Blackstone

DECEMBER 2025

Private Credit Reality Check

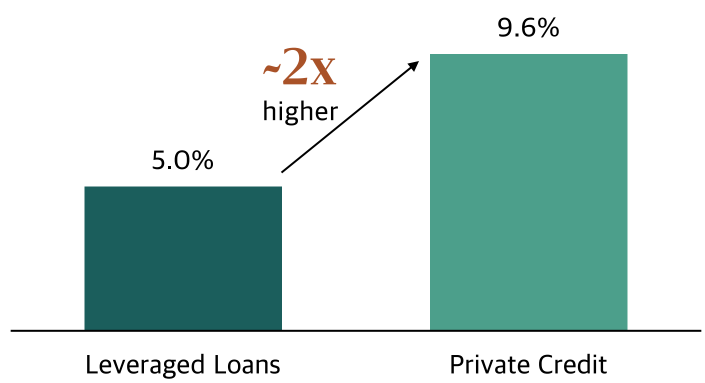
Although there is plenty of noise in the market, the facts paint a different picture.

1. Performance Has Been Battle Tested

Private credit has historically delivered twice the return of leveraged loans with only ~1% annualized losses.[3] That's over a 20-year period, including the Global Financial Crisis, COVID-19 pandemic, and regional bank crisis.

Private Credit vs. Leveraged Loans[1][2]

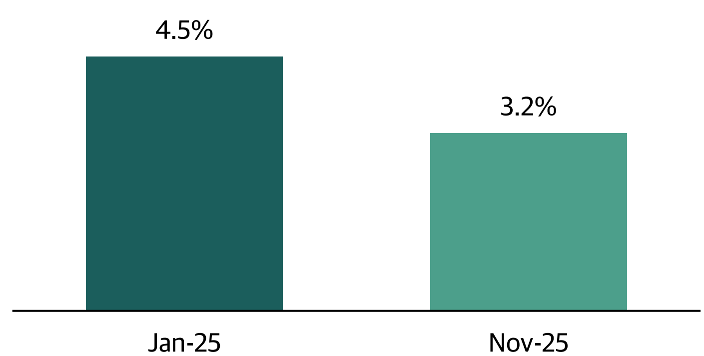
20-Year Annual Return



2. Market Defaults Are Down

Leveraged loan defaults are down over 100bps this year – hardly the crisis many headlines suggest. Defaults happen in credit investing. It's all about how managers use disciplined underwriting to minimize defaults and asset management expertise to help drive recoveries. Most importantly, we believe credit fundamentals remain strong.

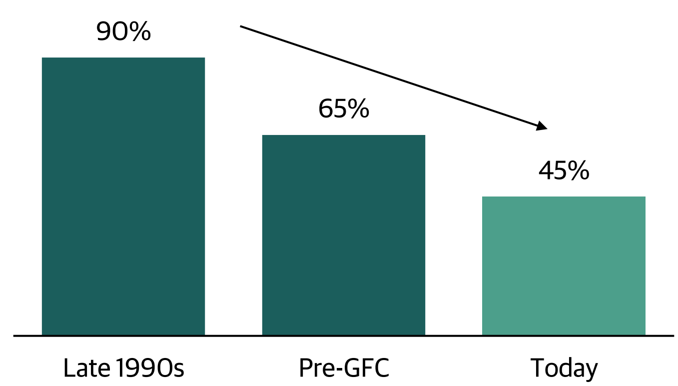
Leveraged Loan Defaults[4]



3. Lending Is More Conservative Today

Average loan-to-value in direct lending is much lower today than prior periods, providing a larger equity buffer that would need to be wiped out before debt is impacted. Taking a step back, making senior-secured loans, first in line for repayment, to high-quality businesses with institutional owners is not overtly risky in our view, especially when those loans sit in low-leverage vehicles with matched assets and liabilities.

Average Loan-to-Value[5]



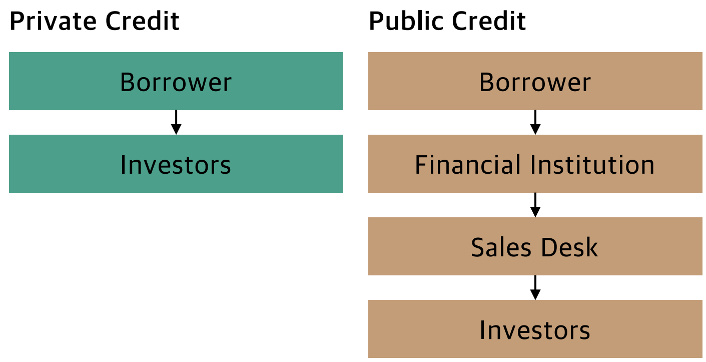
For educational purposes only and should not be construed as financial or investment advice, not should any information in this document be relied on when making investment decisions. There is no guarantee that the trends depicted herein will continue or will not reverse. Any investment involves a high degree of risk. See Page 3 for "Endnotes."

4. The Spread Premium Is Enduring

Private credit is delivering ~200bps excess spread over leveraged loans today.[6] The "farm-to-table" model brings investors right up to borrowers, eliminating return leakage from intermediaries taking fees, and delivering a customized solution. This incremental yield can be more valuable in lower-rate environments when spread represents a larger portion of total return.

The Private Credit Advantage

Farm-to-Table Model

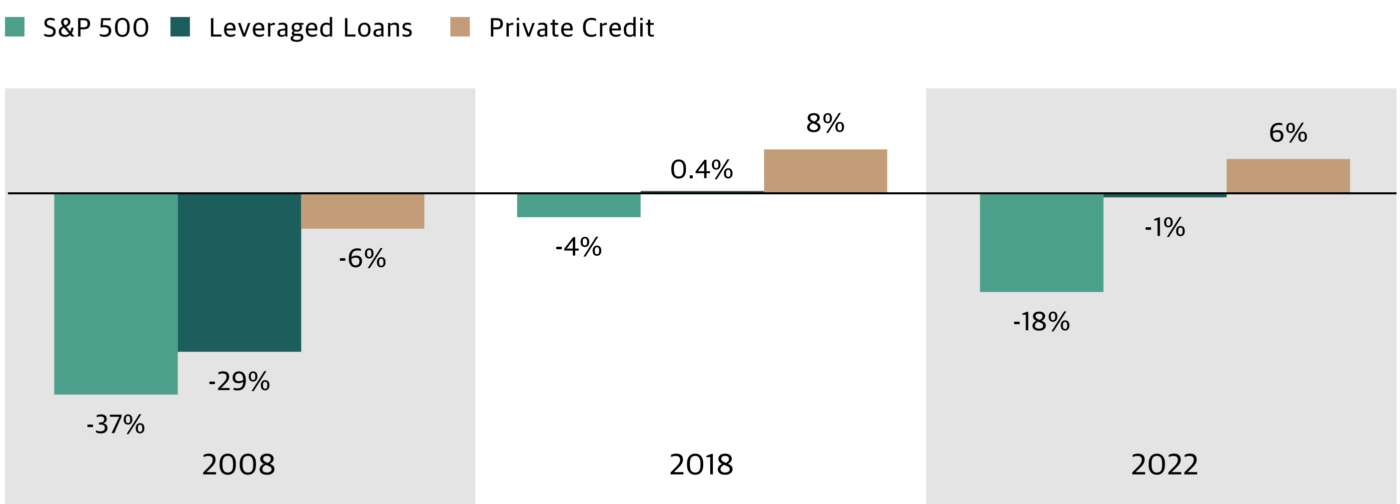


5. Potential Stability When You Need It Most

The S&P 500 has had three negative years over the last two decades. In those years, private credit significantly outperformed both equities and leveraged loans — twice posting positive returns. Current income and a defensive position in the capital structure can be beneficial when times are uncertain and valuations are elevated.

Full Year Total Return[7][8]

Years with S&P Downturn over Last 20 Years



Key Takeaway

We believe private credit can be an enduring allocation in investor portfolios that can offer both stability and yield through different environments. While credit fundamentals remain strong, in times of increasing performance dispersion, where you invest and who you invest with matters.

The compounding power of private credit returns typically requires a medium- to long-term investment horizon, so investors should consider their liquidity needs to determine whether and how much to commit to private credit.

Past performance does not predict future returns. There is no guarantee that the trends depicted herein will continue or will not reverse. Any investment involves a high degree of risk. See Page 3 for "Endnotes."

Endnotes

Note: Data is as of September 30, 2025, unless otherwise indicated. Returns for periods greater than one year are annualized. **Past performance does not predict future returns.** There can be no assurance that any fund or alternative asset class will achieve results comparable to those of any of Blackstone's funds or be able to implement its strategy or achieve its investment objectives, including due to an inability to access sufficient investment opportunities, avoid substantial losses, or that any expected returns will be met.

(1) Please see "Index Definitions" and "Index Comparison" at the end of this presentation for more information. Source: Morningstar, Blackstone Credit & Insurance ("BXCI") from September 30, 2005 through June 30, 2025. "Leveraged Loans" is represented by **Morningstar LSTA U.S. Leveraged Loan Index.**

(2) Private Credit represented by **Cliffwater Direct Lending Index** from September 30, 2005 through June 30, 2025, which is the latest publicly available data. Total return reflects the sum of annualized income return, annualized realized gain / loss, and annualized unrealized gain / loss during the period.

(3) Private Credit represented by **Cliffwater Direct Lending Index** from September 30, 2005 through June 30, 2025, which is the latest data available. Annualized losses reflect annualized realized gains / losses during the period.

(4) J.P. Morgan Default Monitor, published on December 1, 2025. Represents the last twelve-month par-weighted default rate for the U.S. leveraged loan market. The par-weighted default rate is calculated as the total par value of defaulted and LME loans over the last twelve months (including bankruptcies, missed payments, and distressed exchanges, but excluding technical defaults) divided by the average U.S. leveraged loan market size at the end and beginning of the last twelve-month period.

(5) "Late 1990s" LTV refers to the approximate leverage through high-yield bonds utilized to finance major buyouts in the 1990s. "Pre-GFC" LTV refers to the approximate leverage through leveraged loans utilized to finance US buyouts from 2000–2007 based on data from PitchBook LCD. Today refers to the average LTV on mid & upper market M&A deals completed during Q3'25 based on data from KBRA DLD.

(6) J.P. Morgan Research as of August 2025.

(7) Represents the yearly return of the S&P 500, Traditional Fixed Income, and Private Credit during the years in which the S&P 500 Index ("S&P 500") exhibited negative performance from 2000–2024.

(8) Please see "Index Definitions" at the end of this presentation for more information. Source: Morningstar, Bloomberg, Blackstone Credit & Insurance as of September 30, 2025. "Leveraged Loans" is represented by **Morningstar LSTA US Leveraged Loan Index.** "Private Credit" is represented by **Cliffwater Direct Lending Index.**

Important Disclosures

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 Blackstone or its affiliates in the credit-focused business of Blackstone Inc. (together with its affiliates, "Blackstone"), or any fund or separately managed account currently or to be sponsored, managed, advised or sub-advised or pursued by Blackstone (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 December 31, 2024 (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.

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 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.

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.

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.

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. In particular, you should note that, since many investments of the Funds may be unquoted, net asset value figures in relation to Funds may be based wholly or partly on estimates of the values of such funds' investments provided by the originating banks of those underlying investments or other market counterparties, which estimates may themselves have been subject to no verification or auditing process or may relate to a valuation at a date before the relevant net asset valuation for such fund, or which have otherwise been estimated by Blackstone.

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

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..

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.

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.