**(0.6)**
Profit/(loss) for the financial year		**(65.3)**	**(67.3)**
Profit/(loss) attributable to:			
owners of BPPEH		(50.6)	(49.4)
non-controlling interests		(14.7)	(17.9)
		(65.3)	**(67.3)**

Note: The accompanying notes on pages 80 to 111 form an integral part of these consolidated annual accounts.

Consolidated Statement of Changes in Equity

	Attributable to the owners of BPPEH						
€m	Subscribed capital	Share premium	Reserves	Retained earnings/ (accumulated deficit)	Total capital and reserves attributable to owners of BPPEH	Non-controlling interests	Total capital and reserves
Balance at 31 December 2019	**1.4**	**874.1**	1.7	**(51.7)**	**825.5**	**235.2**	**1,060.7**
Profit/(loss) for the financial year	–	–	–	(49.4)	**(49.4)**	(17.9)	**(67.3)**
Foreign currency translation reserve	–	–	9.4	–	**9.4**	2.6	**12.0**
Legal reserve	–	–	0.5	(0.5)	**–**	–	**–**
Contributions	–	582.0	–	–	**582.0**	63.4	**645.4**
Distributions	–	(52.6)	–	–	**(52.6)**	(20.6)	**(73.2)**
Balance at 31 December 2020	**1.4**	**1,403.5**	**11.6**	**(101.6)**	**1,314.9**	**262.7**	**1,577.6**
Profit/(loss) for the financial year	–	–	–	(50.6)	**(50.5)**	(14.7)	**(65.3)**
Foreign currency translation reserve	–	–	12.9	–	**12.9**	3.9	**16.8**
Legal reserve	–	–	0.1	(0.3)	**(0.2)**	0.2	**–**
Contributions	–	766.1	–	–	**766.1**	321.0	**1,087.1**
Distributions	–	(61.4)	–	(54.7)	**(116.1)**	(35.8)	**(151.9)**
Net acquisitions/disposals of subsidiaries with NCI	–	–	–	–	–	139.5	**139.5**
Balance at 31 December 2021	**1.4**	**2,108.2**	**24.6**	**(207.2)**	**1,927.0**	**676.8**	**2,603.8**

Note: The accompanying notes on pages 80 to 111 form an integral part of these consolidated annual accounts.

Consolidated Annual Accounts

Consolidated Statement of Cash Flows

€m	Notes	For the year ended 31 December 2021	For the year ended 31 December 2020
Cash flows from operating activities			
Profit/(loss) before tax		(42.4)	(53.5)
Adjustments for:			
Interest expense	19	158.0	124.1
Interest income	18	(22.8)	(1.6)
Depreciation and amortisation	4	198.7	131.0
Unrealised (gain)/loss on derivatives	18	(4.8)	(1.2)
Straight-line rent adjustments		(10.8)	(6.3)
Provision for allowance for bad debts		1.1	1.5
Net gain on disposal of inventories	5, 14	(2.7)	–
Net gain on disposal of tangible fixed assets	4, 14	(1.3)	(3.4)
Changes in working capital:			
(Increase)/decrease in trade debtors[1]		1.4	0.5
(Increase)/decrease in other debtors		(24.0)	(13.8)
(Increase)/decrease in prepayments[2]		(9.0)	(1.4)
Increase/(decrease) in trade creditors		12.9	(5.2)
Increase/(decrease) in other creditors		24.4	9.6
Increase/(decrease) in deferred income[3]		17.7	2.6
Net cash generated from operations		**296.4**	**182.9**
Interest paid on unsecured notes and to credit institutions		(71.7)	(51.0)
Tax paid		(13.9)	(6.3)
Net cash flow from operating activities		**210.8**	**125.6**
Cash flows from investing activities			
Additions to tangible fixed assets	4	(4,988.1)	(1,221.2)
Capital expenditures on tangible fixed assets	4	(84.0)	(56.5)
Deposit payments for future acquisitions	8	(40.6)	(29.3)
Proceeds from sale of inventories	14	18.7	–
Proceeds from sale of tangible fixed assets	14	518.8	4.2
Loans to affiliated undertakings		(59.8)	(58.4)
Repayment of loans to affiliated undertakings		5.1	0.1

Note: The accompanying notes on pages 80 to 111 form an integral part of these consolidated annual accounts.
1. Before allowance for bad debts.
2. Excluding straight-line rent.
3. Excluding unrealised foreign exchange gains.

€m	Notes	For the year ended 31 December 2021	For the year ended 31 December 2020
Interest income received from affiliated undertakings		1.4	1.6
Net cash flow from investing activities		**(4,628.5)**	**(1,359.5)**
Cash flows from financing activities			
Contributions from:			
Owners of BPPEH		678.8	582.0
Non-controlling interests		268.5	63.4
Distributions to:			
Owners of BPPEH		(62.7)	(41.7)
Non-controlling interests		(16.6)	(10.5)
Proceeds from:			
Unsecured notes issuance		3,099.2	600.0
Bank loans		2,486.0	1,528.3
Repayment of bank loans		(2,831.6)	(1,532.9)
Deferred financing fees		(18.9)	(8.3)
Loans from affiliated undertakings		1,424.2	396.8
Repayment to affiliated undertakings		(273.2)	(502.2)
Net cash flow from financing activities		**4,753.7**	**1,074.9**
Net increase/(decrease) in cash and cash equivalents		**336.0**	**(159.0)**
Cash and cash equivalents at beginning of year		276.3	440.1
Effect of foreign exchange rate changes		2.1	(4.8)
Cash and cash equivalents at end of year		**614.4**	**276.3**

Note: The accompanying notes on pages 80 to 111 form an integral part of these consolidated annual accounts.

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Notes to the Consolidated Annual Accounts

Note 1 – General information

1.1 Corporate matters

Blackstone Property Partners Europe Holdings S.à r.l. ("BPPEH") was incorporated on 7 December 2017 as a "Société à responsabilité limitée" in accordance with the Luxembourg Law of 10 August 1915, as subsequently amended. The registered office of BPPEH is established at 2-4, rue Eugène Ruppert, L-2453 Luxembourg. BPPEH is registered with the "Registre de Commerce et des Sociétés" under R.C.S. B 220.526. BPPEH's immediate parent is Master Unsecured Topco S.à r.l..

1.2 Nature of the business

The primary business objective of BPPEH and its direct and indirect consolidated subsidiaries (collectively the "Group") is to acquire and manage high-quality substantially stabilised real estate assets across Europe with a focus on major European markets and key gateway cities.

1.3 Financial year

BPPEH's financial year begins on 1 January and ends on 31 December of each year.

1.4 Significant events during the reporting period – COVID-19

The impact of the coronavirus ("COVID-19") pandemic has rapidly evolved around the globe, causing disruption in the E.U. and global economies. Although the global economy began reopening in 2021 and robust economic activity has supported a continued recovery, the emergence of new variants has contributed to setbacks to the recovery in the E.U. and abroad. The estimates and assumptions underlying these consolidated annual accounts are based on the information available as of 31 December 2021. The estimates and assumptions include judgments about financial market and economic conditions which have changed, and may continue to change, over time. In management's view, COVID-19 did not have a material adverse impact on the Group's consolidated annual accounts as of the reporting date

1.5 Change in comparative amounts

Certain prior period amounts were reclassified in the annual consolidated accounts to conform to current period presentation.

As at 31 December 2020, €7.5 million of right-of-use assets were presented as "Intangible assets" in the consolidated annual accounts. In the current period, these comparative figures were reclassified to "Tangible assets".

The change has no impact on the profit/(loss) or capital and reserves for any reporting period.

Note 2 – Basis of preparation, scope of consolidation and consolidation policies

2.1 Basis of preparation

The consolidated annual accounts are prepared on a going concern basis, using the historical cost method, unless otherwise noted in significant accounting policies (see Note 3), in accordance with the laws and regulations of the Grand Duchy of Luxembourg and with generally accepted accounting principles in Luxembourg according to the Law of 19 December 2002, as subsequently amended.

The preparation of consolidated annual accounts requires the use of certain critical accounting estimates. It also requires the Board of Managers to exercise its judgment in applying the accounting policies. Changes in assumptions may have a significant impact on the consolidated annual accounts in the year in which the assumptions changed. Management believes that the underlying assumptions are appropriate and that the consolidated annual accounts therefore present the financial position and results fairly.

The Group makes estimates and assumptions that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

2.2 Scope and method of consolidation

The consolidated annual accounts of BPPEH for the year ended 31 December 2021 include its stand-alone accounts and those of all directly or indirectly majority owned subsidiaries adjusted for non-controlling interests. Subsidiaries are all entities over which BPPEH exercises control, which is defined as the direct or indirect power to govern the financial and operating policies so as to obtain benefits from activities. The existence and effect of potential voting rights of other entities is considered when assessing whether BPPEH controls another entity. Subsidiaries, and their profit and losses, are fully consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date that control is lost. The Group and non-controlling interests' share of profit and losses or changes in the net equity of subsidiaries are generally determined based on existing ownership interests, without considering the effects of securities that are exercisable or convertible into ownership interests.

Entities included in the scope of consolidation of the Group are disclosed in Note 24.

2.3 Consolidation policies

2.3.1 General

The consolidated annual accounts include the consolidated balance sheet, consolidated profit and loss account, consolidated statement of changes in equity and consolidated statement of cash flows of the Group, as well as the present accompanying notes.

The accounts of the Group entities are adjusted when necessary in order to comply with the Group's accounting policies.

2.3.2 Transactions eliminated in consolidation

All intra-group balances and transactions are eliminated.

2.3.3 Foreign currency

Items included in the annual accounts of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). This may be different to the local currency of the country of incorporation or the country where the entity conducts its operations. The consolidated annual accounts are presented in Euro, which is BPPEH's functional and presentation currency.

Foreign currency - transactions

Transactions in foreign currencies are initially recorded in the functional currency at the exchange rate prevailing at the date of the transaction. At any subsequent reporting date, monetary assets and liabilities denominated in foreign currencies are revalued at the exchange rate as of the reporting date, with any unrealised foreign exchange gains recognised in the consolidated balance sheet under "Deferred income" and any unrealised foreign exchange losses recognised in the consolidated profit and loss account within "Interest payable and similar expenses". Any realised foreign exchange differences are recognised in the consolidated profit and loss account. Non-monetary items denominated in foreign currencies are recorded using the exchange rate as at the date of the initial recognition.

Foreign currency - operations

The assets and liabilities of the Group's foreign operations which have a functional currency different from BPPEH's presentation currency are translated at the exchange rate as of the reporting date. Capital transactions are translated in the presentation currency at the exchange rate prevailing at the date of the transaction and are not subsequently adjusted. Income and expense items are translated at the monthly average exchange rate for the period. Exchange differences arising are presented in the consolidated balance sheet under "Capital and reserves" and recognised in the Group's foreign currency translation reserve. Upon disposal, the entity's foreign currency translation reserve is released through its profit and losses.

The following exchange rates were used to translate foreign currency denominated amounts to €1:

	As at 31 December 2021	As at 31 December 2020
Danish Krone (DKK)	7.44	7.44
Norwegian Krone (NOK)	10.03	10.48
Pound Sterling (£)	0.84	0.89
Swedish Krona (SEK)	10.29	10.05
Swiss Franc (CHF)	1.04	1.08

	For the year ended 31 December 2021	For the year ended 31 December 2020
Danish Krone (DKK)	7.44	7.45
Norwegian Krone (NOK)	10.17	10.74
Pound Sterling (£)	0.86	0.89
Swedish Krona (SEK)	10.15	10.49
Swiss Franc (CHF)	1.08	1.07

2.3.4 Non-controlling interests

At the date of acquisition, the Group recognises any non-controlling interest ("NCI") in the acquiree on an acquisition-by-acquisition basis, at the NCI's proportionate share of the acquiree's identifiable net assets. Subsequent to such acquisition, the carrying amount of any NCI is the amount of those interests at initial recognition plus the NCI's share of subsequent changes in equity.

The NCI's share in the net equity and profit/(loss) for the year/period of their subsidiaries is presented separately in the consolidated balance sheet and consolidated profit and loss account, respectively.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

2.3.5 Asset acquisitions and business combinations

Management considers the substance of the assets and activities of the acquired entity in determining whether the acquisition represents an acquisition of a business.

Business combinations are accounted for using the acquisition method. Applying the acquisition method requires the (a) determination whether BPPEH will be identified as the acquirer, (b) determination of the acquisition date, (c) recognition and measurement of the identifiable assets acquired, liabilities assumed and any NCI in the acquiree and (d) recognition and measurement of goodwill.

The initial purchase price is measured as the aggregate fair value of the consideration transferred plus the amount of any NCI in the acquiree. For each business combination, BPPEH measures the NCI in the acquiree at the proportionate share of the acquiree's identifiable net assets. Acquisition costs are expensed as incurred.

Asset acquisitions are not treated as business combinations. The initial purchase consideration is allocated among identifiable assets and liabilities of the entity acquired at the acquisition date. Accordingly, no goodwill or additional deferred taxes arise. Acquisition costs are capitalised and are amortised, if applicable, over the life of the property acquired.

All of the BPPEH's acquisitions in the period were deemed to be asset acquisitions mainly due to the concentration of the land and building within the price of acquisitions, the business combination criteria not being met.

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Notes to the Consolidated Annual Accounts (cont'd)

Note 3 – Significant accounting policies

3.1 Formation expenses

Entity formation expenses are charged to the profit and loss account in the period in which they are incurred.

3.2 Tangible fixed assets

Tangible fixed assets are investment properties held for long-term income or for capital appreciation or both, which are not occupied by the Group and are classified as "Land and buildings" in the consolidated balance sheet. Tangible fixed assets may also include properties under construction or developed for future use, building, land and tenant improvements, and other fixtures and fittings. Tangible fixed assets are carried at cost, including related transaction costs (unless acquired in a business combination), less any accumulated depreciation, accumulated amortisation and accumulated impairment in value.

Properties are considered acquired when the Group assumes the significant risks and rewards of ownership. Properties are treated as disposed when the significant risks and rewards of ownership are transferred to the buyer. Typically, this will either occur on unconditional exchange or on completion. Where completion is expected to occur significantly after exchange, or where the Group continues to have significant outstanding obligations after exchange, the risks and rewards will not usually transfer to the buyer until completion.

The initial purchase price, including the related transaction costs, of the acquired investment property is allocated between land and building upon acquisition based on a preliminary split and is finalised within one year. Once the final split between land and building components of the purchase price is established, the related transaction costs, depreciation and amortisation are trued-up.

Depreciation and amortisation is calculated on a straight-line basis over the estimated useful lives of the investment properties as summarised in the table below (land is not depreciated):

	Useful lives
Office buildings	40 years
Residential buildings	40 years
Logistics buildings	30 years
Building improvements[1]	10 - 20 years
Other fixtures and fittings	5 years
Tenant improvements	Remaining term of the lease
Leasing commissions[2]	Remaining term of the lease

1. Shorter of useful life or remaining life of the building.
2. Direct and indirect leasing costs to originate and renew operating leases, such as leasing commissions or legal fees, are included within tangible fixed assets and amortised over the related lease term. Direct leasing costs for residential leases are amortised over the average turnover period of three years.

Construction costs incurred are capitalised and included in tangible fixed assets. This includes cost of construction, property and equipment, and other direct costs as well as interest on borrowed funds incurred during the construction period. Construction in progress is not depreciated until the development is substantially completed.

Ordinary repair and maintenance costs are expensed as incurred. Costs relating to major replacements and improvements, which improve or extend the life of the asset, are capitalised and depreciated over their estimated useful lives.

Where the Group considers that a tangible fixed asset suffered a decline in value in excess of the accumulated depreciation recognised, an additional write-down is recorded to reflect this impairment. These value adjustments are reversed if the reasons for which the value adjustments were made no longer apply.

Tangible fixed assets are derecognised on disposal or when no future economic benefits are expected from their use or disposal. The realised gain or loss on the disposal of tangible fixed assets is determined as the difference between disposal proceeds and carrying value at the date of disposal, less any transaction costs, and is included in the consolidated profit and loss account in the period of disposition.

3.3 Inventories

Tangible fixed assets which are under an active disposition plan or programme are considered to be held for sale and are separately presented in the consolidated balance sheet within "Inventories". Such assets are recorded at the lower of their carrying value or estimated fair value less the cost to sell. Once an investment property is determined to be held for sale, in the period between the exchange and completion, the asset is transferred from tangible fixed assets to inventories and depreciation is no longer recorded.

3.4 Borrowing costs

Borrowing costs are capitalised as part of the cost of the asset if they are directly attributable to the acquisition or construction of a qualifying asset under development. Capitalisation of borrowing costs commences when the activities to prepare the asset are in progress and expenditures and borrowing costs are incurred. Borrowing costs are capitalised until the assets are substantially ready for their intended use and when it is probable that the assets will result in future economic benefits to the Group. All other borrowing costs are expensed as incurred.

3.5 Tenant security deposits

Tenant security deposits are measured at cost and represent rental security deposits received from the lessee upon inception of the respective lease contract. At the termination of the lease contracts, the deposits held by the Group are returned to tenants, reduced by unpaid rental fees, expense recoveries, penalties and/or deductions for damages and repairs, if any. Tenant security deposits may become redeemable upon a tenant's vacancy and are presented in the consolidated balance sheet within "Cash at bank and in hand" and, when held in third party bank accounts, within "Other debtors becoming due and payable within one year" with the related liabilities within "Other creditors becoming due and payable within one year". Tenant security deposits in the form of bank guarantees are not disclosed because they are unlikely to result in an economic benefit to the Group.

3.6 Debtors

Debtors' balances are carried at their nominal value and stated net of allowances for doubtful accounts. When there is an indication that the Group will not be able to collect all amounts due according to the original terms of the receivable, the amount is recorded in the allowance for doubtful accounts presented in the consolidated profit and loss account within "Value adjustments in respect of current assets". These value adjustments are reversed in the period in which the reasons for the value adjustments cease to apply.

Debtors' balances include rent billed in advance related to non-cancellable contractual periods. The related liability is presented in the consolidated balance sheet under "Deferred income".

3.7 Cash at bank and in hand

Cash includes cash in hand and money held on demand in banks and other financial institutions with maturities of three months or less that are subject to an insignificant risk of a change in value.

Restricted cash may consist of amounts related to operating real estate such as escrows for taxes, insurance, tenant security deposits and borrowing arrangements of the Group.

3.8 Prepayments

Prepayments are carried at their nominal value and represent expenditures incurred for the benefit of future periods and are amortised over such periods.

3.9 Provisions

Provisions are intended to cover losses or debts, the nature of which is clearly defined and which, at the date of the balance sheet, are either likely to be incurred or certain to be incurred but uncertain as to their amount or as to the date on which they will arise.

Provisions may also be created to cover charges that originated in the financial year under review or in a previous financial year, the nature of which is clearly defined and which, at the date of the balance sheet, are either likely to be incurred or certain to be incurred but uncertain as to their amount or as to the date on which they will arise.

3.10 Provisions for taxation

Current tax provision

The provision corresponding to the tax liability estimated by the Group for the financial year is recorded under the caption "Other creditors – Tax authorities" in the consolidated balance sheet. The advance payments for tax are presented as an asset in the consolidated balance sheet under "Other debtors".

Deferred tax provision

Deferred tax assets and/or liabilities are recognised on temporary differences arising between the tax basis of assets and liabilities and their carrying amount in the consolidated annual accounts.

Deferred tax liabilities are generally recognised for all taxable temporary differences while deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is determined using tax rates and laws that have been enacted or substantially enacted by the date of the consolidated balance sheet and are expected to apply when the deferred tax asset and/or liability is settled.

Deferred tax is not recognised at the moment of initial recognition of the asset or liability in any transaction other than a business combination (see Note 2.3.5).

3.11 Debts

Debts are recorded at their reimbursement value. Loan arrangement fees and other debt issue costs are capitalised and subsequently amortised over the term of the related debt instrument using the straight-line method for the revolving credit facilities and the effective interest method for all other debt. Such capitalised costs are presented as an asset in the consolidated balance sheet under "Prepayments". The early repayment of debt results in the write-off of capitalised fees and costs related to such debt.

3.12 Leases - Group as a lessee

The Group recognises a right-of-use asset and a lease liability at the lease commencement date.

The right-of-use asset is initially measured at cost, plus any initial direct costs. The right-of-use asset is depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

The lease liability is initially measured at the present value of the future minimum lease payments, discounted using the Group's incremental borrowing rate. Thereafter, the lease liability is measured at amortised cost using the effective interest method and is remeasured upon a change in future lease payments.

The Group presents right-of-use assets as part of "Tangible assets" and presents lease liabilities as part of "Other creditors" in the consolidated balance sheet.

The Group does not recognise right-of-use assets and lease liabilities for leases shorter than 12 months, leases of low value or leases with contingent lease payments, but excluding variable indexed payments.

Consolidated Annual Accounts

Notes to the Consolidated Annual Accounts (cont'd)

3.13 Deferred income

Income received during the reporting period but relating to a subsequent reporting period represents a liability of the Group and is presented in the consolidated balance sheet within "Deferred income".

3.14 Subscribed capital, share premium and legal reserves

Subscribed capital is stated at nominal value for all shares issued. The difference between the proceeds and the nominal value of the shares issued is presented in the consolidated balance sheet under "Share premium". Shares issued for consideration other than cash are measured at fair value of the consideration received. In case shares are issued to extinguish or settle a liability of BPPEH, the shares shall be measured either at fair value of the shares issued or fair value of the liability settled, whichever is more determinable.

Legal reserves are recognised in accordance with the local regulatory requirements and are generally not distributable. Luxembourg companies are required to transfer a minimum of 5% of annual net income, after deducting any losses brought forward, to the legal reserve until this reserve equals 10% of subscribed capital. This reserve may not be distributed in the form of cash dividends, or otherwise, except upon liquidation of an entity.

3.15 Net turnover and other operating income

Net turnover - Rental income

Net turnover includes rental income from investment properties. Rental income from investment properties is generally recognised as revenue on a straight-line basis over the term of the lease. Lease incentives offered to occupiers to enter into a lease, such as an initial rent-free period or a cash contribution, and lease incentives agreed subsequent to the initial lease that represent a lease modification are recognised as a reduction of rental income on a straight-line basis over the term of the lease. Lease incentives that are not lease modifications are recognised as a reduction of rental income in the period in which they are granted.

Rental income from residential investment properties is derived from short-term lease agreements and is recognised when earned. This policy effectively results in income recognition on the straight-line method over the related terms of the leases.

Other operating income - Service charge and other income

Service charge income relates to any service charges recoverable from tenants, recorded in "Other operating expenses" in the consolidated profit and loss account. Other income includes lease termination and other tenant related revenues that are not contractual rent.

Other operating income - Net gain/(loss) on disposals

Any realised gain or loss on disposals is recognised in the period of disposition. The net gain or loss is determined as the difference between disposal proceeds and carrying value at the date of disposal, less any transaction costs.

3.16 Interest income and interest expenses

Interest income and interest expenses are accrued at the nominal interest rate applicable.

3.17 Expenses

Expenses are recognised in the period they are incurred.

3.18 Promote payments

Promote payments payable to third-party operating partners are recognised in accordance with the governing documents when the payment amount can be readily and reliably estimated. Promote payments are determined based on the performance of the investment vehicles subject to the achievement of minimum return hurdles. As at 31 December 2021 and 2020, promotes were triggered.

3.19 Derivative financial instruments

BPPEH may enter into derivative financial instruments such as options, swaps, futures or foreign exchange contracts. Derivative financial instruments are recognised at fair value at the origination date and subsequently remeasured to their fair value at each reporting date. The resulting gain or loss is recognised in the consolidated profit and loss account.

A derivative financial instrument with a positive fair value is recognised as a financial asset whereas a derivative financial instrument with a negative fair value is recognised as a financial liability. A derivative financial instrument is presented as a non-current asset or a non-current liability if the remaining maturity of the instrument is more than 12 months and it is not expected to be realised or settled within 12 months.

The fair value of financial instruments that are not traded on an active market is determined by using valuation techniques taking into account market conditions existing at the end of each reporting period.

3.20 Contingencies

Contingent liabilities are disclosed in the consolidated annual accounts unless the possibility of economic loss is remote. Contingent assets are not recognised in the consolidated annual accounts but are disclosed in the notes to the consolidated annual accounts when economic benefits are probable.

3.21 Related parties

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control. Related parties may be individuals or corporate entities.

3.22 Subsequent events

Material post year end events that would result in a significant change of the Group's financial position at the end of the reporting period (adjusting events) are reflected in the consolidated annual accounts. Post year end events that are not adjusting events are disclosed in the notes to the consolidated annual accounts, when material.

Note 4 – Tangible fixed assets

The following table reconciles the gross book value of tangible fixed assets, including related transaction costs, to the net book value for the years ended 31 December 2021 and 2020:

€m	Land	Buildings	Total
Gross book value - 31 December 2019	**1,536.9**	**3,484.8**	**5,021.7**
Final purchase price allocation[1]	(65.6)	65.6	–
Acquisitions[2]	532.7	1,528.1	**2,060.8**
Capital expenditures	–	53.5	**53.5**
Disposals	(0.2)	(0.6)	**(0.8)**
Effect of foreign exchange rate changes	9.1	27.9	**37.0**
Gross book value - 31 December 2020	**2,012.9**	**5,159.3**	**7,172.2**
Final purchase price allocation[1]	27.8	(27.8)	**–**
Acquisitions[2]	2,383.3	3,054.2	**5,437.5**
Capital expenditures	–	101.8	**101.8**
Reclassification to inventories (Note 5)	(14.5)	(79.5)	**(94.0)**
Disposals/write-offs[3] (Note 14)	(273.9)	(625.2)	**(899.1)**
Effect of foreign exchange rate changes	16.7	28.7	**45.4**
Gross book value - 31 December 2021	**4,152.3**	**7,611.5**	**11,763.8**
Accumulated value adjustments - 31 December 2019	**–**	**(120.6)**	**(120.6)**
Depreciation and amortisation	–	(131.1)	**(131.1)**
Effect of foreign exchange rate changes	–	(0.4)	**(0.4)**
Accumulated value adjustments - 31 December 2020	**–**	**(252.1)**	**(252.1)**
Depreciation and amortisation	–	(198.7)	**(198.7)**
Reclassification to inventories (Note 5)	–	9.0	**9.0**
Disposals/write-offs[3] (Note 14)	–	5.6	**5.6**
Effect of foreign exchange rate changes	–	(0.1)	**(0.1)**
Accumulated value adjustments - 31 December 2021	**–**	**(436.3)**	**(436.3)**
Net book value - 31 December 2019	**1,536.9**	**3,364.2**	**4,901.1**
Net book value - 31 December 2020	**2,012.9**	**4,907.2**	**6,920.1**
Net book value - 31 December 2021	**4,152.3**	**7,175.2**	**11,327.5**

1. Represents the finalisation of the initial purchase price allocation, including transaction costs.
2. Includes gross right-of-use assets of €7.6 million (2020: €4.1 million). As at 31 December 2021, total right-of-use assets net book value was €14.8 million (2020: €7.5 million).
3. Excludes disposal of inventories.

Notes to the Consolidated Annual Accounts (cont'd)

Reconciliation of acquisitions of tangible fixed assets to cash flows from investing activities:

€m	For the year ended 31 December 2021
Acquisitions	
Acquisitions, through shares	2,870.6
Acquisitions, direct	2,344.3
Capitalised acquisition costs	222.6
	5,437.5
Cash flows related to 2020 acquisitions	
Accrued acquisition costs	8.4
Deferred purchase price (Note 11.6)	0.9
	9.3
Additions with no cash flows in the year	
Non-controlling interest in partially acquired subsidiary	(221.1)
Substitutive tax on the revaluation reserve (Note 11.6)	(96.3)
Acquired debt (Note 11.3)	(64.7)
Accrued acquisition costs	(32.0)
Acquisition deposit paid in 2020 (Note 8)	(29.3)
Recognition of right-of-use assets	(7.6)
Capital expenditure trade creditors	(5.5)
Deferred purchase price (Note 11.6)	(1.4)
Acquired debt accrued interest	(0.8)
	(458.7)
Net cash flow from investing activities	
Additions to tangible fixed assets	**4,988.1**

There were no impairment adjustments triggered with respect to tangible fixed assets as at 31 December 2021 and 2020.

Note 5 – Inventories

In June 2021, BPPEH, through its subsidiaries, entered into exclusivity to dispose of a logistics asset in Milan, Italy and €16.0 million of tangible assets, net of related accumulated depreciation and amortisation, was reclassified to inventories (see Note 4). The disposal was completed in September 2021 (see Note 14).

In December 2021, BPPEH, through its subsidiaries, entered into exclusivity to dispose of 3 logistics assets in Paris and Dijon, France and Bremerhaven, Germany. As at 31 December 2021, €69.0 million of tangible assets, net of related accumulated depreciation and amortisation, was reclassified to inventories (see Note 4).

Note 6 – Debtors

6.1 Trade debtors

The following table summarises trade debtors amounts, net of allowance for bad debts:

€m	As at 31 December 2021	As at 31 December 2020
Rental income and service charges - billed	23.9	25.2
Rental income and service charges - accrued	5.0	4.6
Allowance for bad debts	(4.7)	(3.1)
Total	**24.2**	**26.7**

6.2 Amounts owed by affiliated undertakings

The following table summarises the key terms of the amounts owed by affiliated undertakings, including BPPEH's parent entity and NCI shareholders:

	As at 31 December 2021			As at 31 December 2020		
€m	Interest rate	Term/ maturity	Amount	Interest rate	Term/ maturity	Amount
Becoming due and payable after more than one year[1]						
Related party loans receivable	0.60% - 1.46%	2023 - 2029	180.5	0.60% - 1.67%	2022 - 2029	136.3
			180.5			**136.3**
Becoming due and payable within one year[1]						
Related party loans receivable	1.31%	2022	21.4	–	–	–
Related party loans receivable - interest free	–	2022	146.1	–	2021	46.8
Other amounts receivable	–	2022	42.4	–	2021	43.6
			209.9			**90.4**
Total			**390.4**			**226.7**

1. There were no impairment indicators as at 31 December 2021 and 31 December 2020.

6.3 Other debtors

The following table summarises other debtors amounts:

€m	As at 31 December 2021	As at 31 December 2020
VAT receivables	55.0	52.5
Accounts managed by third parties	19.5	1.3
Tax receivables	10.0	3.3
Derivatives[1]	4.8	–
Tenant security deposits receivable	2.7	2.7
Other receivables	6.6	5.1
Total	**98.6**	**64.9**

1. On 12 May 2021, BPPEH entered into currency forwards to sell SEK 4.0 billion for €392 million on 12 May 2022. As at 31 December 2021, BPPEH recorded a €4.8 million gain relating to the revaluation of the derivatives.

Consolidated Annual Accounts

Notes to the Consolidated Annual Accounts (cont'd)

Note 7 – Cash at bank and in hand

The table below represents cash at bank and in hand. Restricted cash primarily consists of tenant security deposits held in the Group's bank accounts.

€m	As at 31 December 2021	As at 31 December 2020
Cash at bank and in hand	603.9	266.2
Restricted cash	10.5	10.1
Total	**614.4**	**276.3**

Note 8 – Prepayments

Prepayments are comprised of the following amounts:

€m	As at 31 December 2021	As at 31 December 2020
Deposit payments for future acquisitions	40.6	29.3
Straight-line rent adjustments	31.6	21.5
Deferred financing fees - net	31.4	22.6
Other prepayments	13.5	4.5
Total	**117.1**	**77.9**

Deferred financing fees were related to the unsecured notes and amounts owed to credit institutions (see Note 11). Other prepayments included insurance, real estate property taxes and other prepaid expenses.

Note 9 – Capital and reserves

9.1 Subscribed capital

As at 31 December 2021, BPPEH had 1.4 million shares outstanding with a nominal value of €1 each. The subscribed capital was paid in full and amounted to €1.4 million (2020: €1.4 million). No new shares were issued during the year.

9.2 Share premium

During 2021, BPPEH's parent entity invested €678.8 million (2020: €582.0 million) in cash and €83.0 million (2020: nil) as a contribution in kind to the share premium of BPPEH. During 2021, BPPEH converted €4.3 million (2020: nil) of related party loans from its parent into share premium.

During 2021, BPPEH distributed €59.0 million (2020: €52.6 million) of share premium and offset €2.4 million (2020: nil) of share premium against related party receivable from its parent.

As at 31 December 2021, the share premium account amounted to €2,108.2 million (2020: €1,403.5 million).

9.3 Reserves

Legal reserve

During 2021, the Group allocated €0.1 million (2020: €0.5 million) to legal reserves. The legal reserves as at 31 December 2021 amounted to €0.6 million (2020: €0.5 million).

Foreign currency translation reserve

During 2021, the Group recognised an effect of foreign currency translations of €12.9 million (2020: €9.4 million). The effect of foreign currency translations as at 31 December 2021 amounted to €24.0 million (2020: €11.1 million).

9.4 Interim dividends

During 2021, BPPEH distributed €54.7 million (2020: nil) of interim dividends to its parent.

9.5 Non-controlling interests

During 2021, NCI shareholders invested €268.5 million (2020: €63.4 million) in cash and €51.8 million (2020: nil) as a contribution in kind into certain subsidiaries of the Group and received distributions of €35.8 million (2020: €20.6 million). During 2021, the Group converted €0.7 million (2020: nil) of related party loans from NCI shareholders into share premium of certain subsidiaries. During 2021, the Group acquired 80% of the shares in a subsidiary and recognised NCI of €221.1 million and sold several subsidiaries and derecognised NCI of €81.6 million.

During 2021, the Group allocated €0.2 million (2020: nil) to legal reserves attributable to NCI shareholders.

During 2021, the Group recognised an effect of foreign currency translations of €3.9 million (2020: €2.6 million) attributable to NCI shareholders. As at 31 December 2021, a foreign currency translation reserve of €8.1 million (2020: €4.2 million) was attributable to NCI shareholders.

Note 10 – Provisions

10.1 Provisions for taxation

The Group is subject to corporate income tax in numerous jurisdictions. The Group recognises liabilities for anticipated corporate income tax based on estimates of the amounts that will eventually be due, less corporate income tax already paid. Where the final tax charge is different from the amounts that were initially provisioned, such differences will be treated as prior year adjustments in the current tax charge of the following year.

The Group had recognised a deferred tax liability as at 31 December 2021 of €16.6 million (2020: €8.3 million). The related deferred tax charge for the year of €8.3 million (2020: €5.5 million) was recognised in the consolidated profit and loss account within "Tax on profit or loss" (see Note 20).

Note 11 – Creditors

11.1 Unsecured notes

On 21 June 2018, BPPEH established its €5 billion Euro Medium Term Note Programme ("EMTN Programme"), listed on The International Stock Exchange ("TISE") in Guernsey, Channel Islands. During 2021, BPPEH has increased the size of its EMTN Programme to €10 billion.

During 2021, pursuant to the EMTN Programme, BPPEH issued €2.15 billion and £800.0 million (€952.1 million) (2020: €600.0 million) of unsecured notes, bringing the total amount of notes issued to €6.55 billion.

The notes are redeemable at the option of BPPEH, subject to certain limitations, and are fully and unconditionally guaranteed, jointly and severally, by certain subsidiaries and affiliates of BPPEH. The notes are pari passu with the Group's other unsecured senior indebtedness and are subordinated to any secured indebtedness of the Group and/or other secured liabilities.

Notes to the Consolidated Annual Accounts (cont'd)

The following table summarises the key terms of the unsecured notes outstanding as at 31 December 2021:

€m	Interest rate	Maturity	Payable within 1 year	Payable after 1 year: 1 to 5 years	Payable after 1 year: After 5 years	Payable after 1 year: Total 1 year or more	Total
Series 1	1.40%	6-Jul-22	604.1	–	–	–	604.1
Series 2	2.20%	24-Jul-25	6.3	650.0	–	650.0	656.3
Series 3	2.00%	15-Feb-24	8.8	500.0	–	500.0	508.8
Series 4	0.50%	12-Sep-23	0.8	500.0	–	500.0	500.8
Series 5	1.75%	12-Mar-29	8.5	–	600.0	600.0	608.5
Series 6	1.25%	26-Apr-27	5.1	–	600.0	600.0	605.1
Series 7	1.00%	4-May-28	3.6	–	550.0	550.0	553.6
Series 8	0.13%	20-Oct-23	0.1	500.0	–	500.0	500.1
Series 9	1.00%	20-Oct-26	1.2	600.0	–	600.0	601.2
Series 10[1]	1.63%	20-Apr-30	1.6	–	500.0	500.0	501.6
Series 11[2]	2.00%	20-Oct-25	1.7	416.6	–	416.6	418.3
Series 12[2]	2.63%	20-Oct-28	2.8	–	535.5	535.5	538.3
Total			**644.6**	**3,166.6**	**2,785.5**	**5,952.1**	**6,596.7**
Principal			600.0	3,166.6	2,785.5	5,952.1	6,552.1
Accrued interest			44.6	–	–	–	44.6
Total			**644.6**	**3,166.6**	**2,785.5**	**5,952.1**	**6,596.7**

1. Green Bonds issued pursuant to BPPEH's Green Financing Framework.
2. Notes issued in pound sterling.

The following table summarises the key terms of the unsecured notes outstanding as at 31 December 2020:

€m	Interest rate	Maturity	Payable within 1 year	Payable after 1 year: 1 to 5 years	Payable after 1 year: After 5 years	Payable after 1 year: Total 1 year or more	Total
Series 1	1.40%	06-Jul-22	4.1	600.0	–	600.0	604.1
Series 2	2.20%	24-Jul-25	6.3	650.0	–	650.0	656.3
Series 3	2.00%	15-Feb-24	8.8	500.0	–	500.0	508.8
Series 4	0.50%	12-Sep-23	0.8	500.0	–	500.0	500.8
Series 5	1.75%	12-Mar-29	8.5	–	600.0	600.0	608.5
Series 6	1.25%	26-Apr-27	1.3	–	600.0	600.0	601.3
Total			**29.8**	**2,250.0**	**1,200.0**	**3,450.0**	**3,479.8**
Principal			–	2,250.0	1,200.0	3,450.0	3,450.0
Accrued interest			29.8	–	–	–	29.8
Total			**29.8**	**2,250.0**	**1,200.0**	**3,450.0**	**3,479.8**

11.2 Amounts owed to credit institutions

The following table summarises the key terms of the amounts owed to credit institutions as at 31 December 2021:

€m	Interest rate	Maturity[1]	Payable within 1 year	Payable after 1 year: 1 to 5 years	Payable after 1 year: After 5 years	Payable after 1 year: Total 1 year or more	Total
Revolving credit facility II	1.00%	15-May-25	–	33.9	–	33.9	33.9
Mortgage loans	1.40% - 2.64%	27-Jul-26 – 25-Dec-35	2.5	53.7	164.1	217.8	220.3
Total			**2.5**	**87.6**	**164.1**	**251.7**	**254.2**
Principal			0.9	87.6	164.1	251.7	252.6
Accrued interest			1.6	–	–	–	1.6
Total			**2.5**	**87.6**	**164.1**	**251.7**	**254.2**

The following table summarises the key terms of the amounts owed to credit institutions as at 31 December 2020:

€m	Interest rate	Maturity[1]	Payable within 1 year	Payable after 1 year: 1 to 5 years	Payable after 1 year: After 5 years	Payable after 1 year: Total 1 year or more	Total
Acquisition facility II	1.40% - 1.45%	15-Nov-23 – 15-Feb-24	0.5	332.2	–	332.2	332.7
Revolving credit facility II	1.00%	15-May-25	–	30.1	–	30.1	30.1
Mortgage loan	2.64%	10-Dec-28	0.9	–	144.9	144.9	145.8
Total			**1.4**	**362.3**	**144.9**	**507.2**	**508.6**
Principal			–	362.3	144.9	507.2	507.2
Accrued interest			1.4	–	–	–	1.4
Total			**1.4**	**362.3**	**144.9**	**507.2**	**508.6**

1. Represents committed maturity dates.

Acquisition Facility II

Borrowings under Acquisition Facility II have an initial maturity of one year, subject to two one-year extension options upon BPPEH's request, and an interest rate of Euribor (or any other relevant interbank rate for non-Euro denominated draws) + 1.4% per annum. The interest rate increases by 25 basis points upon each extension.

As at 31 December 2021, BPPEH had no amounts outstanding under Acquisition Facility II.

As at 31 December 2020, BPPEH had SEK1,356.2 million (€134.9 million), £113.4 million (€127.0 million) and €70.3 million outstanding under Acquisition Facility II, with an initial maturity date between 15 November 2021 and 15 February 2022 and a final maturity date between 15 November 2023 and 15 February 2024.

Revolving Credit Facility II ("RCF II")

On 20 March 2020, BPPEH entered into a new revolving credit facility agreement with a total size of €600 million. RCF II has a maturity date of 15 May 2025 and an interest rate of Euribor (or any other relevant interbank rate for non-Euro denominated draws) + 1.0% per annum.

As at 31 December 2021, BPPEH had €33.9 million drawn under RCF II. As at 31 December 2020, BPPEH had €20.8 million and £8.3 million (€9.3 million) drawn under RCF II.

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Notes to the Consolidated Annual Accounts (cont'd)

Mortgage Loans

During 2021, the Group assumed two new mortgage loans in connection with the acquisition of certain investment properties. As at 31 December 2021, the Group had three mortgage loans, secured by investment properties, totalling £129.5 million (€154.1 million) and €64.6 million with a maturity date between 27 July 2026 and 25 December 2035.

As at 31 December 2020, the Group had a mortgage loan, secured by investing properties, totalling £129.5 million (€144.9 million) and maturing on 10 December 2028.

Covenants

As at 31 December 2021 and 2020, the Group was in compliance with all of its covenants.

11.3 Movement in the amounts owed to credit institutions and unsecured notes

The following table summarises the movement in the amounts owed to credit institutions and unsecured notes for the year ended 31 December 2021 and 2020:

€m	Amounts owed to credit institutions	Unsecured notes	Total
Principal balance - 31 December 2019	**73.1**	**2,850.0**	**2,923.1**
Draws/issuances	1,528.3	600.0	**2,128.3**
Repayments	(1,532.9)	–	**(1,532.9)**
Acquired debt[1]	428.5	–	**428.5**
Effect of foreign exchange rate changes	11.4	–	**11.4**
Fair value of derivatives	(1.2)	–	**(1.2)**
Principal balance - 31 December 2020	**507.2**	**3,450.0**	**3,957.2**
Draws/issuances	2,486.0	3,099.2	**5,585.2**
Repayments	(2,831.6)	–	**(2,831.6)**
Acquired debt[1]	64.7	–	**64.7**
Effect of foreign exchange rate changes	26.3	2.9	**29.2**
Principal balance - 31 December 2021	**252.6**	**6,552.1**	**6,804.7**
Deferred financing fees - 31 December 2019	**0.7**	**19.4**	**20.1**
Capitalisation of financing fees	3.3	5.0	**8.3**
Amortisation of deferred financing fees	(0.3)	(4.4)	**(4.7)**
Write-off of deferred financing fees	(1.1)	–	**(1.1)**
Deferred financing fees - 31 December 2020	**2.6**	**20.0**	**22.6**
Capitalisation of financing fees	3.0	15.9	**18.9**
Amortisation of deferred financing fees	(1.3)	(5.5)	**(6.8)**
Write-off of deferred financing fees	(3.3)	–	**(3.3)**
Deferred financing fees - 31 December 2021	**1.0**	**30.4**	**31.4**

1. Acquired debt represents debt acquired as part of the acquisition of property owning subsidiaries and is presented within Additions to tangible fixed assets in the Consolidated Statement of Cash Flows.

11.4 Trade creditors

The following table summarises trade creditors amounts:

€m	As at 31 December 2021	As at 31 December 2020
Transaction costs	37.4	13.8
Capital expenditures	28.0	4.7
Professional fees	13.9	6.7
Trade creditors	12.6	7.5
Service charges	5.0	3.6
Other accruals	1.7	2.5
Total	**98.6**	**38.8**

11.5 Amounts owed to affiliated undertakings

Amounts owed to affiliated undertakings are subordinated to unsecured notes and amounts owed to credit institutions. The following table summarises the key terms of the amounts owed to affiliated undertakings, including BPPEH's parent entity and NCI shareholders, as at 31 December 2021:

€m	Interest rate	Maturity[1]	Payable within 1 year	Payable after 1 year: 1 to 5 years	Payable after 1 year: After 5 years	Payable after 1 year: Total 1 year or more	Total
Related party loans payable	0.50% - 7.93%	2023 - 2036	74.5	41.6	1,391.0	1,432.6	1,507.1
Related party loans payable - interest free	–	2030 - 2036	–	–	1,220.9	1,220.9	1,220.9
Other amounts payable[1]	–	–	73.6	–	–	–	73.6
Total			**148.1**	**41.6**	**2,611.9**	**2,653.5**	**2,801.6**
Principal			104.4	41.6	2,611.9	2,653.5	2,757.9
Accrued interest			43.7	–	–	–	43.7
Total			**148.1**	**41.6**	**2,611.9**	**2,653.5**	**2,801.6**

1. Primarily consists of unsettled dividends of €70.0 million (2020: nil).

The following table summarises the key terms of the amounts owed to affiliated undertakings, including BPPEH's parent entity and NCI shareholders, as at 31 December 2020.

€m	Interest rate	Maturity[1]	Payable within 1 year	Payable after 1 year: 1 to 5 years	Payable after 1 year: After 5 years	Payable after 1 year: Total 1 year or more	Total
Related party loans payable	1.00% - 7.93%	2022 - 2035	47.7	43.2	1,526.2	1,569.4	1,617.1
Related party loans payable - interest free	–	2021 - 2023	132.5	99.5	–	99.5	232.0
Other amounts payable	–	–	2.8	–	–	–	2.8
Total			**183.0**	**142.7**	**1,526.2**	**1,668.9**	**1,851.9**
Principal			135.3	142.7	1,526.2	1,668.9	1,804.2
Accrued interest			47.7	–	–	–	47.7
Total			**183.0**	**142.7**	**1,526.2**	**1,668.9**	**1,851.9**

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Notes to the Consolidated Annual Accounts (cont'd)

11.6 Other creditors

The following table summarises amounts owed to other creditors as at 31 December 2021:

€m	Tax authorities	Payable within 1 year	Payable after 1 year	Total
Other payables[1]	166.0	5.6	14.8	**186.4**
Tenant security deposits payable	–	33.4	–	**33.4**
Deferred purchase price[2]	–	1.4	–	**1.4**
Total	**166.0**	**40.4**	**14.8**	**221.2**

The following table summarises amounts owed to other creditors as at 31 December 2020:

€m	Tax authorities	Payable within 1 year	Payable after 1 year	Total
Other payables[1]	49.2	2.7	7.4	**59.3**
Tenant security deposits payable	–	26.7	–	**26.7**
Deferred purchase price[2]	–	0.9	–	**0.9**
Total	**49.2**	**30.3**	**7.4**	**86.9**

1. Primarily consists of substitutive tax on the revaluation reserve in Italy of €96.3 million (2020: nil), VAT payable of €46.9 million (2020: €33.7 million), corporate income tax of €13.5 million (2020: €8.7 million), withholding tax of €6.7 million (2020: €0.1 million), property tax of €1.8 million (2020: €1.5 million) and ground lease liability of €14.8 million (2020: €7.4 million). The substitutive tax on the revaluation reserve is payable in two equal instalments in July 2022 and July 2023. As at 31 December 2020, the balance also included €3.9 million real estate transfer tax.
2. Represents amount payable to the seller related to investment properties acquired during the year.

Note 12 – Deferred income

As at 31 December 2021, deferred income included rent and service charges paid in advance by tenants, as well as advance rent and service charge billings of €41.8 million (2020: €24.1 million). As at 31 December 2021, the Group recognised unrealised foreign exchange gains in the amount of €6.7 million (2020: €16.6 million).

Note 13 – Net turnover

The following table reflects net turnover of the Group's investment properties summarised by asset class and country for the year ended 31 December 2021:

€m	Logistics	Office	Residential	Luxury retail	Other	Total
Germany	47.9	14.6	30.7	–	–	**93.2**
United Kingdom	63.6	–	–	–	–	**63.6**
France	54.3	7.2	–	–	–	**61.5**
Sweden	28.9	1.6	–	–	–	**30.5**
Netherlands	9.1	–	20.6	–	–	**29.7**
Italy	8.3	12.9	0.6	2.3	0.7	**24.8**
Denmark	15.9	–	–	–	–	**15.9**
Spain	8.0	7.3	–	–	–	**15.3**
Poland	14.2	–	–	–	–	**14.2**
Ireland	–	10.9	–	–	–	**10.9**
Norway	2.4	–	–	–	–	**2.4**
Switzerland	2.1	–	–	–	–	**2.1**
Finland	1.8	–	–	–	–	**1.8**
Greece	0.5	–	–	–	–	**0.5**
Total	**257.0**	**54.5**	**51.9**	**2.3**	**0.7**	**366.4**

The following table reflects net turnover of the Group's investment properties summarised by asset class and country for the year ended 31 December 2020:

€m	Logistics	Office	Residential	Total
Germany	44.2	13.8	31.3	**89.3**
France	48.4	7.1	–	**55.5**
Netherlands	7.2	–	16.1	**23.3**
Sweden	15.9	–	–	**15.9**
Spain	7.4	7.6	–	**15.0**
Poland	14.4	–	–	**14.4**
Italy	8.6	5.0	–	**13.6**
Denmark	12.4	–	–	**12.4**
United Kingdom	4.3	–	–	**4.3**
Switzerland	1.9	–	–	**1.9**
Finland	1.8	–	–	**1.8**
Norway	1.8	–	–	**1.8**
Greece	0.4	–	–	**0.4**
Total	**168.7**	**33.5**	**47.4**	**249.6**

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Notes to the Consolidated Annual Accounts (cont'd)

Note 14 – Other operating income

The following table summarises the other operating income of the Group:

€m	For the year ended 31 December 2021	For the year ended 31 December 2020
Service charge income	55.2	49.0
Net gain on disposals	4.0	3.4
Other income	8.7	4.6
Total	**67.9**	**57.0**

On 30 September 2021, the Group disposed of one logistics asset in Milan, Italy, previously presented in the consolidated balance sheet within "Inventories", for gross proceeds of €18.7 million and recognised a €2.7 million gain on disposal (net of transaction costs).

In July 2021, BPPEH, through its subsidiaries, acquired a logistics portfolio in the United Kingdom. As part of the transaction, the sale of approximately half the portfolio was agreed with a related party under common control and subsequently completed on 6 October 2021 for proceeds of €517.1 million in cash and €295.1 million offset against related party loans to shareholders, and the Group recognised a €0.2 million gain on disposal.

During 2021, the Group disposed of 3 units (2020: 5 units) in one of its residential buildings located in Germany for gross proceeds of €1.7 million (2020: €2.1 million) and recognised a €1.1 million (2020: €1.4 million) gain on disposal.

During 2020, the Group recognised an additional €1.8 million gain related to the disposal of two logistics properties in Poland and one office property in Germany that occurred during 2019.

Note 15 – Other external expenses

The following table summarises other external expenses comprised of general and administrative expenses, audit, legal and advisory fees, and other corporate costs incurred by the Group:

€m	For the year ended 31 December 2021	For the year ended 31 December 2020
Administrative expenses	12.9	10.5
Advisory fees	8.0	4.3
Legal fees	5.0	3.5
Accounting fees	3.2	2.2
Audit fees	2.1	1.6
Other expenses	3.8	2.7
Total	**35.0**	**24.8**

Note 16 – Employees

As at 31 December 2021 and 2020, the Group had 33 and 36 full-time employees, respectively. Employee expenses are presented in the consolidated profit and loss account within "Other external expenses". No loans or incentives were provided to the management of the Group.

Note 17 – Other operating expenses

The following table summarises other operating expenses which primarily consist of service charge expenses and asset management fees incurred in connection with the operations of the Group's investment properties:

€m	For the year ended 31 December 2021	For the year ended 31 December 2020
Service charges and other expenses	88.0	68.4
Asset management fees	23.5	16.2
Total	**111.5**	**84.6**

Note 18 – Other interest receivable and similar income

The following table summarises the other interest receivable and similar income of the Group:

€m	For the year ended 31 December 2021	For the year ended 31 December 2020
Other interest receivable and similar income		
Realised foreign exchange gains	20.0	3.3
Change in fair value of derivatives	4.8	1.2
	24.8	**4.5**
Concerning affiliated undertakings		
Interest on amounts owed by affiliated undertakings	2.8	1.6
	2.8	**1.6**
Total	**27.6**	**6.1**

Note 19 – Interest payable and similar expenses

The following table summarises interest expense incurred in connection with the Group's external and affiliated borrowings as well as amortisation of deferred financing fees related to originating such borrowings (see Notes 8 and 11):

€m	For the year ended 31 December 2021	For the year ended 31 December 2020
Other interest and similar expenses		
Interest on unsecured notes	64.3	46.9
Foreign exchange losses	15.8	5.6
Interest on amounts owed to credit institutions	14.4	7.1
Other financial expenses and bank fees	7.3	4.6
Amortisation of deferred financing fees[1]	6.8	4.7
Write-off of deferred financing fees	3.3	1.1
	111.9	**70.0**
Concerning affiliated undertakings		
Interest on amounts owed to affiliated undertakings	46.1	54.2
	46.1	**54.2**
Total	**158.0**	**124.2**

1. Includes the effective interest rate adjustments.

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Note 20 – Tax on profit or loss

The "Tax on profit or loss" consists of a current tax charge of €13.9 million (2020: €7.7 million) and a deferred tax charge of €8.3 million (2020: €5.5 million) (see Note 10).

Note 21 – Related party transactions

A number of the Group's investment properties are asset managed by related parties. During 2021, the Group incurred €1.1 million (2020: €1.3 million) of related party asset management fees. During 2020, the Group incurred €0.2 million of related party accounting fees.

During 2021, the Group sold a portfolio of properties to a related party (see Note 14).

During 2021 and 2020, the Group earned an immaterial amount of income from recharges to a related party.

Note 22 – Off balance sheet commitments and contingencies

Commitments

As at 31 December 2021, the Group had agreed construction contracts with third parties and is consequently committed to future capital expenditure in respect of investment properties of €105.3 million (2020: nil).

Litigation and claims

The Group may be involved in litigation and claims in the ordinary course of business. As at 31 December 2021 and 2020, the Group was not involved in any legal proceedings that are expected to have a material adverse effect on the Group's operations, financial position or liquidity.

The Group has contingent liabilities in respect of legal claims, guarantees and warranties arising in the ordinary course of business. It is not anticipated that any material obligations will arise from these contingent liabilities.

Note 23 – Subsequent events

On 24 February 2022, Russian troops began a full-scale invasion of Ukraine and, as of the 1 April 2022, the countries remain in active armed conflict. Around the same time, the United States, the United Kingdom, the European Union, and several other nations announced a broad array of new or expanded sanctions, export controls, and other measures against Russia, Russia-backed separatist regions in Ukraine, and certain banks, companies, government officials, and other individuals in Russia and Belarus, as well as a number of Russian Oligarchs. The ongoing conflict and the rapidly evolving measures in response could be expected to have a negative impact on the economy and business activity globally (including in the countries in which the Group invests), and therefore could adversely affect the performance of the Group's investments. The severity and duration of the conflict and its impact on global economic and market conditions are impossible to predict, and as a result, present material uncertainty and risk with respect to the Group and the performance of its investments and operations, and the ability of the Group to achieve its investment objectives. Similar risks will exist to the extent that any portfolio entities, service providers, vendors or certain other parties have material operations or assets in Russia, Ukraine, Belarus, or the immediate surrounding areas.

Apart from the above, the management has evaluated the impact of all subsequent events through 1 April 2022, which is the date that these consolidated annual accounts were available to be issued and has determined that there were no other subsequent events requiring adjustment to or disclosure in the consolidated annual accounts.

Acquisitions and disposals

Since 31 December 2021, BPPEH has acquired a further 19% in the trophy Milan city centre portfolio for €216 million, bringing ownership to nearly 100%. BPPEH has also acquired a logistics asset in the United Kingdom for a gross purchase price of £143 million (approximately €170 million). BPPEH also acquired a logistics asset in Sweden for a gross purchase price of SEK235 million (approximately €23 million) as well as a prime logistics asset in the Netherlands for a gross purchase price of €17 million.

BPPEH has further committed to future capital expenditure in respect of additional 110 residential units in the United Kingdom amounting to £34 million (approximately €41 million).

BPPEH has also sold three non-core logistics assets in Paris and Dijon, France and Bremerhaven, Germany for €142 million.

Before 31 December 2021, BPPEH signed an agreement to acquire a 19-unit logistics park in the United Kingdom for a gross purchase price of £119 million (approximately €142 million). Closing on this transaction is expected to occur in Q2 2022. BPPEH also signed an agreement to acquire the remaining minority stake in one of the office assets in Central Dublin, Ireland for €70 million. This transaction is expected to close in Q4 2022.

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Note 24 – List of consolidated entities

No.	Name	Effective ownership 31 December 2021	Effective ownership 31 December 2020	Country of incorporation	Consolidation method
1	Blackstone Property Partners Europe Holdings S.à r.l.	n.a.	n.a.	Luxembourg	Parent company
2	LZ German Super Topco S.à r.l.	100.00%	100.00%	Luxembourg	Full consolidation
3	Alpha German Super Topco S.à r.l.	55.96%	55.96%	Luxembourg	Full consolidation
4	Alpha German Topco S.à r.l.	55.96%	55.96%	Luxembourg	Full consolidation
5	SF German Master Topco S.à r.l.	100.00%	100.00%	Luxembourg	Full consolidation
6	Azurite Master Topco S.à r.l.	52.81%	52.81%	Luxembourg	Full consolidation
7	Azurite Topco S.à r.l.	52.81%	52.81%	Luxembourg	Full consolidation
8	Azurite Unsecured Topco S.à r.l.	100.00%	100.00%	Luxembourg	Full consolidation
9	German Unsecured Topco S.à r.l.	100.00%	100.00%	Luxembourg	Full consolidation
10	Azurite German Majority Topco S.à r.l.	58.68%	58.68%	Luxembourg	Full consolidation
11	Azurite German Majority Midco S.à r.l.	58.68%	58.68%	Luxembourg	Full consolidation
12	Azurite German Majority Holdco S.à r.l.	58.68%	58.68%	Luxembourg	Full consolidation
13	Gemini Unsecured Topco S.à r.l.	100.00%	100.00%	Luxembourg	Full consolidation
14	Gemini Master Topco S.à r.l.	100.00%	100.00%	Luxembourg	Full consolidation
15	Gemini Topco S.à r.l.	100.00%	100.00%	Luxembourg	Full consolidation
16	Thesaurus Pledgeco S.à r.l.	100.00%	100.00%	Luxembourg	Full consolidation
17	Thesaurus Investment S.à r.l.	100.00%	100.00%	Luxembourg	Full consolidation
18	Polaris Master Topco S.à r.l.	50.52%	50.52%	Luxembourg	Full consolidation
19	Polaris Finco S.à r.l.	50.52%	50.52%	Luxembourg	Full consolidation
20	BPPE Finco S.à r.l.	100.00%	100.00%	Luxembourg	Full consolidation
21	Azurite Non-German Finco S.à r.l.	52.81%	52.81%	Luxembourg	Full consolidation
22	German Resi Finco S.à r.l.	90.00%	90.00%	Luxembourg	Full consolidation
23	Azurite German Finco S.à r.l.	52.81%	52.81%	Luxembourg	Full consolidation
24	Alpha German Pledgeco S.à r.l.	55.96%	55.96%	Luxembourg	Full consolidation
25	Alpha German Holdco S.à r.l.	55.96%	55.96%	Luxembourg	Full consolidation
26	KC Chris GmbH	50.37%	50.37%	Germany	Full consolidation
27	KC Valentina GmbH	50.37%	50.37%	Germany	Full consolidation
28	KC Isabella GmbH	50.37%	50.37%	Germany	Full consolidation
29	KC Carolina GmbH	50.37%	50.37%	Germany	Full consolidation
30	KC Louise GmbH	50.37%	50.37%	Germany	Full consolidation
31	KC Berlin 1 GmbH	50.37%	50.37%	Germany	Full consolidation
32	KC Berlin 2 GmbH	50.37%	50.37%	Germany	Full consolidation
33	KC Berlin 3 GmbH	50.37%	50.37%	Germany	Full consolidation
34	KC Berlin 4 GmbH	50.37%	50.37%	Germany	Full consolidation
35	LZ German Topco S.à r.l.	100.00%	100.00%	Luxembourg	Full consolidation
36	LZ German Holdco S.à r.l.	100.00%	100.00%	Luxembourg	Full consolidation
37	Peninsula Bidco BV	100.00%	100.00%	Netherlands	Full consolidation
38	Peninsula Pledgeco BV	100.00%	100.00%	Netherlands	Full consolidation
39	OPPCI Dyna Sppicav	100.00%	100.00%	France	Full consolidation
40	SCI Dynavia	100.00%	100.00%	France	Full consolidation
41	Perceval Topco S.à r.l.	52.81%	52.81%	Luxembourg	Full consolidation
42	Perceval Investment S.à r.l.	52.81%	52.81%	Luxembourg	Full consolidation
43	Ermes Fund	52.81%	52.81%	Italy	Full consolidation
44	Logan (Bad Hersfeld) Propco BV	52.81%	52.81%	Netherlands	Full consolidation
45	Logan (Borken 1) Propco BV	52.81%	52.81%	Netherlands	Full consolidation
46	Logan (Borken 2) Propco BV	52.81%	52.81%	Netherlands	Full consolidation
47	Logan (Bremerhaven) Propco BV	52.81%	52.81%	Netherlands	Full consolidation
48	Logan (Hassfurt) Propco BV	52.81%	52.81%	Netherlands	Full consolidation
49	Logan (Neunkirchen) Propco BV	52.81%	52.81%	Netherlands	Full consolidation
50	Jago European Club II S.à r.l.	52.81%	52.81%	Luxembourg	Full consolidation
51	Tanzanite Topco BV	52.81%	52.81%	Netherlands	Full consolidation
52	Tanzanite Dordrecht BV	52.81%	52.81%	Netherlands	Full consolidation
53	Tanzanite Holdco BV	52.81%	52.81%	Netherlands	Full consolidation
54	Tanzanite Vianen I BV	52.81%	52.81%	Netherlands	Full consolidation
55	Tanzanite Vianen II BV	52.81%	52.81%	Netherlands	Full consolidation
56	Tanzanite Schiphol BV	52.81%	52.81%	Netherlands	Full consolidation
57	Tanzanite Tiel BV	52.81%	52.81%	Netherlands	Full consolidation
58	Canary Pledgeco S.à r.l.	55.96%	55.96%	Luxembourg	Full consolidation
59	Canary Holdco S.à r.l.	55.96%	55.96%	Luxembourg	Full consolidation
60	Taliesin Managing-Partner GmbH	52.61%	52.61%	Germany	Full consolidation
61	Taliesin I GmbH	50.37%	50.37%	Germany	Full consolidation
62	Phoenix Dutch BV	50.37%	50.37%	Netherlands	Full consolidation
63	Taliesin II GmbH	50.37%	50.37%	Germany	Full consolidation
64	Phoenix B2 -Glatzerstrasse S.à r.l.	50.37%	50.37%	Luxembourg	Full consolidation
65	Phoenix D1 - Hohenstaufenstrasse S.à r.l.	50.37%	50.37%	Luxembourg	Full consolidation
66	Phoenix II Mixed H S.à r.l.	50.37%	50.37%	Luxembourg	Full consolidation
67	Phoenix II Mixed I S.à r.l.	50.37%	50.37%	Luxembourg	Full consolidation
68	Phoenix II Mixed J S.à r.l.	50.37%	50.37%	Luxembourg	Full consolidation
69	Phoenix II Mixed K S.à r.l.	50.37%	50.37%	Luxembourg	Full consolidation
70	Phoenix II Mixed N S.à r.l.	50.37%	50.37%	Luxembourg	Full consolidation
71	Phoenix III Mixed O S.à r.l.	50.37%	50.37%	Luxembourg	Full consolidation
72	Taliesin Deutschland GmbH	50.37%	50.37%	Germany	Full consolidation

Notes to the Consolidated Annual Accounts (cont'd)

No.	Name	Effective ownership 31 December 2021	Effective ownership 31 December 2020	Country of incorporation	Consolidation method
73	Adamma Pledgeco S.à r.l.	0.00%	100.00%	Luxembourg	Liquidated on 30/09/2021
74	Adamma Holdco S.à r.l.	0.00%	100.00%	Luxembourg	Liquidated on 30/09/2021
75	ADAMMA Home GmbH	89.99%	90.00%	Germany	Full consolidation
76	Arabella Topco S.à r.l.	99.70%	99.70%	Luxembourg	Full consolidation
77	Arabella Finco S.à r.l.	0.00%	0.00%	Luxembourg	Sold on 27/05/2020
78	Arabella Holdco S.à r.l.	99.70%	99.70%	Luxembourg	Full consolidation
79	Arabella Propco S.à r.l.	89.68%	89.73%	Luxembourg	Full consolidation
80	Azurite Mezzco S.à r.l.	52.81%	52.81%	Luxembourg	Full consolidation
81	Azurite Pledgeco S.à r.l.	52.81%	52.81%	Luxembourg	Full consolidation
82	Azurite Bidco S.à r.l.	52.81%	52.81%	Luxembourg	Full consolidation
83	Azurite France Propco I SNC	52.81%	52.81%	France	Full consolidation
84	Azurite France Bidco SAS	52.81%	52.81%	France	Full consolidation
85	Azurite France Propco II SNC	52.81%	52.81%	France	Full consolidation
86	Azurite France Propco III SNC	52.81%	52.81%	France	Full consolidation
87	Azurite Montélimar (France) SAS	52.81%	52.81%	France	Full consolidation
88	Azurite Mitry (France) S.à r.l.	52.81%	52.81%	France	Full consolidation
89	Azurite Immobilier EURL	52.81%	52.81%	France	Full consolidation
90	Azurite Properties Germany BV	52.81%	52.81%	Netherlands	Full consolidation
91	Azurite Werne Logistics S.à r.l.	52.81%	52.81%	Luxembourg	Full consolidation
92	Azurite Viersen Logistics S.à r.l.	52.81%	52.81%	Luxembourg	Full consolidation
93	Azurite Halle Logistics S.à r.l.	52.81%	52.81%	Luxembourg	Full consolidation
94	Azurite Michelsrombach Logistics S.à r.l.	52.81%	52.81%	Luxembourg	Full consolidation
95	Azurite Hamm Logistics S.à r.l.	52.81%	52.81%	Luxembourg	Full consolidation
96	Azurite Schwäbisch Gmünd Logistics S.à r.l.	52.81%	52.81%	Luxembourg	Full consolidation
97	Azurite Linsengericht Logistics S.à r.l.	52.81%	52.81%	Luxembourg	Full consolidation
98	Azurite Waldlaubersheim Logistics S.à r.l.	52.81%	52.81%	Luxembourg	Full consolidation
99	Azurite Poland Holdco S.à r.l.	52.81%	52.81%	Luxembourg	Full consolidation
100	Azurite Poland Propco I Sp.z o.o.	52.81%	52.81%	Poland	Full consolidation
101	Azurite Poland Propco II Sp.z o.o.	52.81%	52.81%	Poland	Full consolidation
102	Azurite Poland Propco IV Sp.z o.o.	52.81%	52.81%	Poland	Full consolidation
103	Azurite Poland Propco V Sp.z o.o.	52.81%	52.81%	Poland	Full consolidation
104	Gamma Holdco S.à r.l.	100.00%	100.00%	Luxembourg	Full consolidation
105	Gamma Pledgeco S.à r.l.	100.00%	100.00%	Luxembourg	Full consolidation
106	Wackenida GmbH	89.99%	90.00%	Germany	Full consolidation
107	St. Bonifatius Wohnungsbaugesellschaft mbH	89.99%	90.00%	Germany	Full consolidation
108	Speyerer Straße 3 Immobilienverwaltung GmbH	89.99%	90.00%	Germany	Full consolidation
109	Oldenburger Straße Betreuungs GmbH	89.99%	90.00%	Germany	Full consolidation
110	SK 96 - Wohnungsbaukombinat GmbH	89.99%	90.00%	Germany	Full consolidation

No.	Name	Effective ownership 31 December 2021	Effective ownership 31 December 2020	Country of incorporation	Consolidation method
111	Richardstraße 60, 61 Berlin-Neukölln GmbH	89.99%	90.00%	Germany	Full consolidation
112	Ravenna Lodging GmbH	89.99%	90.00%	Germany	Full consolidation
113	Wustermarker Str. 38/39 Objekt GmbH	89.99%	90.00%	Germany	Full consolidation
114	Laser Pledgeco S.à r.l.	100.00%	100.00%	Luxembourg	Full consolidation
115	Laser Holdco S.à r.l.	100.00%	100.00%	Luxembourg	Full consolidation
116	Laser (Spain) Holdco, S.L.U.	100.00%	100.00%	Spain	Full consolidation
117	Laser (Spain) Propco II, S.L.U.	100.00%	100.00%	Spain	Full consolidation
118	Laser (Spain) Propco I, S.L.U.	100.00%	100.00%	Spain	Full consolidation
119	Laser (Spain) Propco III S.L.U.	100.00%	100.00%	Spain	Full consolidation
120	Garden Pledgeco S.à r.l.	100.00%	100.00%	Luxembourg	Full consolidation
121	Garden Holdco S.à r.l.	100.00%	100.00%	Luxembourg	Full consolidation
122	Garden (Spain) Holdco S.L.U.	100.00%	100.00%	Spain	Full consolidation
123	Garden (Spain) Propco S.L.U.	100.00%	100.00%	Spain	Full consolidation
124	Pariser Pledgeco S.à r.l.	99.66%	99.66%	Luxembourg	Full consolidation
125	Pariser Holdco S.à r.l.	99.66%	99.66%	Luxembourg	Full consolidation
126	Pariser Platz ZwischenHoldCo GmbH	89.66%	89.70%	Germany	Full consolidation
127	Pariser Platz Propco S.C.S.	89.66%	89.70%	Luxembourg	Full consolidation
128	Pariser Platz (Propco) GP S.à r.l.	89.68%	89.70%	Luxembourg	Full consolidation
129	Gemini Poland Topco S.à r.l.	90.00%	90.00%	Luxembourg	Full consolidation
130	Gemini Poland Holdco S.à r.l.	90.00%	90.00%	Luxembourg	Full consolidation
131	Gemini Finco S.à r.l.	90.00%	90.00%	Luxembourg	Full consolidation
132	Gemini (Poland) Propco I Sp.z o.o.	90.00%	90.00%	Poland	Full consolidation
133	Gemini (Poland) Propco II Sp.z o.o.	90.00%	90.00%	Poland	Full consolidation
134	Gemini (Poland) Propco III Sp.z o.o.	90.00%	90.00%	Poland	Full consolidation
135	Gemini (Poland) Propco IV Sp.z o.o.	90.00%	90.00%	Poland	Full consolidation
136	Gemini (Poland) Propco V Sp.z o.o.	90.00%	90.00%	Poland	Full consolidation
137	Gemini German Majority Midco S.à r.l.	100.00%	100.00%	Luxembourg	Full consolidation
138	Gemini German Majority Topco S.à r.l.	100.00%	100.00%	Luxembourg	Full consolidation
139	Gemini German Majority Holdco S.à r.l.	100.00%	100.00%	Luxembourg	Full consolidation
140	Gemini Forchheim Logistics LLC	89.99%	90.00%	Delaware	Full consolidation
141	Gemini Sulzenbrucker Strasse 7 LLC	89.99%	90.00%	Delaware	Full consolidation
142	Gemini Karlsdorf LLC	89.99%	90.00%	Delaware	Full consolidation
143	Gemini Duisburg LLC	89.99%	90.00%	Delaware	Full consolidation
144	Gemini Nuremburg LLC	89.99%	90.00%	Delaware	Full consolidation
145	Summer Pledgeco S.à r.l.	0.00%	100.00%	Luxembourg	Liquidated on 30/09/2021
146	Summer Holdco S.à r.l.	0.00%	100.00%	Luxembourg	Liquidated on 30/09/2021
147	Summer Propco 1 GmbH	89.99%	90.00%	Germany	Full consolidation
148	Summer Propco 2 GmbH	89.99%	90.00%	Germany	Full consolidation

Consolidated Annual Accounts

Notes to the Consolidated Annual Accounts (cont'd)

No.	Name	Effective ownership 31 December 2021	Effective ownership 31 December 2020	Country of incorporation	Consolidation method
149	Leiko Finco S.à r.l.	89.46%	89.54%	Luxembourg	Full consolidation
150	Leiko Investments S.à r.l.	89.46%	89.54%	Luxembourg	Full consolidation
151	Leiko Super Topco S.à r.l.	100.00%	100.00%	Luxembourg	Full consolidation
152	Leiko Topco S.à r.l.	89.93%	90.00%	Luxembourg	Full consolidation
153	Leiko Holdco S.à r.l.	89.46%	89.54%	Luxembourg	Full consolidation
154	Spring Topco S.à r.l.	0.00%	90.00%	Luxembourg	Liquidated on 29/09/2021
155	Spring Pledgeco S.à r.l.	0.00%	90.00%	Luxembourg	Liquidated on 30/09/2021
156	Spring Investment S.à r.l.	89.98%	90.00%	Luxembourg	Full consolidation
157	Star Pledgeco S.à r.l.	0.00%	100.00%	Luxembourg	Liquidated on 30/09/2021
158	Star Holdco S.à r.l.	0.00%	100.00%	Luxembourg	Liquidated on 30/09/2021
159	Projekt Itaca GmbH	89.99%	90.00%	Germany	Full consolidation
160	Thesaurus Fund	100.00%	100.00%	Italy	Full consolidation
161	Honos Fund	100.00%	100.00%	Italy	Full consolidation
162	Rembrandt Topco S.à r.l.	100.00%	100.00%	Luxembourg	Full consolidation
163	Rembrandt Midco S.à r.l.	100.00%	100.00%	Luxembourg	Full consolidation
164	Rembrandt Pledgeco S.à r.l.	100.00%	100.00%	Luxembourg	Full consolidation
165	Rembrandt Holdco BV	100.00%	100.00%	Netherlands	Full consolidation
166	Rembrandt Propco I BV	100.00%	100.00%	Netherlands	Full consolidation
167	Rembrandt Propco II BV	100.00%	100.00%	Netherlands	Full consolidation
168	Rembrandt Propco III BV	100.00%	100.00%	Netherlands	Full consolidation
169	Rembrandt Propco IV BV	100.00%	100.00%	Netherlands	Full consolidation
170	Rembrandt Propco V BV	100.00%	100.00%	Netherlands	Full consolidation
171	Rembrandt Propco VI BV	100.00%	100.00%	Netherlands	Full consolidation
172	Rembrandt Propco VII BV	100.00%	100.00%	Netherlands	Full consolidation
173	Rembrandt Propco VIII BV	100.00%	100.00%	Netherlands	Full consolidation
174	Rembrandt Propco IX BV	100.00%	100.00%	Netherlands	Full consolidation
175	Rembrandt Propco X BV	100.00%	100.00%	Netherlands	Full consolidation
176	Mountain Holdco S.à r.l.	50.52%	50.52%	Luxembourg	Full consolidation
177	Mountain Bidco S.à r.l.	50.52%	50.52%	Luxembourg	Full consolidation
178	Mountain Bidco II SNC	50.52%	50.52%	France	Full consolidation
179	Mountain Bidco I SNC	50.52%	50.52%	France	Full consolidation
180	Mountain Holdco II S.à r.l.	50.52%	50.52%	Luxembourg	Full consolidation
181	Mountain Bidco II S.à r.l.	50.52%	50.52%	Luxembourg	Full consolidation
182	Mountain Angers SCI	50.52%	50.52%	France	Full consolidation
183	Mountain Besançon SCI	50.52%	50.52%	France	Full consolidation
184	Mountain Amiens SCI	50.52%	50.52%	France	Full consolidation
185	Combs SCI	50.52%	50.52%	France	Full consolidation
186	Mountain Etoile SCI	50.52%	50.52%	France	Full consolidation

No.	Name	Effective ownership 31 December 2021	Effective ownership 31 December 2020	Country of incorporation	Consolidation method
187	Mountain Hem 1 SCI	50.52%	50.52%	France	Full consolidation
188	Mountain Montbartier SCI	50.52%	50.52%	France	Full consolidation
189	Mountain Monteux 1 SCI	50.52%	50.52%	France	Full consolidation
190	Mountain Monteux 2 SCI	50.52%	50.52%	France	Full consolidation
191	Mountain Noyelles SCI	50.52%	50.52%	France	Full consolidation
192	Mountain Toufflers SCI	50.52%	50.52%	France	Full consolidation
193	Mountain Villebon SCI	50.52%	50.52%	France	Full consolidation
194	Monclair Bidco S.à r.l.	100.00%	100.00%	Luxembourg	Full consolidation
195	Monclair Holdco S.à r.l.	100.00%	100.00%	Luxembourg	Full consolidation
196	Monclair Finco S.à r.l.	100.00%	100.00%	Luxembourg	Full consolidation
197	Monclair Logistics (Dammartin) SCI	100.00%	100.00%	France	Full consolidation
198	Monclair Logistics (Dunkerque) SCI	100.00%	100.00%	France	Full consolidation
199	Monclair Logistics (Ferrieres) SCI	100.00%	100.00%	France	Full consolidation
200	Monclair Logistics (Ormes) SCI	100.00%	100.00%	France	Full consolidation
201	Monclair Logistics (Saint Pierre) SCI	100.00%	100.00%	France	Full consolidation
202	Monclair Logistics (Salon) SCI	100.00%	100.00%	France	Full consolidation
203	Monclair Logistics (Saint Quentin Fallavier) SCI	100.00%	100.00%	France	Full consolidation
204	Monclair Logistics (SQF 2) SCI	100.00%	100.00%	France	Full consolidation
205	Monclair Logistics (Chalon) SCI	100.00%	100.00%	France	Full consolidation
206	Polaris Holdco S.à r.l.	50.52%	50.52%	Luxembourg	Full consolidation
207	Polaris Bidco S.à r.l.	50.52%	50.52%	Luxembourg	Full consolidation
208	Polaris Bidco (Sweden) AB	50.52%	50.52%	Sweden	Full consolidation
209	Polaris Kommanditdelägare AB	50.52%	50.52%	Sweden	Full consolidation
210	Polaris Komplementär AB	0.00%	50.52%	Sweden	Merged on 09/11/2021
211	Polaris Propco (Sweden) 1 AB	0.00%	50.52%	Sweden	Merged on 09/11/2021
212	Polaris Propco (Sweden) 2 AB	0.00%	50.52%	Sweden	Merged on 09/11/2021
213	Polaris Propco (Sweden) 3 AB	0.00%	50.52%	Sweden	Merged on 09/11/2021
214	Polaris Propco (Sweden) 4 AB	0.00%	50.52%	Sweden	Merged on 09/11/2021
215	Polaris Propco (Sweden) 5 AB	0.00%	50.52%	Sweden	Merged on 09/11/2021
216	Polaris Propco (Sweden) 6 AB	0.00%	50.52%	Sweden	Merged on 09/11/2021
217	Polaris Propco (Sweden) 7 AB	0.00%	50.52%	Sweden	Merged on 09/11/2021
218	Polaris Propco (Sweden) 8 KB	50.52%	50.52%	Sweden	Full consolidation
219	Polaris Propco (Sweden) 9 KB	50.52%	50.52%	Sweden	Full consolidation
220	Polaris Holdco (Finland) Oy	50.52%	50.52%	Finland	Full consolidation
221	Polaris Propco (Finland) Oy	50.52%	50.52%	Finland	Full consolidation
222	Polaris Bidco Denmark ApS	50.52%	50.52%	Denmark	Full consolidation
223	Polaris Propco Denmark 2 ApS	50.52%	50.52%	Denmark	Full consolidation
224	Polaris Propco Denmark 1 ApS	50.52%	50.52%	Denmark	Full consolidation

Consolidated Annual Accounts

Notes to the Consolidated Annual Accounts (cont'd)

No.	Name	Effective ownership 31 December 2021	Effective ownership 31 December 2020	Country of incorporation	Consolidation method
225	Light Holdco S.à r.l.	50.52%	50.52%	Luxembourg	Full consolidation
226	Light (Germany) Propco S.à r.l.	50.52%	50.52%	Luxembourg	Full consolidation
227	Light (Switzerland) Propco S.à r.l.	50.52%	50.52%	Luxembourg	Full consolidation
228	Light (Greece) Propco S.A.	50.52%	50.52%	Greece	Full consolidation
229	Bjorn Holdco S.à r.l.	100.00%	100.00%	Luxembourg	Full consolidation
230	Bjorn Topco S.à r.l.	100.00%	100.00%	Luxembourg	Full consolidation
231	Bjorn Norway Bidco AS	100.00%	100.00%	Norway	Full consolidation
232	Bjorn Sweden Bidco AB	100.00%	100.00%	Sweden	Full consolidation
233	Bjorn Denmark Bidco ApS	100.00%	100.00%	Denmark	Full consolidation
234	Bjorn Denmark Propco 3 ApS	100.00%	100.00%	Denmark	Full consolidation
235	Bjorn Sweden Bidco 1 AB	100.00%	100.00%	Sweden	Full consolidation
236	Bjorn Sweden Bidco 2 AB	100.00%	100.00%	Sweden	Full consolidation
237	Bjorn Sweden Bidco 3 AB	100.00%	100.00%	Sweden	Full consolidation
238	Bjorn Sweden Bidco 4 AB	100.00%	100.00%	Sweden	Full consolidation
239	Bjorn Denmark Bidco 1 ApS	100.00%	100.00%	Denmark	Full consolidation
240	Bjorn Denmark Bidco 2 ApS	100.00%	100.00%	Denmark	Full consolidation
241	Bjorn Denmark Bidco 3 ApS	100.00%	100.00%	Denmark	Full consolidation
242	Bjorn Denmark Bidco 4 ApS	100.00%	100.00%	Denmark	Full consolidation
243	Bjorn (Sweden) Propco 1 AB	100.00%	100.00%	Sweden	Full consolidation
244	Bjorn (Sweden) Propco 2 AB	100.00%	100.00%	Sweden	Full consolidation
245	Bjorn (Sweden) Propco 3 AB	100.00%	100.00%	Sweden	Full consolidation
246	Bjorn (Sweden) Propco 4 Kommanditbolag KB	100.00%	100.00%	Sweden	Full consolidation
247	Bjorn Norway Holding AS	0.00%	100.00%	Norway	Merged on 01/01/2021
248	Bjorn Norway Holdco 1 AS	0.00%	100.00%	Norway	Merged on 01/01/2021
249	Bjorn Norway Propco 2 AS	100.00%	100.00%	Norway	Full consolidation
250	Bjorn Norway Holdco 3 AS	0.00%	100.00%	Norway	Merged on 01/01/2021
251	Bjorn Norway Propco 4 AS	100.00%	100.00%	Norway	Full consolidation
252	Bjorn Denmark Propco 1 ApS	100.00%	100.00%	Denmark	Full consolidation
253	Bjorn Denmark Propco 2 ApS	100.00%	100.00%	Denmark	Full consolidation
254	Bjorn Denmark Propco 4 ApS	100.00%	100.00%	Denmark	Full consolidation
255	Bjorn Denmark Propco 5 ApS	100.00%	100.00%	Denmark	Full consolidation
256	Prox/Ast Holdco S.à r.l.	100.00%	100.00%	Luxembourg	Full consolidation
257	Proximity (Germany) BPPE Holdco S.à r.l.	100.00%	100.00%	Luxembourg	Full consolidation
258	Proximity (France) Holdco S.à r.l.	75.10%	75.10%	Luxembourg	Full consolidation
259	Proximity Finco S.à r.l.	75.10%	75.10%	Luxembourg	Full consolidation
260	CLM1 S.à r.l.	75.10%	75.10%	Luxembourg	Full consolidation
261	CLM 1.1 S.à r.l.	75.10%	75.10%	Luxembourg	Full consolidation
262	CLM2 S.à r.l.	75.10%	75.10%	Luxembourg	Full consolidation

No.	Name	Effective ownership 31 December 2021	Effective ownership 31 December 2020	Country of incorporation	Consolidation method
263	CL French LML Holding S.à r.l.	75.10%	75.10%	Luxembourg	Full consolidation
264	CL French LML S.à r.l.	75.10%	75.10%	Luxembourg	Full consolidation
265	CL French LML Holding 2 S.à r.l.	75.10%	75.10%	Luxembourg	Full consolidation
266	France LML 1 SAS	75.10%	75.10%	France	Full consolidation
267	France LML 3 SAS	75.10%	75.10%	France	Full consolidation
268	France LML 2 SCI	75.10%	75.10%	France	Full consolidation
269	Astrid (Sweden) Holdco S.à r.l.	75.00%	75.00%	Luxembourg	Full consolidation
270	Hawk Holdco S.à r.l.	75.00%	75.00%	Luxembourg	Full consolidation
271	Astrid Finco S.à r.l.	75.00%	75.00%	Luxembourg	Full consolidation
272	Astrid Sweden Bidco 1 AB	75.00%	75.00%	Sweden	Full consolidation
273	Astrid Sweden Bidco 2 AB	75.00%	75.00%	Sweden	Full consolidation
274	Astrid Sweden Örja 1:21 AB	75.00%	75.00%	Sweden	Full consolidation
275	Astrid Sweden Bromsregulatorn 1 AB	75.00%	75.00%	Sweden	Full consolidation
276	Astrid Sweden Söderarm 11 AB	75.00%	75.00%	Sweden	Full consolidation
277	Astrid Sweden Jordbromalm KB	75.00%	75.00%	Sweden	Full consolidation
278	Astrid Sweden Arendal 1:17 AB	75.00%	75.00%	Sweden	Full consolidation
279	Astrid Sweden Tunnan 1 AB	75.00%	75.00%	Sweden	Full consolidation
280	Astrid Sweden Torlunda 1:278 KB	75.00%	75.00%	Sweden	Full consolidation
281	Hawk PropCo (Sweden) AB (formerly Logistea Propco AB)	75.00%	75.00%	Sweden	Full consolidation
282	BPPE Swedish Residential Holdco S.à r.l.	100.00%	100.00%	Luxembourg	Full consolidation
283	Podium Super Topco S.à r.l.	100.00%	100.00%	Luxembourg	Full consolidation
284	Podium Finco S.à r.l.	0.00%	81.00%	Luxembourg	Sold on 04/02/2021
285	Podium Topco Ltd.	81.00%	81.00%	Isle of Man	Full consolidation
286	Podium Midco Ltd.	81.00%	81.00%	Isle of Man	Full consolidation
287	Podium Holdco 1 Ltd.	81.00%	81.00%	Isle of Man	Full consolidation
288	Podium Litchfield Ltd.	81.00%	81.00%	Isle of Man	Full consolidation
289	Podium Propco 1 Ltd.	81.00%	81.00%	Isle of Man	Full consolidation
290	Podium Bermuda Park Limited	81.00%	81.00%	Isle of Man	Full consolidation
291	Podium Eurocentral I Limited	81.00%	81.00%	Isle of Man	Full consolidation
292	Podium Eurocentral II Limited	81.00%	81.00%	Isle of Man	Full consolidation
293	Podium Industrial I Limited	81.00%	81.00%	Isle of Man	Full consolidation
294	Podium Industrial II Limited	81.00%	81.00%	Isle of Man	Full consolidation
295	Podium Midpoint Limited	81.00%	81.00%	Isle of Man	Full consolidation
296	Podium Newport Limited	81.00%	81.00%	Isle of Man	Full consolidation
297	Podium Oldham Limited	81.00%	81.00%	Isle of Man	Full consolidation
298	Podium Stockport Limited	81.00%	81.00%	Isle of Man	Full consolidation
299	Podium Warrington Limited	81.00%	81.00%	Isle of Man	Full consolidation
300	Podium Worcester III Limited	81.00%	81.00%	Isle of Man	Full consolidation

Consolidated Annual Accounts

Notes to the Consolidated Annual Accounts (cont'd)

No.	Name	Effective ownership 31 December 2021	Effective ownership 31 December 2020	Country of incorporation	Consolidation method
301	Podium UK XCV S.à r.l.	81.00%	81.00%	Luxembourg	Full consolidation
302	Podium UK XCVI S.à r.l.	81.00%	81.00%	Luxembourg	Full consolidation
303	Podium UK XCVIII S.à r.l.	81.00%	81.00%	Luxembourg	Full consolidation
304	Podium Northampton LLC	81.00%	81.00%	United States	Full consolidation
305	Podium Widnes LLC	81.00%	81.00%	United States	Full consolidation
306	Podium Worcester LLC	81.00%	81.00%	United States	Full consolidation
307	Lahinch Bidco I S.à r.l. (formerly Tirbido Investment S.à r.l.)	100.00%	100.00%	Luxembourg	Full consolidation
308	Lahinch Holdco S.à r.l. (formerly Cecita Investment S.à r.l.)	100.00%	100.00%	Luxembourg	Full consolidation
309	Lahinch Bidco II S.à r.l. (formerly Parghelia Investment S.à r.l.)	100.00%	100.00%	Luxembourg	Full consolidation
310	Lahinch UK Management Limited	100.00%	0.00%	United Kingdom	Full consolidation
311	Lahinch Investments ICAV - Lahinch Fund 1	100.00%	0.00%	Ireland	Full consolidation
312	Lahinch Investments ICAV - Lahinch Fund 2	100.00%	0.00%	Ireland	Full consolidation
313	Bedfont Topco Ltd.	81.00%	0.00%	Jersey	Full consolidation
314	Bedfont Propco Ltd.	81.00%	0.00%	Jersey	Full consolidation
315	Koge Denmark Bidco ApS	100.00%	0.00%	Denmark	Full consolidation
316	Brick Pledgeco S.à r.l.	100.00%	0.00%	Luxembourg	Full consolidation
317	Brick Lux Holdco S.à r.l.	98.57%	0.00%	Luxembourg	Full consolidation
318	Brick Sweden AB	98.57%	0.00%	Sweden	Full consolidation
319	Brick Sweden Propco AB (formerly AG Barnangen AB)	98.57%	0.00%	Sweden	Full consolidation
320	Alaska Master Topco S.à r.l.	100.00%	0.00%	Luxembourg	Full consolidation
321	Alaska Super Topco S.à r.l.	62.44%	0.00%	Luxembourg	Full consolidation
322	Alaska Topco Limited	62.44%	0.00%	Jersey	Full consolidation
323	Alaska Propco Limited	0.00%	0.00%	Jersey	Sold on 06/10/2021
324	Alaska Propco 2 Limited	0.00%	0.00%	Jersey	Sold on 06/10/2021
325	Alaska Propco 3 Limited	62.44%	0.00%	Jersey	Full consolidation
326	Alaska Propco 5 Limited	62.44%	0.00%	Jersey	Full consolidation
327	Alaska Propco 4 Limited	62.44%	0.00%	Jersey	Full consolidation
328	Alaska Propco Nominee Limited	0.00%	0.00%	Jersey	Sold on 06/10/2021
329	Alaska Propco Nominee 2 Limited	52.53%	0.00%	Jersey	Full consolidation
330	Alaska Propco LP	0.00%	0.00%	Jersey	Sold on 06/10/2021
331	Alaska Propco 2 LP	0.00%	0.00%	Jersey	Sold on 06/10/2021
332	Alaska Propco 3 LP	52.53%	0.00%	Jersey	Full consolidation
333	Alaska Propco 4 LP	52.53%	0.00%	Jersey	Full consolidation
334	Alaska Propco 5 LP	52.53%	0.00%	Jersey	Full consolidation
335	Alaska Propco GP 2 Limited	52.53%	0.00%	Jersey	Full consolidation
336	Alaska Propco GP Limited	0.00%	0.00%	Jersey	Sold on 06/10/2021
337	Alaska Holdco Limited	0.00%	0.00%	Jersey	Sold on 06/10/2021
338	Leaf Living Luxco S.à r.l.	100.00%	0.00%	Luxembourg	Full consolidation

No.	Name	Effective ownership 31 December 2021	Effective ownership 31 December 2020	Country of incorporation	Consolidation method
339	Leaf Living Opco Limited	95.00%	0.00%	United Kingdom	Full consolidation
340	Leaf Living REITCo Ltd.	95.00%	0.00%	Jersey	Full consolidation
341	Leaf Living Jersey Midco Ltd.	95.00%	0.00%	Jersey	Full consolidation
342	Leaf Living Limited	95.00%	0.00%	United Kingdom	Full consolidation
343	Rialto Topco S.à r.l.	100.00%	0.00%	Luxembourg	Full consolidation
344	Rialto Holdco S.à r.l.	100.00%	0.00%	Luxembourg	Full consolidation
345	Rialto Bidco Srl	100.00%	0.00%	Italy	Full consolidation
346	Defender Topco S.à r.l.	83.50%	0.00%	Luxembourg	Full consolidation
347	Defender A GP S.à r.l.	83.50%	0.00%	Luxembourg	Full consolidation
348	Defender A JV SCSp	50.10%	0.00%	Luxembourg	Full consolidation
349	Defender REITco Limited	50.10%	0.00%	Jersey	Full consolidation
350	Defender A Finco S.à r.l.	50.10%	0.00%	Luxembourg	Full consolidation
351	Defender A Holdco Limited	50.10%	0.00%	Jersey	Full consolidation
352	Defender UK SCSp	83.50%	0.00%	Luxembourg	Full consolidation
353	CIVF V – GB1B05 LLC	50.10%	0.00%	Delaware	Full consolidation
354	CIVF V – GB1W06-W08 LLC	50.10%	0.00%	Delaware	Full consolidation
355	CIVF V – GB1W03-W05 LLC	50.10%	0.00%	Delaware	Full consolidation
356	CIVF V – GB1B07 LLC	50.10%	0.00%	Delaware	Full consolidation
357	CIVF V – GB1W01 LLC	50.10%	0.00%	Delaware	Full consolidation
358	CIVF V – GB1W02 LLC	50.10%	0.00%	Delaware	Full consolidation
359	CIVF V – GB1B03-04 LLC	50.10%	0.00%	Delaware	Full consolidation
360	CIVF V – GB1B02 LLC	50.10%	0.00%	Delaware	Full consolidation
361	CIVF V – GB1W09 LLC	50.10%	0.00%	Delaware	Full consolidation
362	CIVF V – GB1B06 LLC	50.10%	0.00%	Delaware	Full consolidation
363	CIVF V – GB1W10 LLC	50.10%	0.00%	Delaware	Full consolidation
364	Defender - Basingstoke S.à r.l.	50.10%	0.00%	Luxembourg	Full consolidation
365	Defender - Leicester S.à r.l.	50.10%	0.00%	Luxembourg	Full consolidation
366	Defender - Tamworth S.à r.l.	50.10%	81.00%	Luxembourg	Full consolidation
367	Defender - Coventry S.à r.l.	50.10%	81.00%	Luxembourg	Full consolidation
368	Defender B Pledgeco S.à r.l.	50.10%	81.00%	Luxembourg	Full consolidation
369	Defender B Finco S.à r.l.	50.10%	81.00%	Luxembourg	Full consolidation
370	Defender B Holdco S.à r.l.	50.10%	81.00%	Luxembourg	Full consolidation
371	Defender B GP S.à r.l.	83.50%	81.00%	Luxembourg	Full consolidation
372	Defender B JV SCSp	50.10%	100.00%	Luxembourg	Full consolidation
373	Defender - Hapert S.à r.l.	50.10%	100.00%	Luxembourg	Full consolidation
374	Defender - Katwijk S.à r.l.	50.10%	100.00%	Luxembourg	Full consolidation
375	Defender – Almere BV	50.10%	0.00%	Netherlands	Full consolidation
376	Defender – Sassenheim BV	50.10%	0.00%	Netherlands	Full consolidation

Consolidated Annual Accounts

Notes to the Consolidated Annual Accounts (cont'd)

No.	Name	Effective ownership 31 December 2021	Effective ownership 31 December 2020	Country of incorporation	Consolidation method
377	Defender – Waalwijk BV	50.10%	0.00%	Netherlands	Full consolidation
378	Defender – De Kwakel BV	50.10%	0.00%	Netherlands	Full consolidation
379	Defender C Pledgeco S.à r.l.	61.87%	0.00%	Luxembourg	Full consolidation
380	Defender C Finco S.à r.l.	61.87%	0.00%	Luxembourg	Full consolidation
381	Defender C Holdco S.à r.l.	61.87%	0.00%	Luxembourg	Full consolidation
382	Defender C GP S.à r.l.	83.50%	0.00%	Luxembourg	Full consolidation
383	Defender C JV SCSp	61.87%	0.00%	Luxembourg	Full consolidation
384	Defender – Düsseldorf BV	61.87%	0.00%	Netherlands	Full consolidation
385	Fawkes Topco Limited	100.00%	0.00%	Jersey	Full consolidation
386	Fawkes Propco Limited	100.00%	0.00%	Jersey	Full consolidation
387	Veela Investments S.à r.l.	100.00%	0.00%	Luxembourg	Full consolidation
388	Vantage Holdco S.à r.l.	100.00%	0.00%	Luxembourg	Full consolidation
389	Vantage Topco S.à r.l.	100.00%	0.00%	Luxembourg	Full consolidation
390	Vantage Super Topco S.à r.l.	100.00%	0.00%	Luxembourg	Full consolidation
391	Vantage Finco S.à r.l.	100.00%	0.00%	Luxembourg	Full consolidation
392	Reale Compagnia Italiana S.p.A.	80.40%	0.00%	Italy	Full consolidation
393	Bjorn Denmark Propco 6 ApS	100.00%	0.00%	Denmark	Full consolidation
394	Vantage Industrial Partners 3 GP S.à r.l.	100.00%	0.00%	Luxembourg	Full consolidation
395	Vantage Industrial Partners 3 SCSp	100.00%	0.00%	Luxembourg	Full consolidation
396	Vantage Lux Holdings S.à r.l.	100.00%	0.00%	Luxembourg	Full consolidation
397	Vantage Lux Holdings 2 S.à r.l.	100.00%	0.00%	Luxembourg	Full consolidation
398	Vantage Lux Midco 1 S.à r.l.	100.00%	0.00%	Luxembourg	Full consolidation
399	Vantage Lux Midco 2 S.à r.l.	100.00%	0.00%	Luxembourg	Full consolidation
400	Vantage Neuss S.à r.l.	100.00%	0.00%	Luxembourg	Full consolidation
401	Trivium UK Logistics Limited	100.00%	0.00%	Jersey	Full consolidation
402	Valor Partners 1 LP	100.00%	0.00%	Jersey	Full consolidation
403	Valor Partners 1 GP Limited	100.00%	0.00%	Jersey	Full consolidation
404	Valor Industrial Partners 1 Opco LP	100.00%	0.00%	Jersey	Full consolidation
405	Valor Industrial Partners 2 Opco LP	100.00%	0.00%	Jersey	Full consolidation
406	Trivium Urban Logistics Limited	100.00%	0.00%	Jersey	Full consolidation
407	Valor Industrial Partners 1 LP	100.00%	0.00%	Jersey	Full consolidation
408	Valor Industrial Partners 2 LP	100.00%	0.00%	Jersey	Full consolidation
409	Valor Industrial Partners 1 GP Limited	100.00%	0.00%	Jersey	Full consolidation
410	Valor Industrial Partners 2 GP Limited	100.00%	0.00%	Jersey	Full consolidation
411	VREP Holdings Limited	100.00%	0.00%	Jersey	Full consolidation
412	VREP Holdings Two Limited	100.00%	0.00%	Jersey	Full consolidation
413	VREP Holdings Three Limited	100.00%	0.00%	Jersey	Full consolidation
414	VREP Poyle Limited	100.00%	0.00%	Jersey	Full consolidation

No.	Name	Effective ownership 31 December 2021	Effective ownership 31 December 2020	Country of incorporation	Consolidation method
415	VREP Hayes Limited	100.00%	0.00%	Jersey	Full consolidation
416	VREP Ashford Limited	100.00%	0.00%	Jersey	Full consolidation
417	VREP Beckton Limited	100.00%	0.00%	Jersey	Full consolidation
418	VREP Dartford Limited	100.00%	0.00%	Jersey	Full consolidation
419	VREP Thurrock Two Limited	100.00%	0.00%	Jersey	Full consolidation
420	VREP Crawley Limited	100.00%	0.00%	Jersey	Full consolidation
421	VREP Crawley Two Limited	100.00%	0.00%	Jersey	Full consolidation
422	VREP MK1 Limited	100.00%	0.00%	Jersey	Full consolidation
423	VREP Clarence Two Limited	100.00%	0.00%	Jersey	Full consolidation
424	VREP Clarence One Limited	100.00%	0.00%	Jersey	Full consolidation
425	VREP FR1 SAS	100.00%	0.00%	France	Full consolidation
426	VREP FR2 SAS	100.00%	0.00%	France	Full consolidation
427	VREP FR3 SAS	100.00%	0.00%	France	Full consolidation
428	VREP Croissy SCI	100.00%	0.00%	France	Full consolidation
429	VREP Emerainville SCI	100.00%	0.00%	France	Full consolidation
430	VREP Les Ulis SCI	100.00%	0.00%	France	Full consolidation
431	VREP Vénissieux SCI	100.00%	0.00%	France	Full consolidation
432	VREP Herblay SCI	100.00%	0.00%	France	Full consolidation
433	VREP Le Bourget SCI	100.00%	0.00%	France	Full consolidation
434	VREP Saint Laurent De Mure SCI	100.00%	0.00%	France	Full consolidation
435	VREP Limeil SCI	100.00%	0.00%	France	Full consolidation
436	VREP Marly SCI	100.00%	0.00%	France	Full consolidation
437	VREP Louvres SCI	100.00%	0.00%	France	Full consolidation
438	VREP Brie-Comte-Robert SCI	100.00%	0.00%	France	Full consolidation
439	OPPCI Valor Real Estate 1 Sppicav	100.00%	0.00%	France	Full consolidation
440	Vantage South Propco Ltd.	100.00%	0.00%	Jersey	Full consolidation
441	Vantage Purfleet Propco Limited	100.00%	0.00%	Jersey	Full consolidation

Appendix

Logistics Asset List

Asset Name	Country	Area (sqm)	Occupancy
Ashton-in-Makerfield	United Kingdom	6,900	100%
Bedford - Cardington	United Kingdom	8,100	100%
Bedford - Kempston	United Kingdom	35,800	100%
Birmingham	United Kingdom	37,500	100%
Birmingham - Witton	United Kingdom	9,600	100%
Bromley - Dartford	United Kingdom	11,000	–
Burton upon Trent	United Kingdom	19,800	100%
Burton-Upon-Trent	United Kingdom	14,000	100%
Coventry - Keresley End	United Kingdom	6,800	100%
Coventry - Walsgrave on Sowe	United Kingdom	5,200	100%
Crewe	United Kingdom	19,000	100%
Desborough	United Kingdom	43,500	100%
Doncaster - Woodlands	United Kingdom	61,000	100%
Elmsall	United Kingdom	28,800	100%
Falkirk - Falkirk I	United Kingdom	6,000	100%
Falkirk - Falkirk II	United Kingdom	28,000	100%
Falkirk - Grangemouth	United Kingdom	46,200	100%
Hinckley	United Kingdom	33,700	100%
Leicester - Forest East	United Kingdom	6,500	100%
Lichfield I	United Kingdom	10,900	100%
Lichfield II	United Kingdom	4,600	100%
Liverpool - Vauxhall	United Kingdom	10,000	100%
London - Ashford	United Kingdom	–	–
London - Belvedere I	United Kingdom	31,700	100%
London - Belvedere II	United Kingdom	6,500	100%
London - Crawley I	United Kingdom	6,600	100%
London - Crawley II	United Kingdom	3,100	100%
London - Dartford	United Kingdom	12,400	100%
London - East Ham	United Kingdom	3,600	100%
London - Feltham	United Kingdom	29,500	100%
London - Grays I	United Kingdom	10,100	100%
London - Grays II	United Kingdom	14,600	100%
London - Hayes	United Kingdom	13,000	100%
London - Hounslow	United Kingdom	9,500	–
London - Slough I	United Kingdom	12,500	100%
London - Slough II	United Kingdom	2,500	100%

Asset Name	Country	Area (sqm)	Occupancy
London - Weybridge	United Kingdom	6,200	100%
Manchester - Altrincham I	United Kingdom	2,800	18%
Manchester - Altrincham II	United Kingdom	1,200	–
Manchester - Bredbury	United Kingdom	3,900	100%
Manchester - Old Trafford	United Kingdom	3,300	100%
Manchester - Salford	United Kingdom	1,700	100%
Manchester - Stretford	United Kingdom	5,300	100%
Manchester - Warrington I	United Kingdom	8,200	100%
Manchester - Warrington II	United Kingdom	9,200	100%
Manchester - Warrington III	United Kingdom	7,900	100%
Manchester - Warrington IV	United Kingdom	10,200	100%
Middlewich	United Kingdom	17,500	100%
Milton Keynes	United Kingdom	18,900	100%
Motherwell I	United Kingdom	13,500	100%
Motherwell II	United Kingdom	6,700	100%
Newport - Magor	United Kingdom	23,700	100%
Northampton - Hardingstone I	United Kingdom	18,300	100%
Northampton - Hardingstone II	United Kingdom	16,100	100%
Northampton - Hardingstone III	United Kingdom	17,400	100%
Nuneaton	United Kingdom	17,600	100%
Oldham	United Kingdom	17,000	100%
Oxford - Didcot	United Kingdom	11,800	100%
Sheffield - Tinsley	United Kingdom	9,000	100%
Stafford I	United Kingdom	51,300	100%
Stafford II	United Kingdom	21,400	100%
Stafford III	United Kingdom	11,900	100%
Stockport	United Kingdom	10,800	100%
Sunderland - Washington I	United Kingdom	29,900	100%
Sunderland - Washington II	United Kingdom	31,300	100%
Sunderland - Washington III	United Kingdom	6,800	100%
Sunderland - Washington IV	United Kingdom	28,500	100%
Tamworth - Dordon	United Kingdom	5,100	100%
Wakefield - Normanton I	United Kingdom	10,200	100%
Wakefield - Normanton II	United Kingdom	26,500	100%
Warrington	United Kingdom	13,100	100%
Widnes	United Kingdom	10,000	100%

Logistics Asset List (cont'd)

Asset Name	Country	Area (sqm)	Occupancy
Worcester I	United Kingdom	15,100	100%
Worcester II	United Kingdom	13,100	100%
Worcester III	United Kingdom	4,800	100%
Worcester IV	United Kingdom	2,700	100%
Total United Kingdom (76)		**1,148,400**	**98%**
Amiens	France	12,700	100%
Avignon - Monteux I	France	23,500	100%
Avignon - Monteux II	France	31,200	100%
Brie-Comte-Robert	France	7,300	46%
Dijon - Besancon	France	70,800	100%
Dijon - Longvic	France	38,100	91%
Dunkirk	France	20,900	100%
Lille - Hem	France	51,400	100%
Lille - Noyelles-Godault	France	18,400	35%
Lille - Toufflers	France	40,800	100%
Lyon - Belleville	France	50,500	100%
Lyon - Chalon-sur-Saone	France	108,100	100%
Lyon - Etoile-sur-Rhone	France	34,900	100%
Lyon - Genas I	France	4,700	100%
Lyon - Genas II	France	8,600	100%
Lyon - Macon-Nord	France	22,200	100%
Lyon - Saint-Laurent-de-Mure	France	11,100	100%
Lyon - Saint-Pierre-de-Chandieu	France	19,400	100%
Lyon - Saint-Priest	France	12,700	100%
Lyon - Saint-Quentin-Fallavier I	France	18,700	100%
Lyon - Saint-Quentin-Fallavier II	France	26,700	100%
Lyon - Venissieux	France	10,300	87%
Marseille - Salon-de-Provence	France	52,900	100%
Nantes - Angers	France	42,200	100%
Orleans - Ormes	France	51,500	100%
Paris - Aulnay-sous-Bois	France	3,700	100%
Paris - Bussy-Saint-Georges I	France	21,500	100%
Paris - Bussy-Saint-Georges II	France	18,700	100%

Asset Name	Country	Area (sqm)	Occupancy
Paris - Bussy-Saint-Georges III	France	5,300	100%
Paris - Combs-la-Ville	France	41,600	100%
Paris - Cormeilles en Parisis	France	6,800	100%
Paris - Croissy-Beaubourg	France	17,600	100%
Paris - Dammartin-en-Goele	France	19,700	100%
Paris - Emerainville	France	42,800	100%
Paris - Ferrieres-en-Brie	France	42,800	100%
Paris - Garges-les-Gonesse	France	1,900	100%
Paris - Herblay	France	11,400	100%
Paris - La Courneuve	France	1,900	100%
Paris - Lagny-le-Sec	France	62,300	96%
Paris - Le Bourget	France	33,300	71%
Paris - Les Ulis	France	19,300	100%
Paris - Lieusaint	France	6,000	92%
Paris - Limeil-Brévannes	France	5,900	100%
Paris - Louvres	France	10,000	–
Paris - Marly-la-Ville	France	59,500	45%
Paris - Mitry I	France	14,200	100%
Paris - Mitry II	France	9,600	100%
Paris - Noisy-le-Grand	France	3,100	100%
Paris - Roissy-en-France	France	2,700	98%
Paris - Rosny-sur-Seine	France	19,400	100%
Paris - Saint Denis	France	3,700	100%
Paris - Sartrouville	France	4,300	100%
Paris - Servon	France	6,600	100%
Paris - Soissons	France	37,800	30%
Paris - Tremblay-en-France	France	3,400	100%
Paris - Villebon-sur-Yvette	France	72,000	100%
Paris - Villetaneuse	France	4,200	100%
Rhone Alpes - Portes de Provence I	France	25,400	100%
Rhone Alpes - Portes de Provence II	France	36,100	100%
Toulouse - Montbartier	France	31,700	–
Total France (60)		**1,495,800**	**91%**

Logistics Asset List (cont'd)

Asset Name	Country	Area (sqm)	Occupancy
Berlin - Grossbeeren	Germany	13,500	100%
Berlin - Ludwigsfelde	Germany	9,000	100%
Bonn - Hennef	Germany	5,600	100%
Bremerhaven	Germany	20,400	100%
Cologne - Pulheim	Germany	2,300	100%
Dortmund - Hamm	Germany	45,200	100%
Dortmund - Linderstrasse	Germany	21,600	100%
Dortmund - Werne	Germany	16,900	100%
Duisburg I	Germany	62,900	100%
Duisburg II	Germany	7,300	100%
Dusseldorf - Hamm	Germany	14,000	100%
Dusseldorf - Hucklehoven	Germany	123,000	100%
Dusseldorf - Neuss	Germany	16,400	100%
Dusseldorf - Viersen	Germany	10,900	100%
Erfurt	Germany	88,500	100%
Frankfurt I	Germany	5,200	100%
Frankfurt II	Germany	11,600	96%
Frankfurt - Linsengericht	Germany	21,800	100%
Frankfurt - Raunheim	Germany	3,500	100%
Frankfurt - Waldlaubersheim	Germany	47,000	100%
Hassfurt	Germany	10,400	100%
Karlsrhue	Germany	37,600	100%
Kassel - Bad Hersfeld I	Germany	73,300	100%
Kassel - Bad Hersfeld II	Germany	4,300	0%
Kassel - Borken	Germany	40,500	100%
Kassel - Michelsrombach	Germany	38,700	100%
Leipzig - Halle	Germany	27,900	100%
Leverkusen - Monheim	Germany	16,000	94%
Mannheim	Germany	7,200	100%
Neunkirchen	Germany	13,900	100%
Nuremberg - Feucht	Germany	19,000	100%
Nuremberg - Rittigfeld	Germany	55,300	100%
Rennerod	Germany	71,300	100%
Stuttgart - Gartringen	Germany	54,100	100%
Stuttgart - Schwabisch Gmund	Germany	15,100	100%
Total Germany (35)		**1,031,200**	**99%**

Asset Name	Country	Area (sqm)	Occupancy
Boras	Sweden	22,800	100%
Eskilstuna	Sweden	15,800	100%
Gothenburg - Arendal I	Sweden	20,500	97%
Gothenburg - Arendal II	Sweden	18,200	93%
Gothenburg - Landvetter	Sweden	12,900	100%
Gothenburg - Ostergarde	Sweden	18,800	100%
Jonkoping I	Sweden	40,500	100%
Jonkoping II	Sweden	18,400	100%
Jonkoping III	Sweden	14,300	100%
Lulea	Sweden	7,900	100%
Malmo	Sweden	12,400	99%
Malmo - Landskrona I	Sweden	53,700	100%
Malmo - Landskrona II	Sweden	45,000	100%
Malmo - Landskrona III	Sweden	33,500	100%
Orebro I	Sweden	8,000	100%
Orebro II	Sweden	13,200	–
Stockholm - Eskilstuna	Sweden	11,200	100%
Stockholm - Haninge	Sweden	27,600	100%
Stockholm - Skogas	Sweden	13,300	100%
Stockholm - Tumba	Sweden	33,500	99%
Trollhattan	Sweden	17,500	100%
Total Sweden (21)		**459,400**	**97%**
Aarhus	Denmark	58,500	100%
Aarhus - Frederica	Denmark	28,200	100%
Copenhagen - Greve	Denmark	19,500	100%
Copenhagen - Melby I	Denmark	14,600	100%
Copenhagen - Melby II	Denmark	24,100	100%
Copenhagen - Taastrup I	Denmark	15,900	100%
Copenhagen - Taastrup II	Denmark	68,000	94%
Copenhagen - Koge	Denmark	18,000	100%
Total Denmark (8)		**246,800**	**98%**

Logistics Asset List (cont'd)

Asset Name	Country	Area (sqm)	Occupancy
Amsterdam - Almere	Netherlands	10,000	100%
Amsterdam - De Kwakel I	Netherlands	7,100	100%
Amsterdam - De Kwakel II	Netherlands	8,400	100%
Amsterdam - Schiphol	Netherlands	38,000	100%
Dordrecht	Netherlands	33,600	100%
Eindhoven	Netherlands	7,700	100%
Nijmegen	Netherlands	8,600	100%
Rotterdam - Klundert	Netherlands	7,300	100%
The Hague	Netherlands	17,100	100%
Tiel	Netherlands	22,400	100%
Vianen - Laanakkerweg	Netherlands	37,100	100%
Vianen - Randweg	Netherlands	23,600	100%
Total Netherlands (12)		**220,900**	**100%**
Katowice - Bedzin	Poland	54,500	88%
Katowice - Raciborz	Poland	21,800	100%
Katowice - Sosnowiec	Poland	47,100	65%
Poznan	Poland	45,400	100%
Warsaw - Annopol	Poland	33,100	100%
Warsaw - Okecie	Poland	39,500	90%
Wroclaw - Kepinska	Poland	46,300	100%
Wroclaw - Kieczowska	Poland	38,800	100%
Wroclaw - Przedwiosnie	Poland	25,900	100%
Total Poland (9)		**352,400**	**92%**
Cheste	Spain	53,900	100%
Madrid - Avenida del Río Henares I	Spain	84,000	–
Madrid - Avenida del Río Henares II	Spain	35,200	100%
Madrid - Avenida la Ballestera	Spain	8,600	100%
Madrid - Calle los Corrales	Spain	14,900	100%
Valencia	Spain	19,200	100%
Total Spain (6)		**215,800**	**61%**

Asset Name	Country	Area (sqm)	Occupancy
Bologna - Modena	Italy	21,000	100%
Milan - Pozzuolo	Italy	36,800	100%
Milan - via Dante	Italy	46,100	100%
Rome - Aprilia	Italy	32,300	100%
Total Italy (4)		**136,200**	**100%**
Oslo - Frogner I	Norway	12,600	100%
Oslo - Frogner II	Norway	6,900	100%
Total Norway (2)		**19,500**	**100%**
Mohlin	Switzerland	16,000	100%
Total Switzerland (1)		**16,000**	**100%**
Helsinki - Orimattila	Finland	28,400	100%
Total Finland (1)		**28,400**	**100%**
Thessaloniki	Greece	33,100	100%
Total Greece (1)		**33,100**	**100%**
Total BPPEH Logistics (236)		**5,403,500**	**95%**

Definitions

Adjusted NOI	NOI annualised for investments acquired during the period, adjusted to exclude annualised rent abatements and non-recurring items and include rent top-ups provided by sellers
Adjusted Occupancy	Represents occupied GLA divided by available GLA, where available GLA excludes area that is vacant due to refurbishment
Blackstone	Blackstone Inc. or, as the context may require, one or more funds, managed accounts or limited partnerships managed or advised by The Blackstone Group Inc. or any of its affiliates or direct or indirect subsidiaries from time to time
BPPE	Blackstone Property Partners Europe, an open-ended fund focused on core+ real estate investments in Europe (Legal entities: Blackstone Property Partners Europe L.P., Blackstone Property Partners Europe F L.P., Blackstone Property Partners Europe (Lux) SCSp, and Blackstone Property Partners Europe (Lux) C SCSp)
BPPEH	Blackstone Property Partners Europe Holdings S.à r.l., a wholly-owned subsidiary of BPPE
EBITDA	The profit/(loss) for the financial year/period, adjusted to add back net finance costs, taxation, depreciation and amortisation
EMTN Programme	€10,000,000,000 Euro Medium Term Note Programme established by BPPEH
GAV	Gross asset value calculated as the total market value of the properties under management, including the total value of related equity and debt positions as well as joint venture and co-investment ownership positions
GLA	Gross leasable area
Green Financing Framework	The Green Financing Framework (the "GFF") issued March 2021 (as may be subsequently amended) under which BPPEH may issue Green Financing Instruments to finance or refinance Eligible Green Investments
LfL Change	Change in metrics for the like-for-like portfolio, which is comprised of assets owned throughout the period from 31 December 2020 to 31 December 2021 (i.e., excludes assets developed, acquired or sold during 2021)
Net LTV	Net loan-to-value ratio, calculated as the principal amount of interest bearing debt (excluding shareholder loans) less cash, divided by GAV, such that the amounts attributable to related equity and debt positions as well as joint venture and co-investment ownership positions are included in the calculation
NOI[1]	Net operating income, calculated as total property and related revenues less property operating expenses
NOI Yield	Adjusted NOI divided by GAV
Occupancy	Occupied GLA divided by total GLA, including rental guarantees unless otherwise noted; where specified, economic occupancy includes rental guarantees and physical occupancy excludes rental guarantees
Passing Rent	The rent at which an asset is rented at a point in time. Passing rent per square metre is calculated based on rent and occupied area attributable to the asset's primary use
RCF	Revolving credit facility
Releasing Spread	Difference between the new rent signed and the old prevailing rent on renewals (same space, same tenant) or new leases (same space, different tenant)
sqm	Square metres
sqf	Square feet
WALL	Weighted average unexpired lease term, based on rent; calculated to first break unless otherwise noted

Note: All BPPEH metrics in this Annual Report are calculated at 100% share (including the portion attributable to minority owners).

1. Total property and related revenues (adjusted for straight line rent, if any) less property operating expenses (excluding, for the avoidance of doubt, general and administrative costs, interest expense, transaction costs, depreciation and amortisation expense, realised gains (losses) from the sale of properties and other capital expenditures and leasing costs necessary to maintain the operating performance of the properties).

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