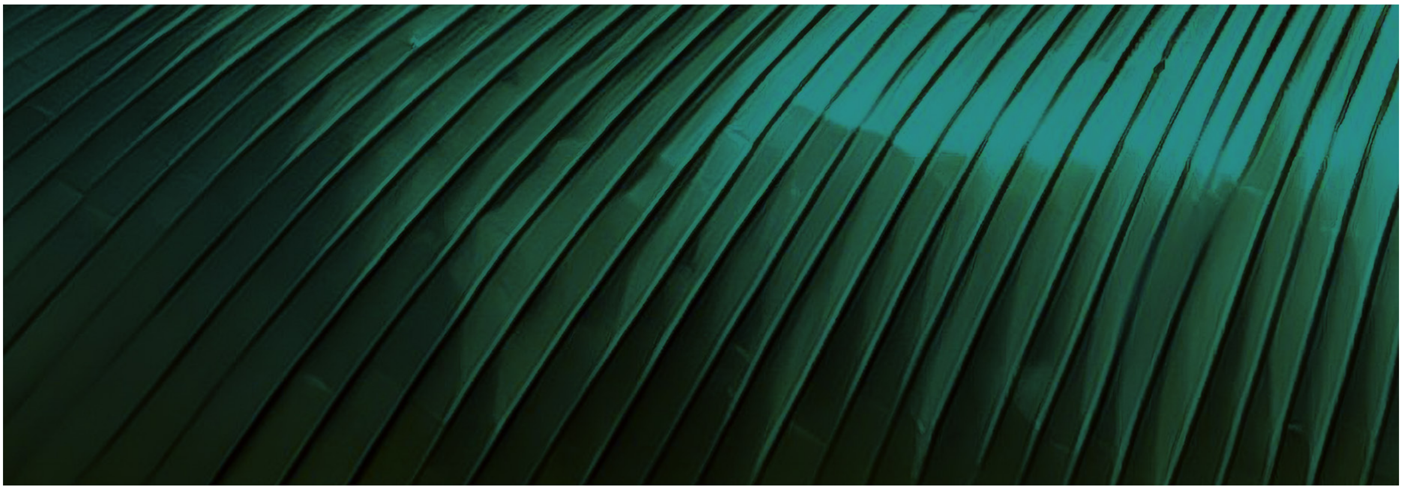
Allocating to Private Assets

Private markets can be used to pursue a range of potential benefits in investor portfolios.



Blackstone

Private Markets

Need to Know

01

Allocating to Build Wealth

Asset allocation is the art of matching clients' goals to specific mixes of investments. Private markets can be an important part of these efforts, but individual investor allocations historically have been small. That is now changing.[1]

02

The Case for Private Markets

Private assets historically have generated attractive risk-adjusted returns compared to public markets across cycles.[2] They have long been used by family offices, endowments, and other sophisticated investors for objectives such as capital appreciation, income generation, diversification, and inflation mitigation.[3]

03

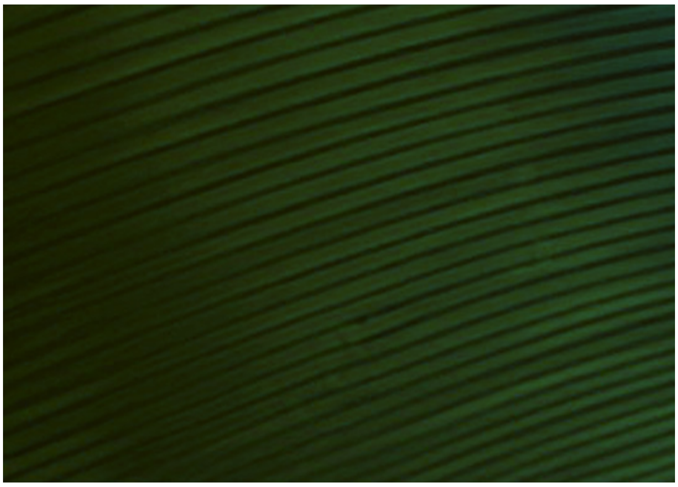
Illustrative Allocations

Private assets can work across a range of risk profiles, but the desired allocation depends on the client's specific objectives and circumstances. Disentangling the topics of risk tolerance and liquidity needs is key to sizing the allocation and unlocking these assets' potential.

Why Allocate?

Investors who have no allocation to private markets may be missing out on significant opportunities to potentially build wealth, as sophisticated investors such as college endowments have done for decades (Exhibit 1).

Traditional portfolios could face several challenges in the current environment, including higher and more volatile interest rates and greater inflation compared to recent decades. We believe such shifts serve to make the negative correlation between stocks and bonds less reliable.[3]



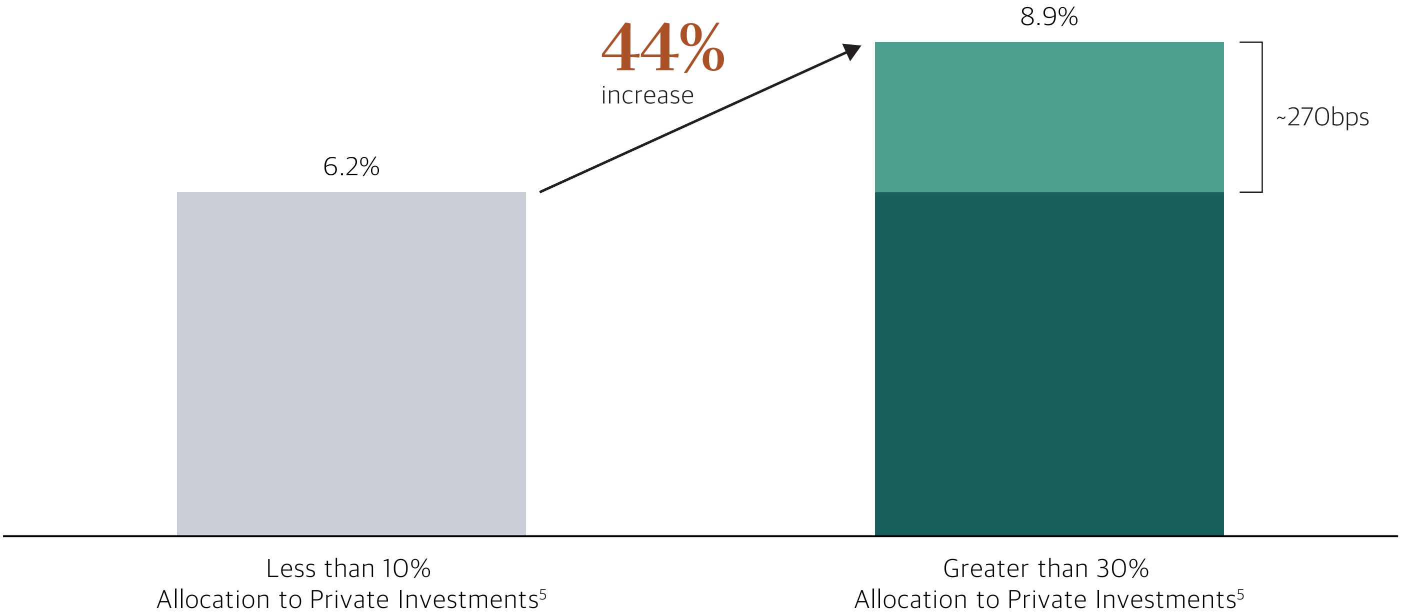
Past performance does not predict future returns.

1. "Future of Alternatives 2029", Preqin.
2. Source: Morningstar, over the 10-year period from January 1, 2015 to December 31, 2024. Return and Volatility are based on quarterly returns. Volatility is represented by the standard deviation. The returns and volatility of the asset classes presented are based on the following indices: Private Equity: Cambridge Associates US Private Equity Index. Public REITs: MSCI US REIT Index. Investment Grade Bonds: Bloomberg US Aggregate Bond Index. Leveraged Loans: Morningstar LSTA US Leveraged Loan Index. Private Real Estate: NFI-ODCE Index. High Yield: Bloomberg US Corporate High Yield Bond Index. US Stocks: S&P 500 Index. Private Credit: Cliffwater Direct Lending Index. Private Infrastructure: Cambridge Associates Private Infrastructure Index. Public Infrastructure: S&P Global Infrastructure Index.
3. Diversification does not ensure a profit or protect against losses.

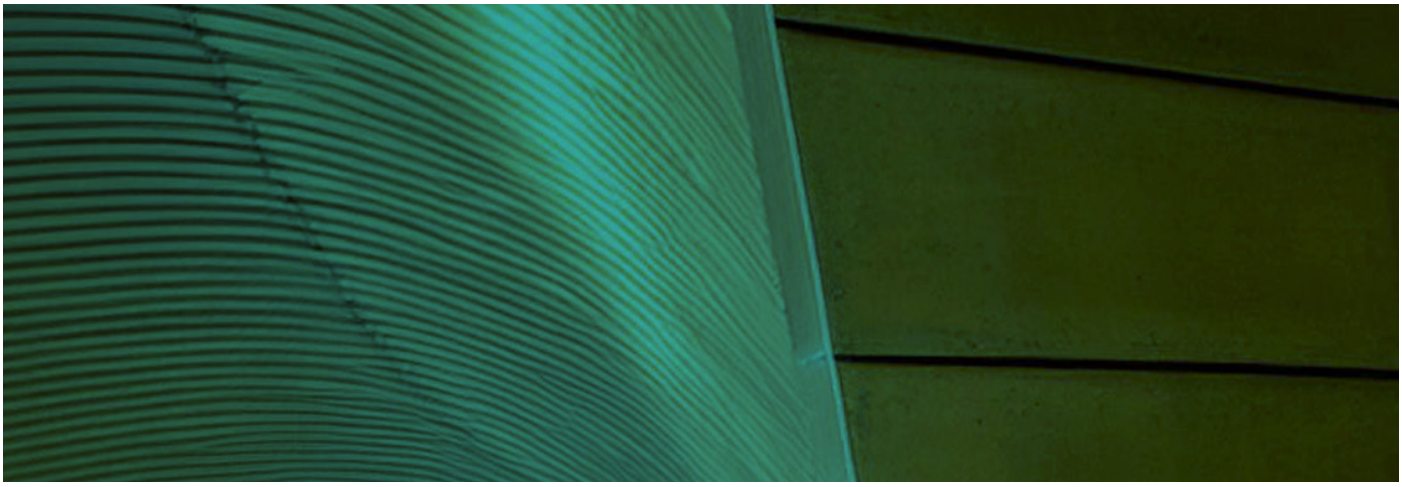
Private markets can offer attractive characteristics, such as the potential for enhanced returns, higher income, and increased portfolio diversification, with the tradeoff of lower liquidity.

EXHIBIT 1: Larger Private Markets Allocations Historically Have Driven Higher Returns[4]

10-Year US Foundation and Endowment Median Annual Compound Return



Note: There can be no assurances that any of the trends described herein will continue or will not reverse. Past events and trends do not imply, predict, or guarantee, and are not necessarily indicative of, future events or results. There is no guarantee that any investment will achieve its aims or objectives or avoid substantial losses.



4. Source: "Better Alternative(s): Private Investments May Improve Outcomes for Defined Contribution Plan Participants" by Cambridge Associates, as of June 2023.
5. Private Investments include all illiquid strategies (venture capital, non-venture private equity, private credit, private real assets, etc.).

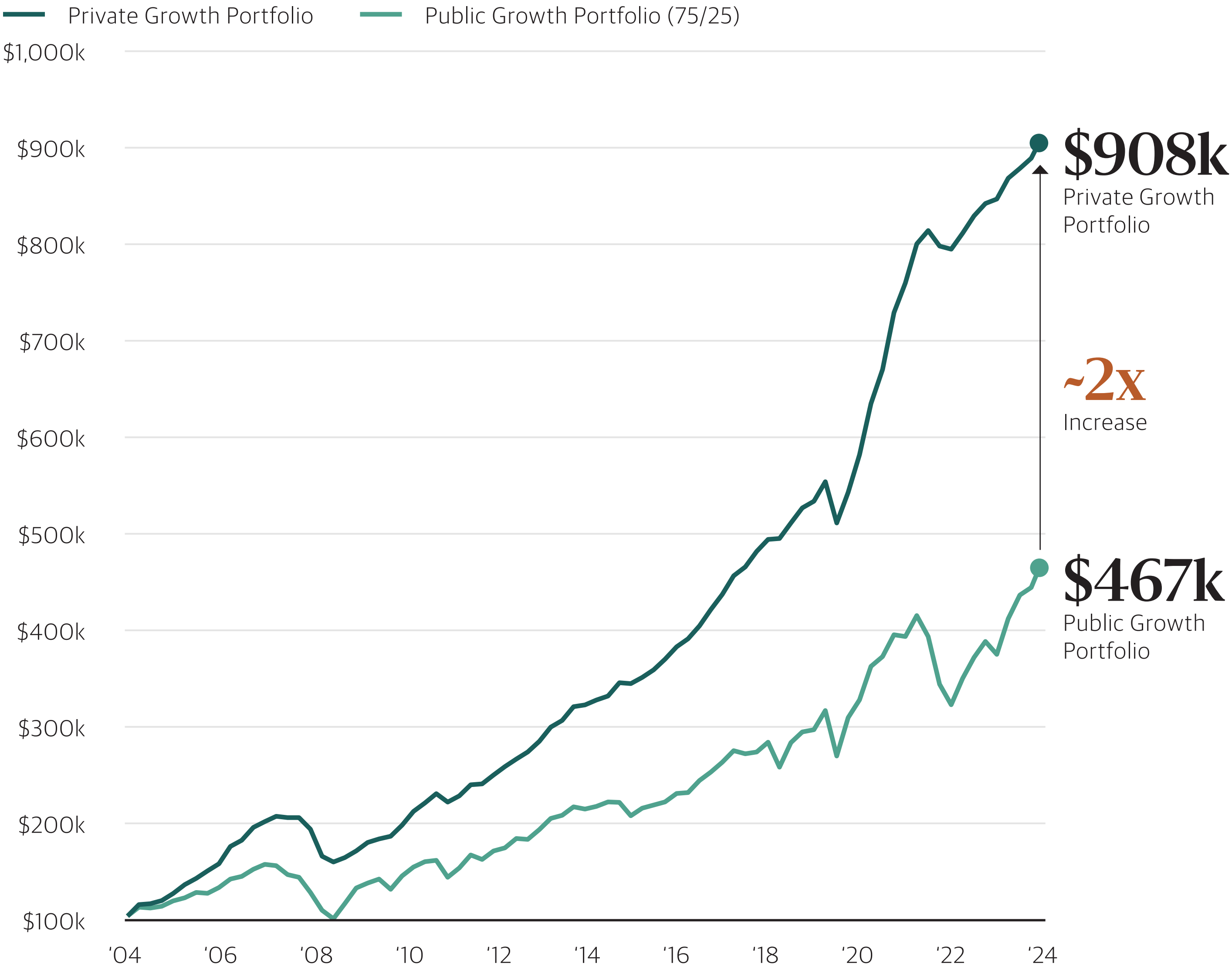
Historical Outperformance

One of the main attractions of private markets is their potential for outperformance compared to public assets.

Historically, private asset portfolios have outperformed their public counterparts. As illustrated in Exhibit 2, an illustrative private market growth portfolio — designed to pursue capital appreciation — has delivered returns that are roughly twice those of a comparable public asset portfolio over the past 20 years.

EXHIBIT 2: Private Growth Portfolio Delivered ~2x Public Market Returns Over Last 20 Years

Hypothetical Growth of $100,000



Note: **Past performance does not predict future returns.** This does not represent an actual portfolio managed by Blackstone. The above returns are hypothetical in nature and are shown for illustrative, informational purposes only. These returns do not reflect the actual or expected returns of any Blackstone portfolio strategy and are not a guarantee of future results. Nothing herein is intended as a prediction of how any financial markets, fund, or underlying manager will perform in the future. Illustrative portfolio returns are calculated based on net total returns, assuming quarterly rebalancing over the 20-year period from September 30, 2004 to September 30, 2024. Growth: (75% Equities / 25% Fixed Income). Equities is represented by the S&P 500, MSCI Emerging Markets Index and MSCI World ex US Index. Fixed Income is represented by the Bloomberg US Treasury Index (Unhedged) and Bloomberg US Corporate Bond Index (Unhedged). For Private Credit, we have used the Cliffwater Index with Blackstone's approximate adjustment for leverage and fees. Please refer to Endnotes for definitions of public and private growth portfolio allocations. See "Important Disclosure Information" including "Index Comparison", "Target Allocations" and "Trends".

Allocating to Private Markets

When starting out, initial considerations can include the following:

Private markets can be strategic, long-term investments. They are less liquid than public markets, an important tradeoff.

Each client's objectives and situation are unique. Advisors must understand their needs — such as liquidity and tax considerations — to tailor the right allocation.

Who you invest with matters. The difference in outcomes among private markets managers can be wide.

In addition, a robust understanding of the key attributes of private market asset classes, including how to allocate within a multi-asset class portfolio, is key.

Note: This information is provided for illustrative purposes only and should not be considered research or investment advice.

Core Attributes of Private Assets

By using private markets, investors can pursue many of their longstanding objectives, such as capital appreciation, income generation, diversification, inflation mitigation, and tax advantages (see Exhibit 3).

Private equity, for example, can potentially offer capital appreciation, enhancing portfolio growth. Private credit may deliver higher income. Private real estate and infrastructure can typically provide a mix of both income and capital appreciation potential, with a degree of inflation mitigation. Private assets have the potential to provide diversification benefits.[6]

EXHIBIT 3: Core Attributes of Private Market Asset Classes

	Capital Appreciation	Income Generation	Diversification	Inflation Mitigation
Private Equity	✓		✓	
Private Credit		✓	✓	✓
Real Estate	✓	✓	✓	✓
Infrastructure	✓	✓	✓	✓

Note: Represents Blackstone's view of the current market environment as of the date appearing in this material only. The above information is provided for illustrative purposes only and should not be considered as research or investment advice. **Past performance does not predict future returns.** There can be no assurance that any Blackstone fund or investment will be able to effectively enhance returns, increase income, provide diversification, hedge inflation, provide tax advantages, implement its investment strategy, achieve its investment objectives or avoid substantial losses. Diversification does not ensure a profit or protect against losses. Any investment involves a high degree of risk and should only be made if an investor can afford the loss of the entire investment. Blackstone does not provide tax advice. Investors should consult their own legal, accounting and tax advisers to make an independent determination of the suitability and consequences of an investment. See "Important Disclosure Information–Index Definitions" and "–Trends".

6. Diversification does not ensure a profit or protect against losses.

Selecting Assets and Sizing Allocations

Private assets can be deployed across a range of risk profiles, but the desired allocation depends on the client's specific objectives and circumstances. This includes (but is not limited to) both their risk tolerance and the proportion of their overall portfolio dedicated to private assets.

It's crucial to distinguish between a client's risk tolerance and their liquidity needs. These concepts are often conflated, which can lead to sub-optimal allocations. It's important to note that higher allocations to private assets do not necessarily equate to higher risk in portfolios.[7]

With those points in mind, here are two examples to put asset allocation into action.

Note: Alternative investments involve a high degree of risk and investors may not get back the amount originally invested. There is no guarantee that any fund or investment will achieve its aims or objectives or avoid substantial losses.

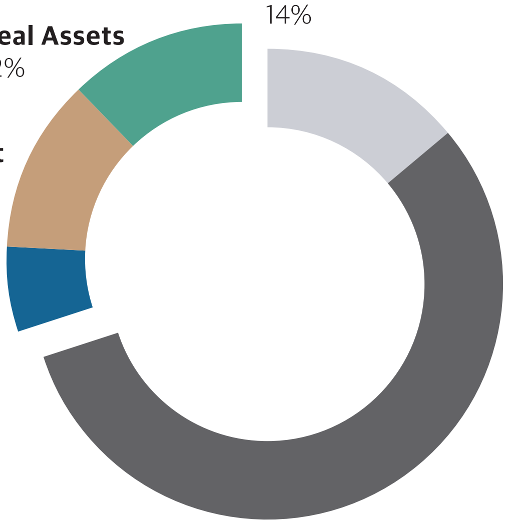
7. Diversification does not ensure a profit or protect against losses.

Income Portfolio

An income portfolio can be designed with private assets to pursue higher distributions. This portfolio would emphasize private credit, real assets, such as private real estate and infrastructure, and some private equity, in addition to allocation to public equity and fixed income. Allocations like this could outperform a portfolio of stocks and bonds over the past two decades and deliver higher income.

EXHIBIT 4: Income Portfolio: Combining Public and Private Assets

Income Portfolio with 30% Private Assets



Performance, 2004-2024

Compared to a Public Income Portfolio
(75% Fixed Income / 25% Equity)

Total return (annualized)

6.1%
private

100bps
higher annualized performance vs. public markets

Realized volatility

4.5%
private

130bps
lower annualized volatility vs. public markets

Current yield

4.2%
private

60bps
higher current yield vs. public markets

Note: **Past performance does not predict future returns.** The above returns are hypothetical in nature and are shown for illustrative, informational purposes only. These returns do not reflect the actual or expected returns of any Blackstone portfolio strategy and are not a guarantee of future results. Nothing herein is intended as a prediction of how any financial markets, fund, or underlying manager will perform in the future. This does not represent an actual portfolio managed by Blackstone. The indices and benchmarks reflected herein are not representative of all investments in the applicable asset classes, the performance of such indices and benchmarks in periods other than that the 20-year period shown herein may differ materially, and it should not be assumed that any trends shown will continue. Annualized returns and volatility are calculated based on the quarterly returns over the 20-year period from September 30, 2004 to September 30, 2024. Growth: (75% Equities / 25% Fixed Income). Equities is represented by the S&P 500, MSCI Emerging Markets Index and MSCI World ex US Index. Fixed Income is represented by the Bloomberg US Treasury Index (Unhedged) and Bloomberg US Corporate Bond Index (Unhedged). See “Important Disclosure Information”, including “Index Comparison” and”Trends”.

The compound performance includes the index providers, or when unavailable, Blackstone’s approximate adjustment for leverage and fees, which are typically borne by the investor. Public Market Portfolio Allocations: Income (25% Equities / 75% Fixed income). Growth: (75% Equities / 25% Fixed Income). Equities is represented by the S&P 500, MSCI Emerging Markets Index and MSCI World ex US Index. Fixed Income is represented by the Bloomberg US Treasury Index (Unhedged) and Bloomberg US Corporate Bond Index (Unhedged). The composition of all public-market sleeves is as follows. Equities: 57% S&P 500 Index, MSCI World Ex US Index, 34%, MSCI Emerging Markets Index, 9%. The composition of all fixed income sleeves is as follows: US Treasury Index, 60%. Bloomberg US Corporate Bond Index, 40%. Combined Private and Public Market Portfolio Allocations: See breakdown on page 11. Private Real Estate is represented by the NFI-ODCE Index. Private Credit is represented by the Cliffwater Direct Lending Index with Blackstone’s approximate adjustment for leverage and fees. Private Equity is represented by the Cambridge Associates Private Equity Buyout Index. Private infrastructure is represented by the Cambridge Associates US Private Infrastructure Index. For data prior to 2008, the Cambridge Associates US Private Infrastructure Index data has been supplemented with international infrastructure data. NFI-ODCE Index, Cambridge Associates Private Equity Buyout Index and Cambridge Associates US Private Infrastructure Index are net of fees.

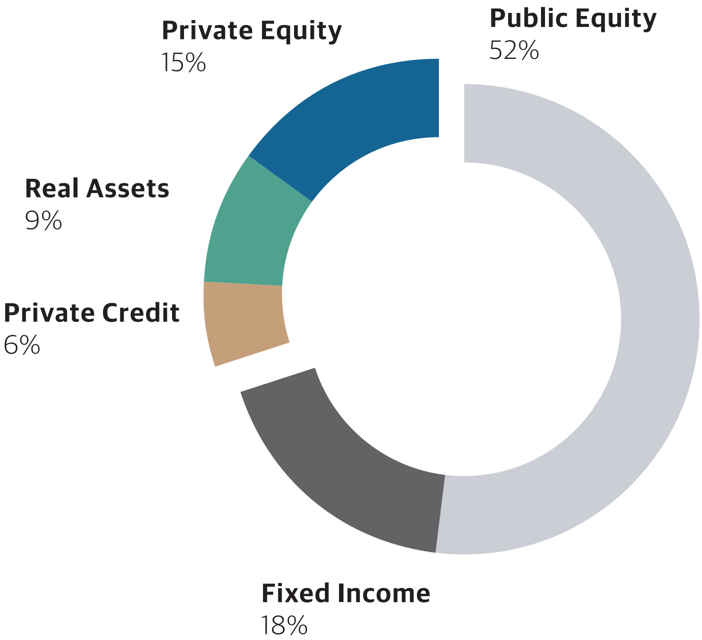
Growth Portfolio

A second example – a portfolio built for growth would pursue greater capital appreciation over time. This type of portfolio would favor private equity, but also include allocations to the other three just-mentioned private asset classes.

Here, also, this style of allocation could outperform public markets over the last 20 years.

EXHIBIT 5: Growth Portfolio: Combining Public and Private Assets

Growth Portfolio with 30% Private Assets



Performance, 2004-2024

Compared to a Public Growth Portfolio
(75% Equity / 25% Fixed Income)

Total return (annualized)

9.2%
private

120bps
higher annualized performance vs. public markets

Realized volatility

10.4%
private

220bps
lower annualized volatility vs. public markets

Current yield

2.7%
private

10bps
higher current yield vs. public markets

Note: **Past performance does not predict future returns.** The above returns are hypothetical in nature and are shown for illustrative, informational purposes only. These returns do not reflect the actual or expected returns of any Blackstone portfolio strategy and are not a guarantee of future results. Nothing herein is intended as a prediction of how any financial markets, fund, or underlying manager will perform in the future. The indices and benchmarks reflected herein are not representative of all investments in the applicable asset classes, the performance of such indices and benchmarks in periods other than that the 20-year period shown herein may differ materially, and it should not be assumed that any trends shown will continue. Annualized returns and volatility are calculated based on the quarterly returns over the 20-year period from September 30, 2004 to September 30, 2024. See "Important Disclosure Information", including "Index Comparison" and "Trends"

The compound performance includes the index providers, or when unavailable, Blackstone's approximate adjustment for leverage and fees, which are typically borne by the investor. Public Market Portfolio Allocations: Income (25% Equities / 75% Fixed income). Growth: (75% Equities / 25% Fixed Income). Equities is represented by the S&P 500, MSCI Emerging Markets Index and MSCI World ex US Index. Fixed Income is represented by the Bloomberg US Treasury Index (Unhedged) and Bloomberg US Corporate Bond Index (Unhedged). The composition of all public-market sleeves is as follows. Equities: 57% S&P 500 Index, MSCI World Ex US Index, 34%, MSCI Emerging Markets Index, 9%. The composition of all fixed income sleeves is as follows: US Treasury Index, 60%. Bloomberg US Corporate Bond Index, 40%. Combined Private and Public Market Portfolio Allocations: See breakdown on page 11. Private Real Estate is represented by the NFI-ODCE Index. Private Credit is represented by the Cliffwater Direct Lending Index with Blackstone's approximate adjustment for leverage and fees. Private Equity is represented by the Cambridge Associates Private Equity Buyout Index. Private infrastructure is represented by the Cambridge Associates US Private Infrastructure Index. For data prior to 2008, the Cambridge Associates US Private Infrastructure Index data has been supplemented with international infrastructure data. NFI-ODCE Index, Cambridge Associates Private Equity Buyout Index and Cambridge Associates US Private Infrastructure Index are net of fees.

Considerations before Allocating

Private market investing means active ownership of less liquid assets, as value creation takes time. Liquidity needs at the total portfolio level are one important consideration before allocating to private equity. In addition, manager selection may be of particular importance given the wider dispersion of returns compared to public markets. Key manager attributes include scale, staying power and a long track record.

Our Insights page consists of timely articles, educational publications and market views.

www.blackstone.com/insights/

The information herein is provided for educational purposes only and should not be construed as financial or investment advice, nor should any information in this document be relied on when making an investment decision. Opinions expressed reflect the current opinions of Blackstone as of the date hereof and are based on Blackstone's opinions of the current market environment, which is subject to change. Past events and trends do not imply, predict or guarantee, and are not necessarily indicative of, future events or results.

Important Disclosure Information

This document (together with any attachments, appendices, and related materials, the "Materials") is provided on a confidential basis for informational due diligence purposes only and may not be relied on in any manner as legal, tax, investment, accounting or other advice or as an offer to sell, or a solicitation of an offer to buy, any security or instrument in or to participate in any trading strategy with any Blackstone fund, account or other investment vehicle (each a "Fund"), nor shall it or the fact of its distribution form the basis of, or be relied on in connection with, any contract or investment decision. If such offer is made, it will only be made by means of an offering memorandum (collectively with additional offering documents, the "Offering Documents"), which would contain material information (including certain risks of investing in such Fund) not contained in the Materials and which would supersede and qualify in its entirety the information set forth in the Materials. Any decision to invest in a Fund should be made after reviewing the Offering Documents of such Fund, conducting such investigations as the investor deems necessary and consulting the investor's own legal, accounting and tax advisers to make an independent determination of the suitability and consequences of an investment in such Fund. In the event that the descriptions or terms described herein are inconsistent with or contrary to the descriptions in or terms of the Offering Documents, the Offering Documents shall control. None of Blackstone, its funds, nor any of their affiliates makes any representation or warranty, express or implied, as to the accuracy or completeness of the information contained herein and nothing contained herein should be relied upon as a promise or representation as to past or future performance of a Fund or any other entity, transaction, or investment. No securities commission or similar regulatory authority in Canada has reviewed or in any way passed upon the merits of the investments described herein and any representation to the contrary is an offense. All information is as of March 31, 2025 (the "Reporting Date"), unless otherwise indicated and may change materially in the future. Capitalized terms used herein but not otherwise defined have the meanings set forth in the Offering Documents.

In considering any investment performance information contained in the Materials, prospective and current investors should bear in mind that **past performance does not predict future returns** and there can be no assurance that a Fund will achieve comparable results, implement its investment strategy, achieve its objectives or avoid substantial losses or that any expected returns will be met.

Diversification; Potential Lack Thereof. Diversification is not a guarantee of either a return or protection against loss in declining markets. The number of investments which a Fund makes may be limited, which would cause the Fund's investments to be more susceptible to fluctuations in value resulting from adverse economic or business conditions with respect thereto. There is no assurance that any of the Fund's investments will perform well or even return capital; if certain investments perform unfavorably, for the Fund to achieve above-average returns, one or a few of its investments must perform very well. There is no assurance that this will be the case. In addition, certain geographic regions and/or industries in which the Fund is heavily invested may be more adversely affected by economic pressures when compared to other geographic regions and/or industries.

ERISA Fiduciary Disclosure. The foregoing information has not been provided in a fiduciary capacity under ERISA, and it is not intended to be, and should not be considered as, impartial investment advice.

Forward-Looking Statements. Certain information contained in the Materials constitutes "forward-looking statements," which can be identified by the use of forward-looking terminology or the negatives thereof. These may include financial estimates and their underlying assumptions, statements about plans, objectives and expectations with respect to future operations, and statements regarding future performance. Such forward-looking statements are inherently uncertain and there are or may be important factors that could cause actual outcomes or results to differ materially from those indicated in such statements. Blackstone believes these factors include but are not limited to those described under the section entitled "Risk Factors" in its Annual Report on Form 10-K for the most recent fiscal year ended December 31, of that year, and any such updated factors included in its periodic filings with the Securities and Exchange Commission, which are accessible on the SEC's website at www. sec.gov. These factors should not be construed as exhaustive and should be read in conjunction with the other cautionary statements that are included in the Materials and in the filings. Blackstone undertakes no obligation to publicly update or review any forward-looking statement, whether as a result of new information, future developments or otherwise.

Highly Competitive Market for Investment Opportunities. The activity of identifying, completing and realizing attractive investments is highly competitive, and involves a high degree of uncertainty. There can be no assurance that a Fund will be able to locate, consummate and exit investments that satisfy its objectives or realize upon their values or that a Fund will be able to fully invest its committed capital. There is no guarantee that investment opportunities will be allocated to a Fund and/or that the activities of Blackstone's other funds will not adversely affect the interests of such Fund.

Index Comparison. The volatility and risk profile of the indices presented is likely to be materially different from that of a Fund. In addition, the indices employ different investment guidelines and criteria than a Fund and do not employ leverage; as a result, the holdings in a Fund and the liquidity of such holdings may differ significantly from the securities that comprise the indices. The indices are not subject to fees or expenses, and it may not be possible to invest in the indices. The performance of the indices has not been selected to represent an appropriate benchmark to compare to a Fund's performance, but rather is disclosed to allow for comparison of a Fund's performance to that of well-known and widely recognized indices. A summary of the investment guidelines for the indices presented is available upon request. In the case of equity indices, performance of the indices reflects the reinvestment of dividends.

No Assurance of Investment Return. Prospective investors should be aware that an investment in a Fund is speculative and involves a high degree of risk. There can be no assurance that a Fund will achieve comparable results, implement its investment strategy, achieve its objectives or avoid substantial losses or that any expected returns will be met (or that the returns will be commensurate with the risks of investing in the type of transactions described herein). The portfolio companies in which a Fund may invest (directly or indirectly) are speculative investments and will be subject to significant business and financial risks. A Fund's performance may be volatile. An investment should only be considered by sophisticated investors who can afford to lose all or a substantial amount of their investment. A Fund's fees and expenses may offset or exceed its profits.

Opinions. Opinions expressed herein reflect the current opinions of Blackstone as of the date appearing in the Materials only and are based on Blackstone's opinions of the current market environment, which is subject to change. Certain information contained in the Materials discusses general market activity, industry or sector trends, or other broad-based economic, market or political conditions and should not be construed as research or investment advice.

Operating Metrics. With respect to the operating metrics used herein: NOI means all revenue from the property minus all reasonably necessary operating expenses and maintenance capital expenditures, as applicable; cap rate means the annual NOI of the asset at the time of disposition divided by the sale price. Expectations reflected in the operating metrics used herein (including, but not limited to, any expectation regarding revenues, expenses, NOI, and/or the successful implementation of an asset management strategy) have been prepared and set out for illustrative purposes only.

Recent Market Events Risk. Local, regional, or global events such as war (e.g., Russia / Ukraine), acts of terrorism, public health issues like pandemics or epidemics (e.g., COVID-19), recessions, or other economic, political and global macro factors and events could lead to a substantial economic downturn or recession in the US and global economies and have a significant impact on a Fund and its investments. The recovery from such downturns is uncertain and may last for an extended period of time or result in significant volatility, and many of the risks discussed herein associated with an investment in a Fund may be increased.

Target Allocations. There can be no assurance that a Fund will achieve its objectives or avoid substantial losses. Allocation strategies and targets depend on a variety of factors, including prevailing market conditions and investment availability. There is no guarantee that such strategies and targets will be achieved and any particular investment may meet the target criteria.

Third-Party Information. Certain information contained in the Materials has been obtained from sources outside Blackstone, which in certain cases have not been updated through the date hereof. While such information is believed to be reliable for purposes used herein, no representations are made as to the accuracy or completeness thereof and none of Blackstone, its funds, nor any of their affiliates takes any responsibility for, and has not independently verified, any such information.

Trends. There can be no assurances that any of the trends described herein will continue or will not reverse. Past events and trends do not imply, predict or guarantee, and are not necessarily indicative of, future events or results.

Methodology Disclosures

Total Returns: The Cliffwater Direct Lending Index ("CDLI") estimates the unlevered total return of US private credit as an asset class and is based on the quarterly filings of Business Development Companies (BDCs). CDLI total returns are adjusted to estimate the impacts of private credit fund leverage, operating expenses, and management and incentive fees, and are based on the CDLI return attributions by net income, realized net gains, and unrealized net gains. The net impact of leverage assumes 1.0x debt-to-equity ratio in each quarter after 2018 and assumes 0.7x debt-to-equity ratio in each quarter in 2018 and prior (given an increase in average BDC fund leverage accompanied by a general portfolio shift towards more senior secured investments). Furthermore, the cost of leverage assumes an all-in cost of 250 basis points per annum over beginning-of-quarter base rate (3-month LIBOR or, following LIBOR's discontinuation, 3-month term SOFR). Fund operating expenses are assumed to be 57 basis points of equity per annum, management fees are assumed to be approximately 143 basis points of gross assets per annum, and incentive fees are assumed to be approximately 18.9% of net, pre-incentive fee net income and net realized and unrealized gains each quarter. These expense and fee assumptions roughly reflect the average expense and fee ratios of underlying BDCs over the respective time periods.

Current Yields: Current yields are based on the spot, unlevered interest rates accruing on investments by BDCs in the CDLI at the end of each calendar quarter. Current yields are adjusted to estimate the impacts of private credit fund leverage, operating expenses, and management and incentive fees. The net impact of leverage assumes 1.0x debt-to-equity ratio in each quarter, in line with a typical, levered private credit fund. Furthermore, the cost of leverage assumes an all-in cost of 250 basis points per annum over beginning-of-quarter base rate (3-month LIBOR or, following LIBOR's discontinuation, 3-month term SOFR). Fund operating expenses are assumed to be 50 basis points of equity per annum, management fees are assumed to be approximately 250 basis points of equity per annum, and incentive fees are assumed to be approximately 17.5% of net, pre-incentive fee net income each quarter. These expense and fee assumptions roughly reflect the average expense and fee ratios of underlying BDCs over the respective time periods.

Index Definitions

Bloomberg US Corporate Bond Index: The Bloomberg US Corporate Bonds Bond Index is an index of the US dollar-denominated, investment-grade, fixed-rate, taxable corporate bond market. It includes USD-denominated securities issued by US and non-US industrial, utility, and financial issuers.

Bloomberg US Treasury Index: The index measures US dollar-denominated, fixed-rate, nominal debt issued by the US Treasury. Treasury bills and STRIPS are excluded. The index assumes reinvestment of all distributions and interest payments.

Cambridge Associates US Private Infrastructure Index: This index is a horizon calculation based on data compiled from US infrastructure funds, formed between 2003 and 2024.

Cambridge Private Equity Buyout Index: This index is a horizon calculation based on data compiled from US and international buyout equity funds, formed between 1983 and 2024.

Cliffwater Direct Lending Index: The Cliffwater Direct Lending Index (CDLI) seeks to measure the unlevered, gross of fee performance of US middle market corporate loans, as represented by the asset-weighted performance of the underlying assets of Business Development Companies (BDCs), including both exchange-traded and unlisted BDCs, subject to certain eligibility requirements.

Consumer Price Index for All Urban Consumers (All Items in US City Average): The Consumer Price Index for All Urban Consumers: All Items (CPIAUCSL) is a price index of a basket of goods and services paid by urban consumers. Percent changes in the price index measure the inflation rate between any two time periods. The most common inflation metric is the percent change from one year ago. It can also represent the buying habits of urban consumers. This particular index includes roughly 88 percent of the total population, accounting for wage earners, clerical workers, technical workers, self-employed, short-term workers, unemployed, retirees, and those not in the labor force.

MSCI Emerging Markets Index: The MSCI Emerging Markets Index is used to measure the stock market performance within emerging countries. It is one of many indexes created by Morgan Stanley Capital International (MSCI). The index captures mid- to large-cap companies across more than 12 emerging countries.

MSCI World ex USA Index: The MSCI World ex USA Index captures large and mid-cap representation across 22 of 23 Developed Markets

(DM) countries—excluding the United States. The index covers approximately 85% of the free float-adjusted market capitalization in each country.

NFI-OCDE Index: The National Council of Real Estate Investment Fiduciaries Fund Index - Open End Diversified Core Equity, is the first of the NCREIF Fund Database products and is an index of investment returns reporting on both a historical and current basis the results of 38 open-end commingled funds pursuing a core investment strategy, some of which have performance histories dating back to the 1970s. The NFI-ODCE Index is capitalization-weighted and is reported gross of fees. Measurement is time-weighted. NCREIF will calculate the overall aggregated Index return.

S&P 500 Index: The index measures the performance of 500 widely held stocks in US equity market. Standard and Poor's chooses member companies for the index based on market size, liquidity and industry group representation. Included are the stocks of industrial, financial, utility, and transportation companies. Since mid-1989, this composition has been more flexible and the number of issues in each sector has varied. It is market capitalization-weighted.

S&P Global Infrastructure Index: The S&P Global Infrastructure Index is a benchmark that tracks the performance of 75 of the largest publicly traded infrastructure companies in the world. The index is made up of companies from developed and emerging markets, and is diversified across the energy, transportation, and utilities sectors.

NOTICE TO INVESTORS IN THE UK AND THE EEA

In the United Kingdom ("UK") this communication issued by Blackstone Europe LLP ("BELL") of 40 Berkeley Square, London, W1J 5AL (registration number OC352581), which is authorised and regulated by the Financial Conduct Authority (the "FCA") (firm reference number 520839) in the UK and which maintains appropriate licenses in other relevant jurisdictions.

In the European Economic Area, this communication is made by Blackstone Europe Fund Management S.à r.l. ("BEFM") of 2-4 Rue Eugène Ruppert, L-2453, Luxembourg (registration number B212124), which is authorized by the Luxembourg Commission de Surveillance du Secteur Financier (reference number A00001974).

This communication is intended only for the person to whom it has been sent, is strictly confidential and must not be distributed onward. This communication does not constitute a solicitation to buy any security or instrument, or a solicitation of interest in any Blackstone fund, account or strategy. The content of this communication should not be construed as legal, tax or investment advice.

ISRAEL

No action has been or will be taken in Israel that would permit a public offering of a fund, or distribution of this document to the public in Israel. This document has not been approved by the Israel Securities Authority. This document is being distributed only to and is directed only at persons who are Qualified Investors within the meaning of The Securities Law, 5728-1968 (Israel). Persons who are not Qualified Investors must not act on or rely on this document or any of its contents. Any investment or investment activity to which this document relates is available only to Qualified Investors and will be engaged in only with Qualified Investors. Qualified Investors in receipt of this document must not distribute, publish, reproduce, or disclose this document (in whole or in part) to any person who is not a Qualified Investor. Neither the general partner, nor the investment advisor, is registered or intends to register as an investment adviser or an investment portfolio manager under the Israeli regulation of investment advice and investment portfolio management law, 5755-1995 (the "investment law"). Furthermore, these interests are not being offered by a licensed marketer of securities pursuant to the investment law.

SWITZERLAND

In Switzerland, this material is for the exclusive use of qualified investors as defined in article 10(3) Swiss Collective Investment Schemes Act ("CISA").

MIDDLE EAST (UAE, DIFC, ADGM, Jordan, Saudi Arabia, Lebanon, Kuwait, Qatar, Bahrain and Oman)

The information contained in this document does not constitute and should not be construed as an offer of, an invitation or proposal to make an offer for, recommendation to apply for, or an opinion or guidance on a financial product, service and/or strategy. Whilst great care has been taken to ensure that the information contained in this document is accurate, no responsibility can be accepted for any errors, mistakes or omissions or for any action taken in reliance thereon. The information in this document does not constitute investment advice and should not be relied upon as the basis for any investment decision. You may only reproduce, circulate and use this document (or any part of it) with the consent of Blackstone. The information contained in this document is for information purposes only. It is not intended for and should not be distributed to, or relied upon by, members of the public. No marketing or solicitation or inducement activities are being used to offer or market any specific products based on the information contained herein. The information contained in this document is general and may contain statements that are not purely historical in nature but are "forward-looking statements".

These include, amongst other things, projections, forecasts or estimates of income. These forward-looking statements are based upon certain assumptions, some of which are described in other relevant documents or materials. All information contained herein is subject to change without notice. If you do not understand the contents of this document, you should consult an authorised financial adviser.

NOTICE TO INVESTORS IN JAPAN

ブラックストーン・オフィス所在地

米国本社：345 Park Avenue, New York, NY 10154

日本オフィス：東京都千代田区丸の内2 丁目4-1 丸の内ビルディング10 階

商号等: ブラックストーン・グループ・ジャパン株式会社

金融商品取引業者関東財務局長（金商）第 1785号

加入協会:日本証券業協会、般社団法人第二種金融商品取引業協会、般社団法人日本投資顧問業協会