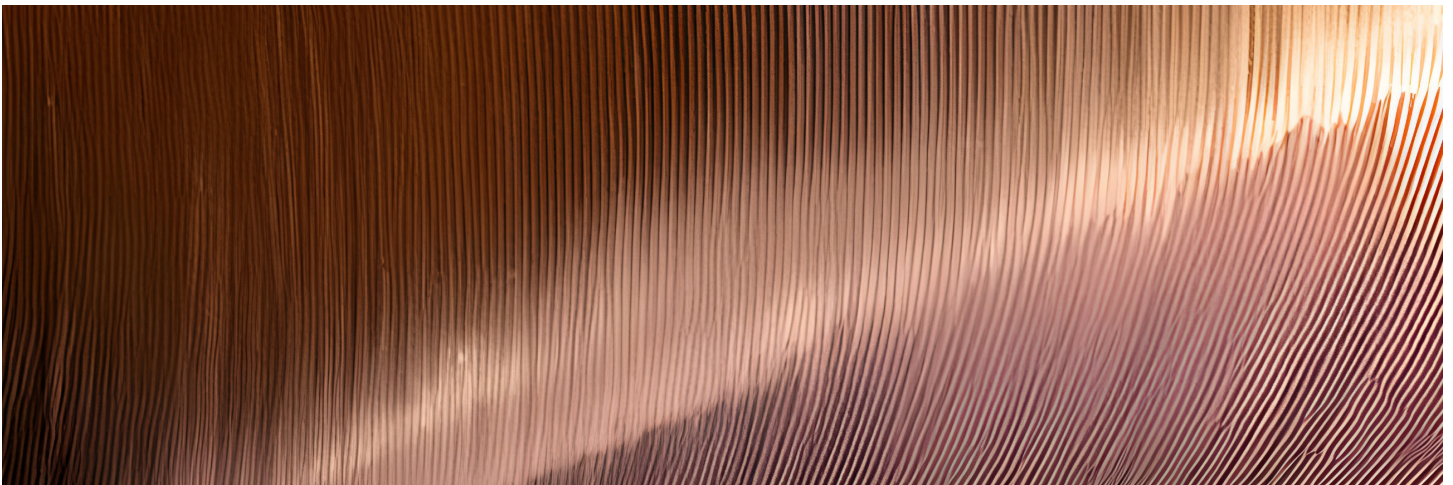


# Private Markets

Learn how assets such as private equity, credit, real estate, and infrastructure can fit into investment portfolios.



Blackstone

Private  
Equity

Private  
Credit

Private  
Real Estate

Private  
Infrastructure

# Need to Know

## 01 Larger Opportunity Set

Private markets can offer differentiated investment opportunities that are less correlated to public market assets.<sup>1</sup>

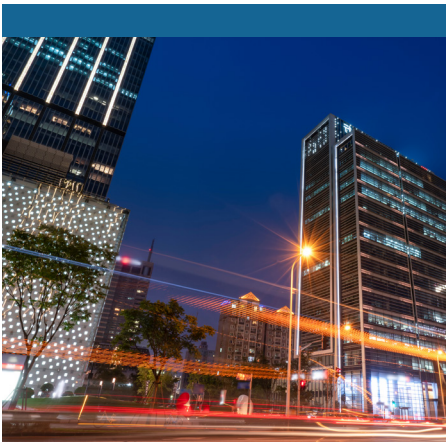
## 02 Long-Term Outperformance

Private markets have delivered attractive risk-adjusted returns relative to public market assets.<sup>2</sup>

## 03 Diversification Benefits

Private market assets may provide more portfolio diversification and lower volatility than publicly listed securities.

# What are Private Markets?



**Private equity funds** invest in non-publicly traded companies, ranging from startups to large private enterprises. Most companies do not trade publicly on an exchange.<sup>3</sup>



**Private credit funds** issue corporate loans and other credit instruments that don't involve a traditional bank and are not publicly traded.



**Private real asset funds** invest directly in privately held property and infrastructure, including sectors such as logistics, rental housing, energy grids, and data centers.



At the heart of our Insights lies a wide set of timely articles, educational publications and market views. For more information, please visit our Insights page at:

[www.blackstone.com/insights/](http://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. Diversification does not ensure a profit or protect against losses.

1. Morningstar, as of December 31, 2024.

2. See Exhibit 1 on page 2.

3. Capital IQ, June 2024. Represents the share of companies based on the total number of public and private companies in North America, Europe, and Asia that have reported 2024, 2023, 2022, or 2021 fiscal year revenues greater than \$250 million per Capital IQ's company database.

# Why Invest in Private Markets?

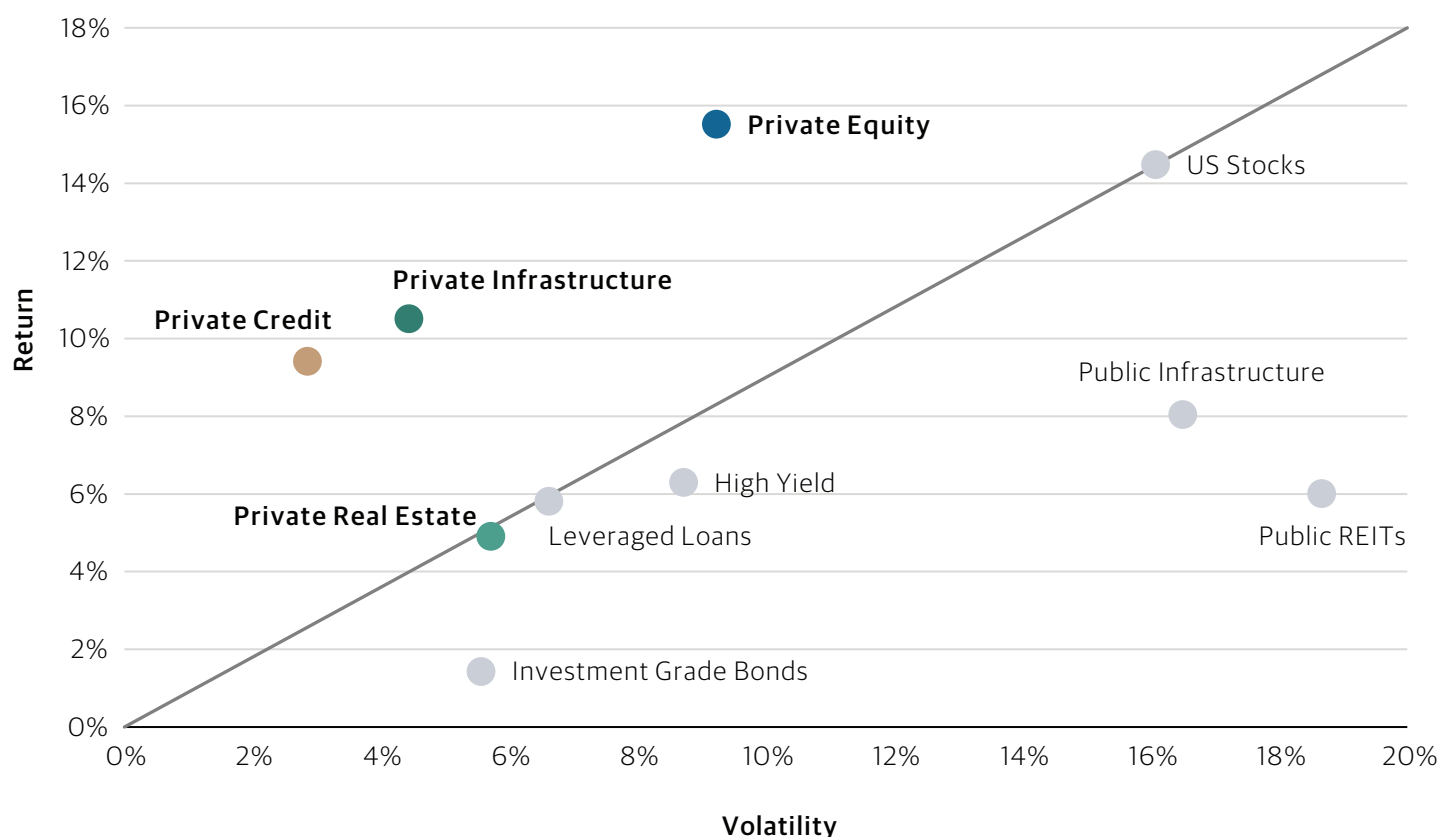
For many years, private market investments have been widely used in institutional portfolios with the aim to reduce volatility and seek to deliver consistent, long-term performance.

The democratization of private markets in recent years has allowed more eligible individuals to invest in private assets and take advantage of these potential benefits.

Exhibit 1 shows that private markets have stood out for their attractive risk-return profile vs. many publicly listed asset classes.<sup>4</sup>

## EXHIBIT 1: Risk-Returns of Select Asset Classes

2016–2024 (earliest common available data)



**Past performance does not predict future returns.** There can be no assurance any alternative asset classes will achieve their objectives or avoid significant losses. These indices have been selected as generally well-known and widely recognized indices and not as a benchmark for any specific fund. Equity indices include reinvestment of dividends. A summary of the investment guidelines for the indices is available upon request.

4. Source: Morningstar, the 9-year period from January 1, 2016 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.

Traditionally, stocks and bonds have been regarded as the core building blocks of a diversified portfolio, often split 60% and 40%, respectively, to capture the growth upside of stocks and the yield and price stability of fixed income. Yet this traditional allocation approach may not provide investors with enough diversification to mitigate volatility and deliver investment returns across the economic cycle. The correlation of stocks and bonds has been unreliable over time, meaning each asset class can act as a hedge against the other only part of the time, and the timing of shifts has been difficult to predict (Exhibit 2).<sup>5</sup>

As an alternative, private market assets may provide diversification not typically available through publicly listed securities.

**Private equity** firms, for instance, work with the management of their portfolio companies as they seek to add value to the businesses that they invest in over several years.

**Private real estate** has historically shown itself to be an effective hedge against inflation.<sup>6</sup> Unlike traditional fixed income, which generates fixed cash flows, income from real estate can rise over time<sup>7</sup> because leases adjust to account for inflation and/or are subject to regular rent reviews.

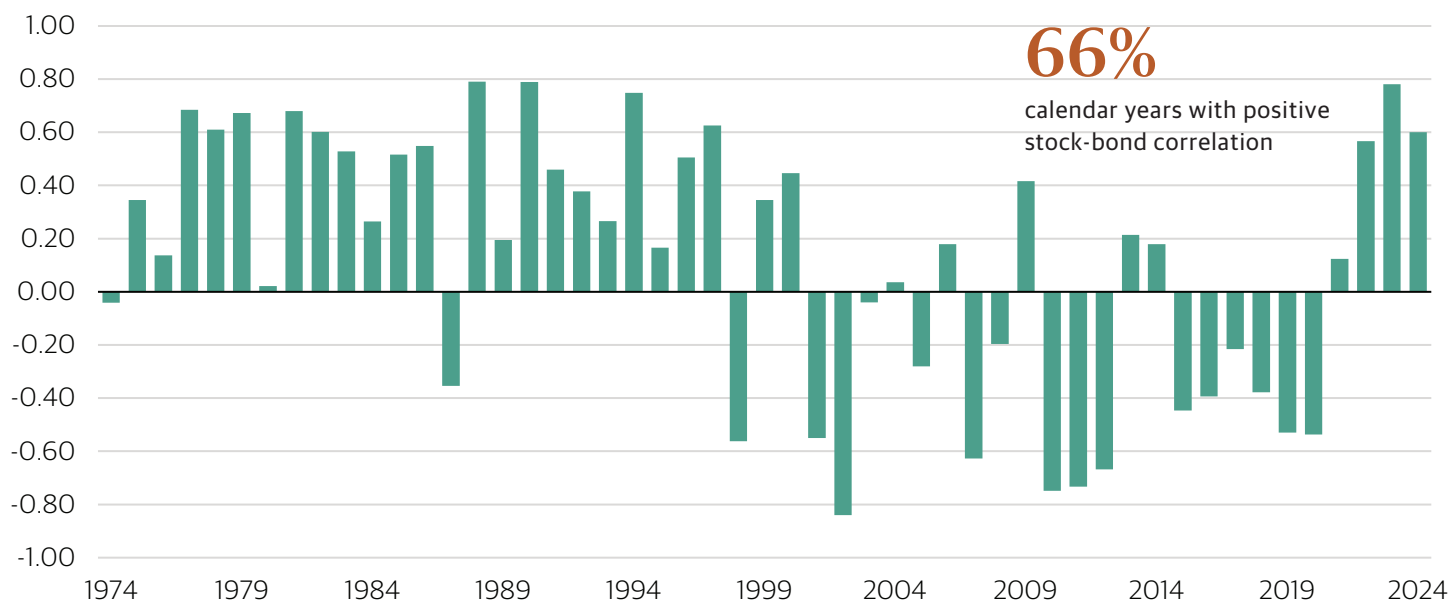
**Private infrastructure** provides access to physical assets that provide and/or support essential services critical to the economy, such as energy grids and data centers, which have exhibited higher returns and lower volatility than listed infrastructure over time.<sup>8</sup>

The same can be true of **private credit**. Key characteristics of private credit include seniority in the capital structure, which secures repayment priority in case of default, and the income potential from floating rate loans. In addition, the ability to negotiate terms directly with borrowers can ensure better structural protection, making for more defensive investments vs. traditional fixed income.

These characteristics of private market assets have the potential to create the kind of uncorrelated performance vs. publicly listed securities that aid portfolio diversification and reduce volatility (Exhibit 3).

### EXHIBIT 2: Stock-Bond Diversification Potential Has Been Unreliable over Time<sup>5</sup>

(correlation)



**Past performance does not predict future returns.** There can be no assurance that any of the trends described herein will continue or will not reverse. Diversification does not ensure a profit or protect against losses. There is no guarantee that any product will effectively hedge inflation. Protections mentioned seek to mitigate risk but do not reduce or eliminate risk and do not protect against losses.

5. Source: Morningstar, as of December 31, 2024. Equities represented by S&P 500. Bonds represented by Bloomberg US Treasury Total Return Index.

6. Green Street Advisors, as of December 31, 2024. 2024 NOI growth represents year -end estimate as of February 05, 2025. U.S. CPI reflects Bureau of Labor Statistics data, as of December 31, 2024. NOI growth represents the average NOI growth by year a cross the equal-weighted average of the asset -weighted average of the multifamily, industrial, mall, office and shopping center sectors. Multifamily refers to apartment; shopping center refers to strip retail. The Consumer Price Index (CPI) measures changes in the prices paid by urban consumers for a representative basket of goods and services. NOI may not be correlated to or continue to keep pace with inflation.

7. Income from real estate investments can also go down.

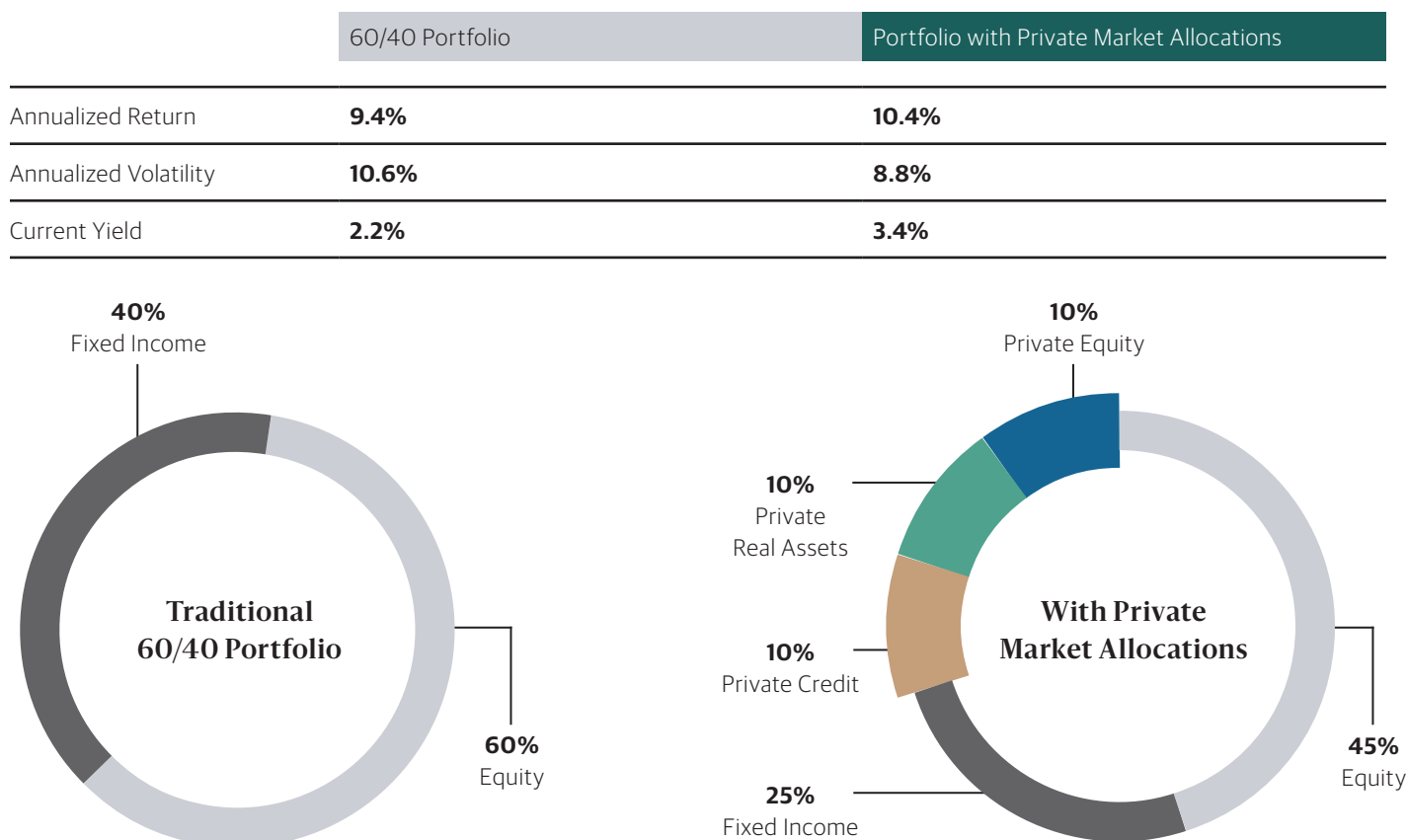
8. Preqin, Morningstar Direct, as of December 31, 2024. Comparing Preqin Private Infrastructure Index and S&P Global Infrastructure Index Total Return.

And yet, individual investors' portfolios contain a small allocation to private market assets compared to (for instance) pension funds and family offices, which often have a ~30% allocation to private markets, or endowments, which may have a ~50% allocation.<sup>9</sup>

Part of this may come down to unfamiliarity and comfort with selecting the right private market investment manager—a critical decision, given the broader dispersion of returns for private markets compared to public markets. Key criteria to consider include **track record**, **scale**, and evidence of **long-term value creation**. But just as important may be how skilled managers are at meeting the needs of individual investors, which can be different from institutions.

### EXHIBIT 3: Allocating to Private Markets: An Illustration

2016–2024 (Earliest Common Available Data)



**Past performance does not predict future returns.** Source: Bloomberg, Morningstar, Cambridge Associates, NCREIF, Cliffwater, as of December 31, 2024. As commonly used in the industry, the 60/40 portfolio is 60% allocated to the S&P 500 Index and 40% is allocated to the Bloomberg US Aggregate Bond Index. Private Credit is represented by the Cliffwater Direct Lending Index. Private Equity is represented by the Cambridge Associates US Private Equity Index. Real Assets comprise 5% Private Real Estate and 5% Private Infrastructure. Private Real Estate is represented by the NFI - ODCE Index. Private Infrastructure is represented by the Cambridge Associates Private Infrastructure Index. The information provided herein is presented for educational purposes only, is solely an indication of the historical experience of certain asset classes based on publicly available indices and benchmarks during a fixed period, and does not reflect the experience or return to any Blackstone client, fund, or portfolio, the return of any investment by a Blackstone fund or other client, or the return to any investor in any Blackstone fund. There can be no assurance that any Blackstone fund, other investment, or any asset allocation will achieve its objectives or avoid substantial losses, or that alternative investments will generate higher returns than other investments. The information presented should not be construed as financial or investment advice, or relied on when making an investment decision. Investors should consult their financial advisor to determine what private markets allocation, if any, is most appropriate for them in light of their financial profile. Actual returns achieved by a fund or product investing in any asset class presented herein may be materially lower. 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 9-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 9-year period ended December 31, 2024. The annualized returns shown do not necessarily consider fees and expenses, which are typically borne by the investor and may materially reduce returns. The yield on the portfolio with a private market alternative allocation was calculated using the annualized S&P 500 Dividend Yield, the annualized Bloomberg US Aggregate Bond Yield, the annualized Cliffwater Direct Lending Index quarterly income, the annualized NFI - ODCE quarterly income, and the annualized S&P Global Infrastructure Yield as a proxy for Private Infrastructure. There is no yield from the private equity allocation, so private equity did not contribute to the annualized yield calculation.

9. Preqin, "Fundraising from US Pensions: A Guide to Raising Capital," 2024; UBS, "Global Family Office Report," 2024; National Association of College and University Business Officers, "2023 NACUBO-TIAA Study of Endowments," 2023. For Individual Investors, Cerulli Associates, "U.S. Wealth Management and Alternative Product Trends," 2024. For US Family Offices, the alternative asset allocation is for private equity only. For US Endowments, the alternative asset allocation is for the Public College, University or System only and represented by allocations to Alternative Strategies (includes marketable alternatives (hedge funds), private equity, private venture capital, and real assets).

# How to Access Private Markets

Perpetual funds have emerged as a middle path between the long-term commitments of traditional drawdown funds and the daily liquidity of structures that primarily focus on public markets. Perpetual funds have attributes that may be appealing to individual investors:

- Capital is fully invested from the date of subscription, meaning there is no deployment lag
- Investors can periodically subscribe and redeem at the fund's net asset value (NAV), subject to limits, so investors buy and sell at a valuation that is reflective of the fund's current portfolio

Tradeoffs and challenges can include the illiquidity of underlying assets, the possibility of redemption limits, less transparency vs. public markets, and a wider range of possible outcomes compared to public markets.

**EXHIBIT 4: An Illustrative Comparison of Structures<sup>10</sup>**

	Liquid / Mutual Funds	Private Market Funds for Individuals	Illiquid Private Funds
Illiquid Asset Exposure	<15%	✓	✓
Immediate Funding of Investments	✓	✓	Over time
Investment Availability	Daily	Recurring (e.g., monthly)	Episodic
Liquidity	Daily	Periodic (e.g., monthly or quarterly, subject to limits)	Typically, none
Performance Reporting	Daily	Monthly	Quarterly
Fund Life	Continuous	Continuous	Typically, 7-10+ Years

Note: **Past performance does not predict future returns.** 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. Recipients should consult their own financial advisers regarding the information herein. There can be no assurance that an allocation to alternatives would yield returns or protect capital. The information presented represents what is typically seen for these fund types but variations and/or exceptions do exist. If applicable, redemptions are set forth by the general partners of the fund and are subject to other limitations (including caps) as outlined in offering materials. In exceptional circumstances, modifications, suspensions and termination of the redemption program may be implemented if deemed to be in the best interest of the fund and the fund's investors.

<sup>10</sup> This table presents an illustrative comparison of fund types; however, other fund types exist and structure, minimum investment, liquidity, capital deployment, eligibility and spread are all ultimately set by the specific managers of each fund. This is, therefore, an overview and not a comprehensive summary.



# A Core Allocation

As the rise of perpetual funds makes clear, asset classes such as private equity, credit, real estate, and infrastructure are not just for institutions. Individual investors can, and increasingly do, deploy these assets in their investment approach, including as core portfolio building blocks.<sup>11</sup>

**Blackstone has long believed that private markets could serve as foundational building blocks for both institutional and private wealth portfolios.”**

Joan Solotar, Head of Blackstone Private Wealth



## Manager Selection Matters

Selecting the right manager is critical to ensuring the right outcome. Key manager attributes would include scale, staying power and a long track record. As results are never guaranteed, a focus on manager selection can increase the probability of achieving intended goals, and decrease the possibility of selecting an inexperienced manager or a strategy that does not fit the objectives.

However, education is also essential. Greater availability of private market investments requires a fuller understanding of their benefits and risks, which can include their tendency to invest in illiquid assets, their greater complexity, lower transparency vs. public markets, and a wider range of potential outcomes. The right long-term partner must commit to broadening investors' understanding of private markets and what they can bring to the overall investment strategy.

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.** There is no guarantee that any product or strategy will achieve its aims or objectives or avoid substantial losses.

11. Cerulli, "U.S. Advisor Edition 3Q 2025".

## 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 is not, 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 June 30, 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.

The Materials contain highly confidential information regarding Blackstone and a Fund's investments, strategy and organization. Your acceptance of the Materials constitutes your agreement that the Materials are designated as "trade secret" and "highly confidential" by Blackstone and are neither publicly available nor do they constitute a public record and that you shall (i) keep confidential all the information contained in the Materials, as well as any information derived by you from the information contained in the Materials (collectively, "Confidential Information") and not disclose any such Confidential Information to any other person (including in response to any Freedom of Information Act, public records statute, or similar request), (ii) not use any of the Confidential Information for any purpose other than to evaluate or monitor investments in a Fund, (iii) not use the Confidential Information for purposes of trading securities, including, without limitation, securities of Blackstone or its portfolio companies and (iv) promptly return any or all of the Materials and copies hereof to Blackstone upon Blackstone's request, in each case subject to the confidentiality provisions more fully set forth in a Fund's Offering Documents and any other written agreement(s) between the recipient and Blackstone, a current or potential portfolio company, or a third-party service provider engaged by Blackstone in connection with evaluation of a potential investment opportunity.

Blackstone Securities Partners L.P. ("BSP") is a broker-dealer whose purpose is to distribute Blackstone managed or affiliated products. BSP provides services to its Blackstone affiliates, not to investors in its funds, strategies or other products. BSP does not make any recommendation regarding, and will not monitor, any investment. As such, when BSP presents an investment strategy or product to an investor, BSP does

not collect the information necessary to determine — and BSP does not engage in a determination regarding — whether an investment in the strategy or product is in the best interests of, or is suitable for, the investor. You should exercise your own judgment and/or consult with a professional advisor to determine whether it is advisable for you to invest in any Blackstone strategy or product. Please note that BSP may not provide the kinds of financial services that you might expect from another financial intermediary, such as overseeing any brokerage or similar account. For financial advice relating to an investment in any Blackstone strategy or product, contact your own professional advisor.

In considering any investment performance information contained in the Materials, **prospective 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.

**Aggregated Returns.** The calculation of combined or composite net IRR / net returns takes the aggregate limited partner cash flows by actual date from inception of the strategy through the current quarter end and uses the terminal value (including unrealized investments) as of the current quarter end to comprise an overall return for the strategy. The actual realized returns on the unrealized investments used in this calculation may differ materially from the returns indicated herein. In addition, the actual returns of each Blackstone fund, account or investment vehicle included in such combined or composite returns may be higher or lower than the Aggregated Returns presented. Furthermore, no limited partner has necessarily achieved the combined or composite returns presented in such performance information, because a limited partner's participation in the applicable funds, accounts and/or investment vehicles may have varied.

**Blackstone Proprietary Data.** Certain information and data provided herein is based on Blackstone proprietary knowledge and data. Portfolio companies may provide proprietary market data to Blackstone, including about local market supply and demand conditions, current market rents and operating expenses, capital expenditures, and valuations for multiple assets. Such proprietary market data is used by Blackstone to evaluate market trends as well as to underwrite potential and existing investments. While Blackstone currently believes that such information is reliable for purposes used herein, it is subject to change, and reflects Blackstone's opinion as to whether the amount, nature and quality of the data is sufficient for the applicable conclusion, and no representations are made as to the accuracy or completeness thereof.

**Case Studies.** The selected investment examples, case studies and/or transaction summaries presented or referred to herein may not be representative of all transactions of a given type or of investments generally and are intended to be illustrative of the types of investments that have been made or may be made by a Fund in employing such Fund's investment strategies. It should not be assumed that a Fund will make equally successful or comparable investments in the future. Moreover, the actual investments to be made by a Fund or any other future fund will be made under different market conditions from those investments presented or referenced in the Materials and may differ substantially from the investments presented herein as a result of various factors. Prospective investors should also note that the selected investment examples, case studies and/or transaction summaries presented or referred to herein have involved Blackstone professionals who will be involved with the management and operations of a Fund as well as other Blackstone personnel who will not be involved in the management and operations of such Fund. Certain investment examples described herein may be owned by investment vehicles managed by Blackstone and by



certain other third-party equity partners, and in connection therewith Blackstone may own less than a majority of the equity securities of such investment. Further investment details are available upon request.

**Conflicts of Interest.** There may be occasions when a Fund's general partner and/or the investment advisor, and their affiliates will encounter potential conflicts of interest in connection with such Fund's activities including, without limitation, the allocation of investment opportunities, relationships with Blackstone's and its affiliates' investment banking and advisory clients, and the diverse interests of such Fund's limited partner group. There can be no assurance that Blackstone will identify, mitigate, or resolve all conflicts of interest in a manner that is favorable to the Fund.

**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 from 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 such as "may," "will," "expect," "intend," "anticipate," "estimate," "believe," "continue" or other similar words, or the negatives thereof. These may include financial predictions 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 10K 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](http://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.

**Illiquidity and Variable Valuation.** There is no organized secondary market for investors' interests in any Fund nor is there an organized market for which to sell a Fund's underlying investments, and none is

expected to develop. Withdrawal and transfer of interests in a Fund are subject to various restrictions, and similar restrictions will apply in respect of the Fund's underlying investments. Further, the valuation of a Fund's investments will be difficult, may be based on imperfect information and is subject to inherent uncertainties, and the resulting values may differ from values that would have been determined had a ready market existed for such investments, from values placed on such investments by other investors and from prices at which such investments may ultimately be sold.

**Images.** The Materials contain select images of certain investments that are provided for illustrative purposes only and may not be representative of an entire asset or portfolio or of a fund's entire portfolio. Such images may be digital renderings of investments rather than actual photos.

**Index Comparison.** The volatility and risk profile of the indices presented in this document is likely to be materially different from that of the Fund. In addition, the indices employ different investment guidelines and criteria than the Fund and do not employ leverage; as a result, the holdings in the 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. A summary of the investment guidelines for the indices presented are available upon request. In the case of equity indices, performance of the indices reflects the reinvestment of dividends.

**Leverage; Borrowings Under a Subscription Facility.** A Fund may use leverage, and a Fund may utilize borrowings from Blackstone Inc. or under its subscription-based credit facility in advance of or in lieu of receiving investors' capital contributions. The use of leverage or borrowings magnifies investment, market and certain other risks and may be significant. A Fund's performance will be affected by the availability and terms of any leverage as such leverage will enhance returns from investments to the extent such returns exceed the costs of borrowings by such Fund. The leveraged capital structure of such assets will increase their exposure to certain factors such as rising interest rates, downturns in the economy, or deterioration in the financial condition of such assets or industry. In the event an investment cannot generate adequate cash flow to meet its debt service, a Fund may suffer a partial or total loss of capital invested in the investment, which may adversely affect the returns of such Fund. In the case of borrowings used in advance of or in lieu of receiving investors' capital contributions, such use will result in higher or lower reported returns than if investors' capital had been contributed at the inception of an investment because calculations of returns to investors are based on the payment date of investors' capital contributions. In addition, because a Fund will pay all expenses, including interest, associated with the use of leverage or borrowings, investors will indirectly bear such costs.

**Material, Non-Public Information.** In connection with other activities of Blackstone, certain Blackstone personnel may acquire confidential or material non-public information or be restricted from initiating transactions in certain securities, including on a Fund's behalf. As such, a Fund may not be able to initiate a transaction or sell an investment. In addition, policies and procedures maintained by Blackstone to deter the inappropriate sharing of material non-public information may limit the ability of Blackstone personnel to share information with personnel in Blackstone's other business groups, which may ultimately reduce the positive synergies expected to be realized by a Fund as part of the broader Blackstone investment platform.

**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. 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 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.

**Realized and Unrealized Returns.** Realized or partially realized returns represent both (i) proceeds from investments that are realized and have been disposed of and (ii) realized proceeds from unrealized investments, such as current income, financing proceeds, or partial sale proceeds. The unrealized value is based on a fair market value ascribed by Blackstone, which is verified as being reasonable by a third party to approximate the cash flow that would have been generated had the asset been disposed of as of the Reporting Date. Actual realized value of the applicable fund's currently unrealized investments will depend on, among other factors, future operating results, the value of the assets and market conditions at the time of disposition, legal and contractual restrictions, any related transaction costs and the timing and manner of sale, all of which may differ from the assumptions and circumstances on which the current unrealized values are based. Accordingly, the actual realized values of unrealized and partially realized investments may differ materially from the values presented herein. While we currently believe that the assumptions used to arrive at unrealized value are reasonable under the circumstances, there is no guarantee that the conditions on which such assumptions are based will materialize or otherwise be applicable

to the investments. Please let us know if you would like to see returns based on assumptions other than those which we have used.

**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 the 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 the 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 not 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.**

---

## Index Definitions

**Bloomberg US Aggregate Bond Index:** The Bloomberg Aggregate Bond Index is an index of US dollar-denominated, investment-grade US corporate, government, and mortgage-backed securities.

**Bloomberg US Corporate High Yield Bond Index:** The Bloomberg US Corporate High Yield Bond Index measures the US dollar-denominated, high yield, fixed-rate corporate bond market.

**Bloomberg US Treasury Total Return Index:** The index measures US dollar denominated, fixed rate, nominal debt issued by the US Treasury.

**Cambridge Associates Private Infrastructure Index:** The Cambridge Infrastructure Index is a horizon calculation based on data compiled from 93 infrastructure funds, including fully liquidated partnerships, formed between 1993 and 2015. Private indexes are pooled horizon internal rate of return (IRR) calculations, net of fees, expenses, and carried interest.

**Cambridge Associates US Private Equity Index:** The Cambridge Associates US Private Equity index is a horizon calculation based on data compiled from US buyout and growth equity funds, formed between 1986 and 2023.

**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 U.S. 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.

**Morningstar LSTA US Leveraged Loan Index:** The Morningstar LSTA US Leveraged Loan Index is designed to deliver comprehensive, precise coverage of the US leveraged loan market. Underpinned by PitchBook | LCD data, the index brings transparency to the performance, activity, and key characteristics of the market.

**MSCI US REIT Index:** The MSCI US REIT Index is a free float-adjusted market capitalization index that is comprised of equity REITs. The index is based on MSCI USA Investable Market Index (IMI) its parent index which captures large, mid and small caps securities. It represents about 99% of the US REIT universe. The index is calculated with dividends reinvested on a daily basis.

**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-OCDE 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 S&P 500 index is a free-float weighted / capitalization-weighted index of US large-cap equities.

**S&P Global Infrastructure Index:** 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.

