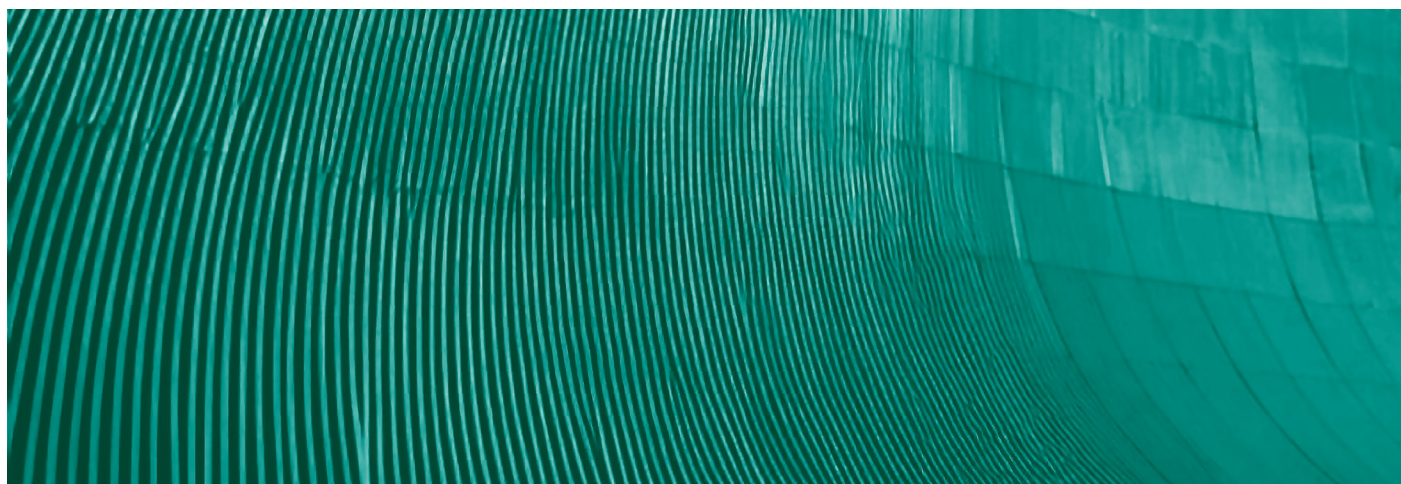


# Private Infrastructure

Private infrastructure provides essential services that are critical to the global economy.



# Need to Know

01

## Historical Outperformance

Private infrastructure has historically generated **higher returns** with less volatility than public equities and infrastructure across cycles.

02

## Diversification Benefits

Private infrastructure has exhibited **low correlation** to other asset classes, providing potential diversification benefits.<sup>2</sup>

03

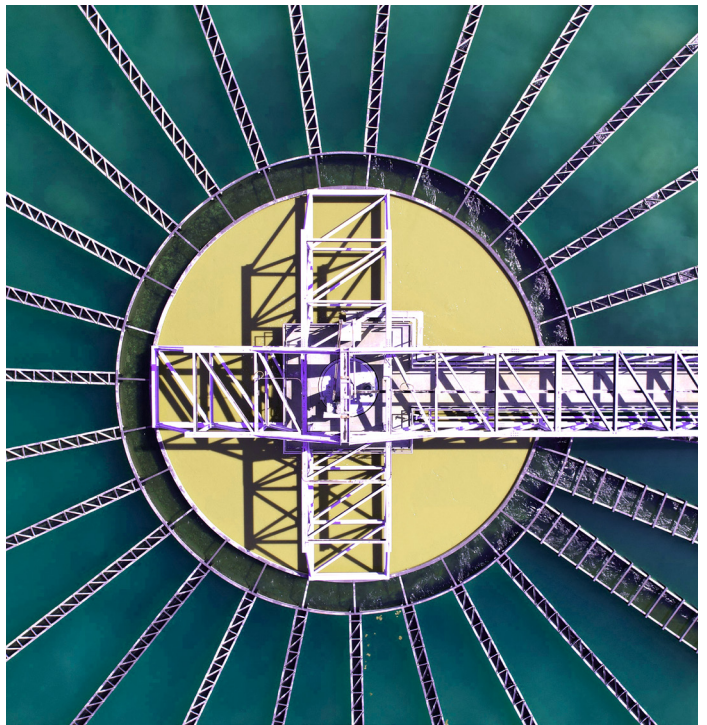
## Potential Inflation Mitigation<sup>1</sup>

Infrastructure business models often have contracts indexed to inflation or with the potential for **embedded inflation mitigation**, which can help maintain profits in the face of rising costs.

## Understanding Private Infrastructure

Private infrastructure refers to the physical assets that provide and/or support essential services critical to the economy, such as energy grids and data centers.

Typically operating under long-term contracted or regulated business models, these assets can offer robust and stable cash flows with low sensitivity to the economic cycle due to factors such as steady demand growth and potentially predictable cash flows.<sup>3</sup>



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 assurance that any product will effectively hedge inflation. Diversification does not ensure a profit or protect against losses.

1. Risk Management seeks to mitigate risk but does not eliminate risk and does not protect against losses.
2. Based on quarterly returns from January 1, 2004 to December 31, 2023 sourced from Morningstar. Global Private Infrastructure (Cambridge Private Infrastructure Index); Global Private Equity (Cambridge Global Private Equity Index); US Private Real Estate (NFI-ODCE Index); US Investment Grade Bonds (Bloomberg US Aggregate Bond); Global Public Equity (MSCI ACWI); Global Public Infrastructure (S&P Global Infrastructure Index). January 1, 2004 represents the inception date for the Cambridge Private Infrastructure index.
3. Based on Blackstone's beliefs and market observations and subject to change. Please see "Important Disclaimer Information," including "Images" and "Opinions."

# Infrastructure Includes



## Digital Infrastructure

Encompasses the data centers that power our digital lives and AI, the wireless networks that keep people connected, and the fiber-optic cables that span continents. As the digital age evolves, including as efficiency improvements lead to wider adoption, the demand for robust, secure, and fast digital infrastructure is expected to grow.

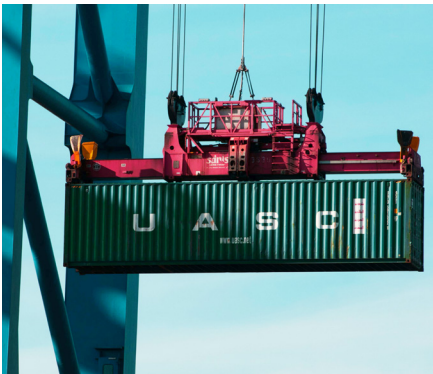
- Data centers
- Cell towers
- Fiber



## Energy Infrastructure

From the development of new sources of electricity to the transportation of fuels, energy infrastructure powers the global economy. Increasing power demand is expected to drive long-term energy demand from a range of sources, including renewables and traditional energy.

- Utilities / Transmission
- Pipelines
- Renewables



## Transportation

Moving people and goods, transportation infrastructure is expected to become even more important given the sustained growth of e-commerce and increase in leisure travel.

- Roads
- Ports
- Airports
- Railroads



## Water & Waste

Critical systems for managing water resources and waste, ensuring access to clean water and sustainable disposal methods.

- Water & sewage
- Waste

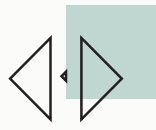
Based on Blackstone's beliefs and market observations and subject to change. The above illustrate select investment themes that may be pursued when making an investment. Such themes are subject to change and there can be no assurance that Blackstone will pursue any particular theme. Please see "Key Risk Factors" and "Important Disclaimer Information," including "Images," "Opinions," and "Sustainability."

# Why Private Infrastructure?

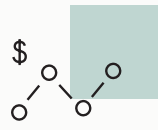
We believe infrastructure assets can be an important allocation in investor portfolios, potentially delivering robust returns, diversification<sup>4</sup> benefits, inflation mitigation, and yield.



Consistent income + appreciation potential



Low correlation



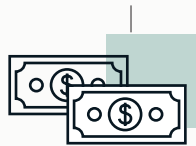
Inflation hedge potential



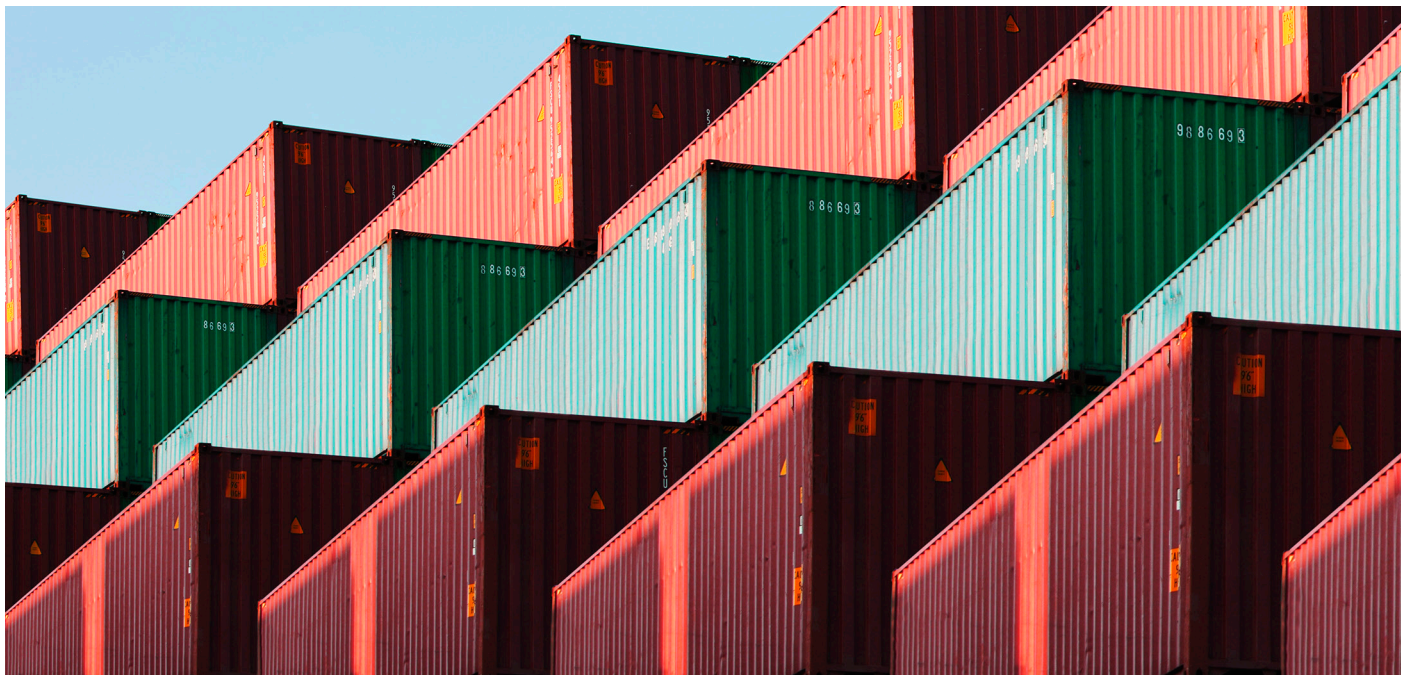
Relatively lower volatility



Lower tax leakage



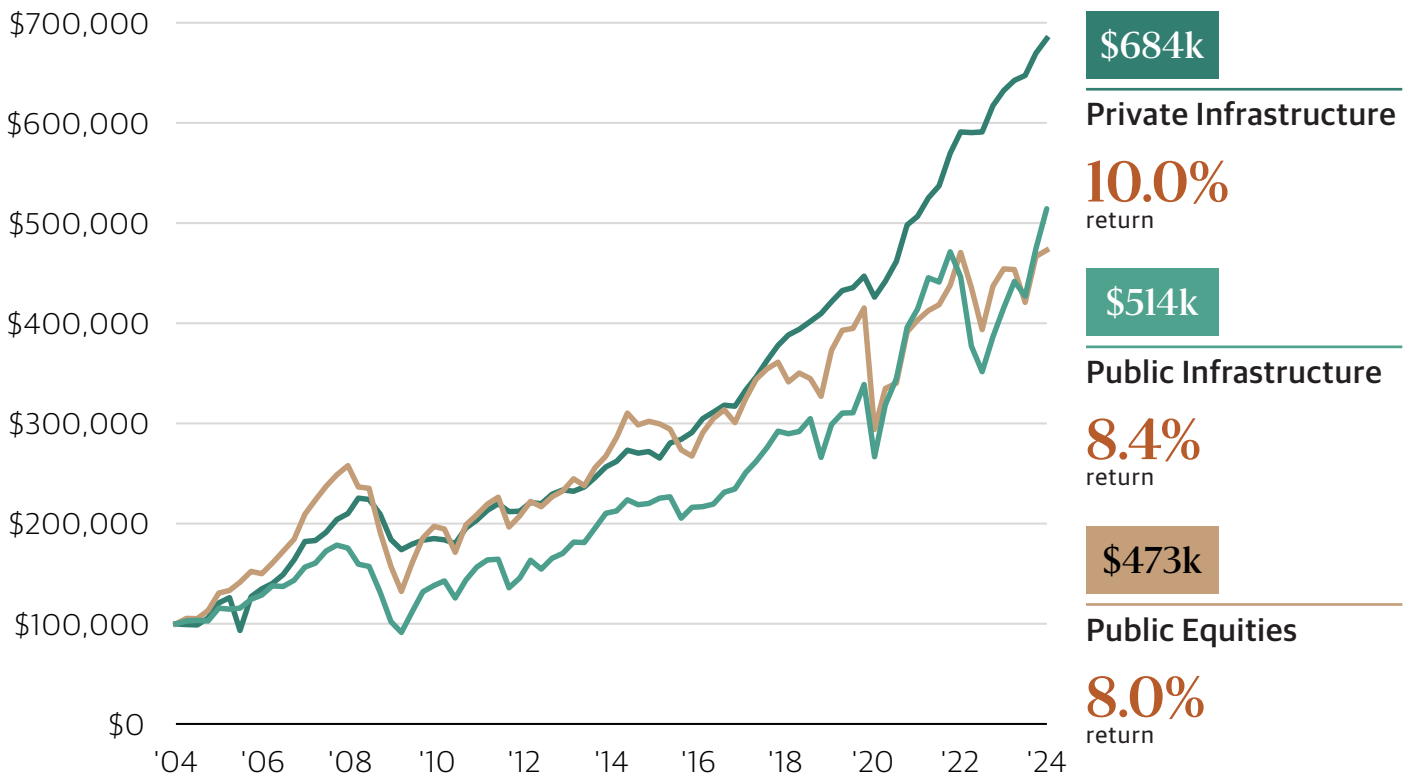
Attractive risk-adjusted returns



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Private infrastructure has historically delivered higher returns with lower volatility than public markets across cycles (Exhibit 1).

**EXHIBIT 1: Growth of \$100,000 Investment<sup>5</sup>**



**Past performance does not predict future returns.** Any investment involves a high degree of risk and should only be made if an investor can afford the loss of the entire investment. Hypothetical PME index performance may differ materially from the performance of such index during the same time period on account of the adjustments made for the timing of cash flows as per the PME analysis. Returns shown above have been compounded quarter over quarter to show comparison over time and may not be representative of actual historical returns experienced by investors in either private equity, public equities or public infrastructure. Private Infrastructure assets are expected to face risks different than those faced by public equities and public infrastructure, including significantly less liquidity, as Private Infrastructure assets generally do not have liquid markets and may face a greater risk of default and related risk of loss of principal. Additionally, investments in private infrastructure are speculative and often include a higher degree of risk. Indices are provided for illustrative purposes only, and there are significant risks and limitations to relying on comparisons to an index, including the PME adjustments.

5. Cambridge Associates, as of March 31, 2024. Growth of \$100,000 based on cumulative returns from January 1, 2004 to March 31, 2024, based on earliest common inception date. "Private Infrastructure" is represented by the pooled returns of the Cambridge Private Infrastructure Index, which is comprised of 93 infrastructure funds, including fully liquidated partnerships, formed between 1993 and 2015. "Public Equities" are represented by the Cambridge Modified Public Market Equivalent ("PME") analysis of the MSCI ACWI Index. "Public Infrastructure" is represented by the Cambridge Modified Public Market Equivalent analysis of the S&P Global Infrastructure Index. Comparisons of private infrastructure performance to public equity and public infrastructure performance are therefore based on the difference in performance between Cambridge Private Equity Index IRR and the hypothetical PME return of the MSCI ACWI Index and S&P Global Infrastructure Index. See Endnote 1 on page 12 for additional information on the PME calculation methodology. See "Important Disclosure Information" including "Index Comparison" and "Index Definitions." These indices have been selected as generally well-known and widely recognized indices and not as a benchmark for any specific fund.

Private infrastructure has historically exhibited low correlation to traditional asset classes, including public equities, private real estate, and private equity, providing potential diversification benefits to investors (Exhibit 2).

Private infrastructure can also deliver inflation mitigation as infrastructure business models often have contracts indexed to inflation or with embedded inflation mitigants, which can help maintain profits in the face of rising costs. Lastly, private infrastructure can be a steady source of income for investors due to the long-term contracts in place.

**EXHIBIT 2: Correlations<sup>6</sup>**

Asset Class	Global Private Infrastructure	Public Infrastructure	Global Equities	Investment Grade Bonds	US Private Real Estate
Public Infrastructure	<b>0.34</b>				
Global Equities	<b>0.59</b>	0.88			
Investment Grade Bonds	<b>0.00</b>	0.16	0.10		
US Private Real Estate	<b>0.34</b>	0.11	0.00	-0.26	
Global Private Equity	<b>0.68</b>	0.75	0.81	-0.02	0.33

Note: There can be no assurance that any Blackstone fund or investment will achieve its objectives or avoid substantial losses. Diversification does not ensure a profit or protect against losses. These indices have been selected as generally well-known and widely recognized indices and not as a benchmark for any specific fund. Correlation measures how one investment performs in relation to another, with a coefficient of +1 being a perfect, positive correlation and a coefficient of -1 being a perfect, negative correlation. When two asset classes have a correlation of +1, they will both move up or down by the same amount in the same direction. Conversely, a correlation of -1 indicates that when one asset class moves up or down, the other moves in the opposite direction by the same amount. In general, asset classes with a correlation of less than 0.70 or greater than -0.70 are considered to have relatively low correlation. Please see "Important Disclosure Information" including "Index Comparison" and "Index Definitions."

## Accessing Megatrends

Infrastructure as an asset class is broader than bridges and tunnels – for instance, it can include cutting-edge sectors of the economy, such as data centers. When investing in private infrastructure, selecting the right sectors, markets, and assets can be critical to generating strong performance. It is important to focus on high-quality assets with attractive growth potential driven by long-term, secular tailwinds.

This means identifying and concentrating capital around major trends, such as the rise of leisure travel or the growth in cloud computing and artificial intelligence.

Manager selection is also critical to success. Blackstone is the world's largest<sup>7</sup> alternative asset manager with a nearly 40-year track record.

Diversification does not ensure a profit or protect against losses. There is no assurance that any fund or strategy will effectively hedge inflation. There can be no assurance that an allocation to infrastructure would yield returns or protect capital.

6. Based on quarterly returns from January 1, 2004 to December 31, 2023 sourced from Morningstar. Global Private Infrastructure (Cambridge Private Infrastructure Index); Global Private Equity (Cambridge Global Private Equity Index); US Private Real Estate (NCREIF ODCE); Investment Grade Bonds (Bloomberg US Aggregate Bond); Global Equities (MSCI ACWI); Public Infrastructure (S&P Global Infrastructure Index). January 1, 2024 represents the inception date for the Cambridge Infrastructure index.

7. Largest global alternative asset manager reflects Preqin data as of September 30, 2024 or as of latest publicly available company data.

# Case Study: AirTrunk

In 2024, Blackstone acquired AirTrunk, the largest data center platform in the Asia-Pacific region and Blackstone’s largest APAC investment to date.<sup>8</sup> This transaction exemplifies Blackstone’s ability to invest at scale behind high-conviction themes, capitalizing on long-term trends in data growth. We believe cloud computing, content creation, and now artificial intelligence are driving robust demand for digital

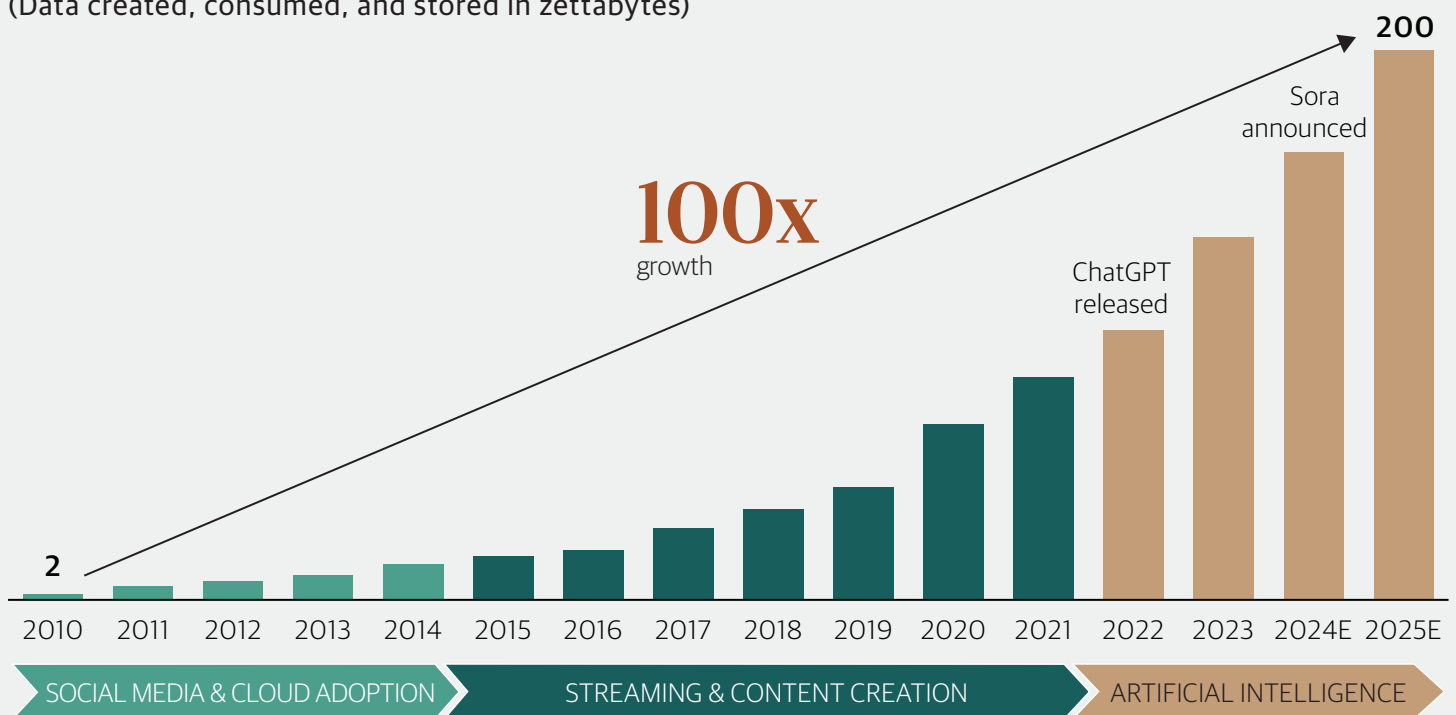
infrastructure. In fact, more data was created in the last three years (2021-2024) than all prior history combined (Exhibit 3).

Blackstone views the rise of artificial intelligence as an engine for future growth in digital infrastructure assets.



## EXHIBIT 3: Explosive Growth in Data<sup>9</sup>

(Data created, consumed, and stored in zettabytes)



The above case studies are intended to illustrate select investment themes that Blackstone may pursue when making investments. Such themes are subject to change and there can be no assurance that Blackstone will pursue any particular theme.

8. Largest by contracted capacity and land bank size. Excludes platforms with single market exposure. DC Byte, as of September 2024.

9. International Data Corporations (IDC), as of May 2024. 2024 and 2025 represent year-end estimates.

# Allocations Growing

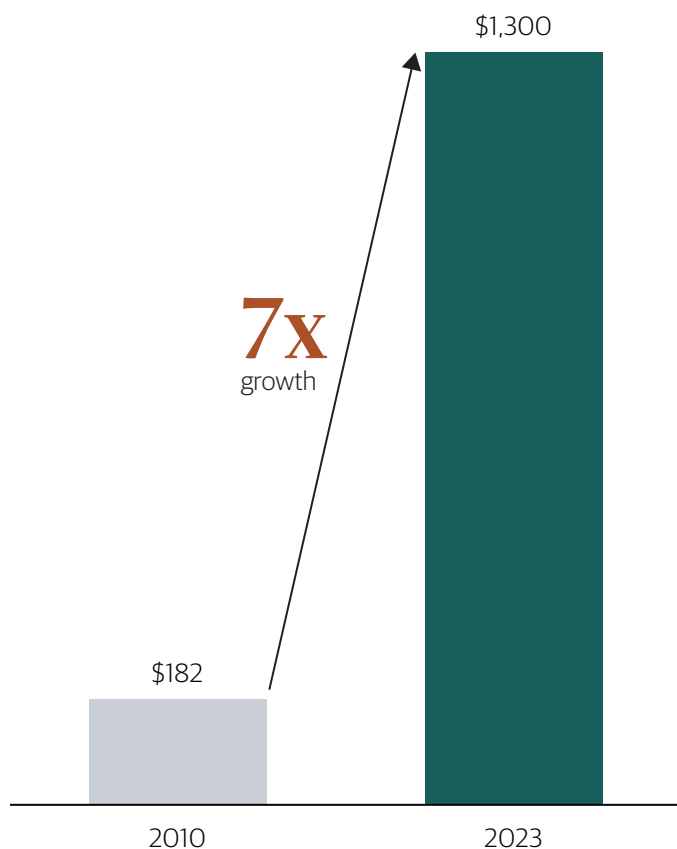
Private infrastructure has attracted over \$1 trillion from investors and has grown roughly 7x as an asset class since 2010 (Exhibit 4). Institutional investors are increasing allocations; the average infrastructure allocation has doubled over the past five years (Exhibit 5).

Individual investors are markedly under-allocated to private infrastructure, especially when compared to institutional investors. Eligible individual investors can now invest in private infrastructure through perpetual funds. These funds have potentially appealing attributes, including:

- Immediate investment of capital from the moment of subscription, eliminating any waiting for money to be put to work
- The flexibility for investors to subscribe to or redeem out of the fund periodically, based on the fund's net asset value (NAV), within certain restrictions

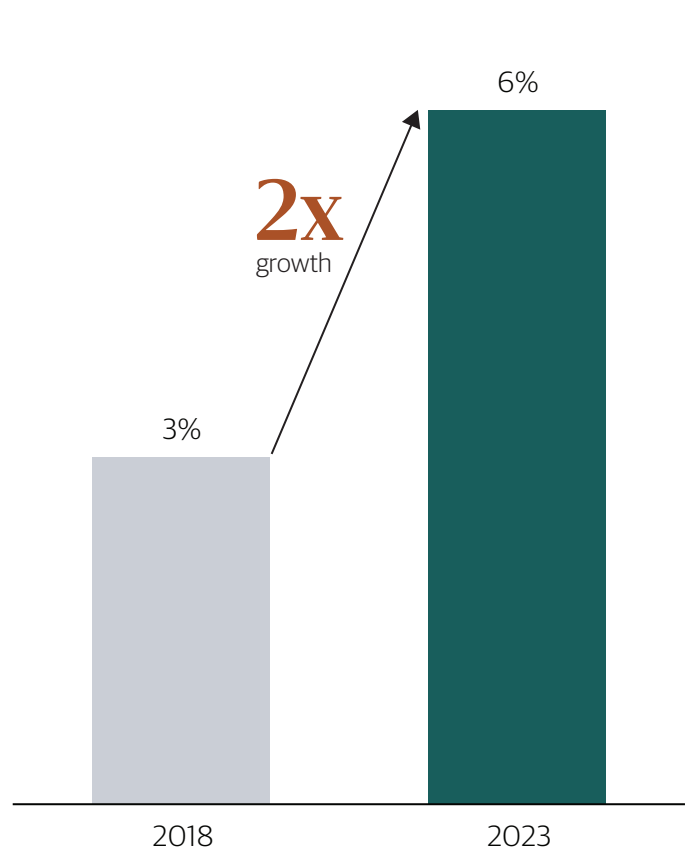
## EXHIBIT 4: Significant AUM Growth

Global unlisted infrastructure AUM from 2010 to 2023<sup>10</sup>  
(\$ in billions)



## EXHIBIT 5: Private Infrastructure Allocations

Institutions have nearly doubled their allocations since 2018<sup>11</sup>



The information presented represents what is typically seen for these types of fund but variations and/or exceptions do exist. Therefore, the information herein is provided for educational purposes only and should not be construed as financial 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.

10. Preqin, as of September 2024. "AUM" is Assets Under Management and consists of dry powder and unrealized value.

11. Source: Infrastructure Investor's Investor Report Full Year 2023.



# Considerations before Allocating

Ultimately, private market investing means active ownership of less liquid assets. Liquidity needs at the total portfolio level are one important consideration before allocating to private infrastructure. In addition, manager selection may be of particular importance given that we have seen certain infrastructure managers include “infrastructure-like” investments in their portfolios. Key manager attributes include scale, staying power, and a potentially differentiated ability to source strategically located, hard-asset infrastructure.



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# Index Definitions

<b>Bloomberg US Aggregate Bond Index</b>	The Bloomberg Aggregate Bond Index is an index of US dollar-denominated, investment-grade US corporate, government, and mortgage-backed securities.
<b>Cambridge Global Private Equity Index</b>	The Cambridge Associates Global Private Equity Index is a horizon calculation based on data compiled from global buyout, growth, and secondary funds formed between 1988 and 2023.
<b>Cambridge Private Infrastructure Index</b>	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.
<b>MSCI ACWI Index</b>	MSCI ACWI Index represents all global public equity markets. The MSCI ACWI ex US Index excludes the US equity market. "ACWI" is an acronym for All Country World Index.
<b>NFI-OCDE Index</b>	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.
<b>S&amp;P Global Infrastructure Index</b>	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.

# Glossary

The following are explanations of terms you may come across in this presentation. These definitions are not exhaustive and are intended as a guide only.

<b>Alternatives (Asset Class)</b>	Category of assets comprising alternative investments such as real estate, private equity, and private debt
<b>Annualized Return</b>	The return on an investment expressed as a percentage that is rescaled to represent the one-year return of that investment
<b>Annualized Volatility</b>	Typically measured by "standard deviation," annualized volatility is the magnitude of fluctuation of an investment return. Just like annualized return, annualized volatility is expressed as a percentage that is rescaled to represent the one-year volatility of an investment
<b>Artificial Intelligence ("AI")</b>	The simulation of human intelligence processes by machines, particularly computer systems, enabling them to perform tasks such as learning, reasoning, problem-solving, perception, and language understanding
<b>Assets Under Management ("AUM")</b>	Total market value of all financial assets that an individual or financial institution manages on behalf of investors
<b>Compound Annual Growth Rate ("CAGR")</b>	The rate of return that would be required for an investment to grow from its beginning balance to its ending balance, assuming profits were reinvested at the end of each period of the investments' lifespan
<b>Capital Expenditure</b>	When an investor's committed capital is allocated / deployed to an investment
<b>Carried Interest</b>	Performance fee and contractual right that entitles the GP of an investment fund to share in the fund's profits, if any, over a pre-determined performance hurdle. See American-Style Waterfall, European-Style Waterfall, Equity Waterfall
<b>Cash Flows</b>	Cash flows refer to the movement of money into and out of a business, representing the net amount of cash generated or used during a specific period, which includes operating, investing, and financing activities
<b>Cloud</b>	The cloud refers to a network of remote servers that store, manage, and process data and applications over the internet, allowing users to access and utilize computing resources on demand without needing local infrastructure
<b>Correlation</b>	A statistical measure that describes the degree to which two variables move in relation to each other, indicating whether an increase or decrease in one variable is associated with an increase or decrease in another
<b>Data Center</b>	A facility that houses a large number of computer servers and associated components, such as storage systems and networking equipment, designed to manage, store, and process vast amounts of data, ensuring high availability, security, and efficient operation for businesses and organizations
<b>Denominator Effect</b>	Refers to the impact on a fund's performance metrics and investment decisions due to changes in the overall size of the investment portfolio relative to its commitments or the total assets under management (AUM)
<b>Depreciation</b>	Depreciation is the accounting process of allocating the cost of a tangible asset over its useful life, reflecting the decrease in value due to wear and tear, obsolescence, or age
<b>Digital Infrastructure</b>	Refers to the underlying systems and technologies that enable the storage, processing, and transmission of digital data, including hardware (servers, data centers), software (cloud services, applications), networks (internet connectivity, telecommunications), and protocols that support digital communication and services
<b>Diversification</b>	The practice of investing in a variety of investments. A diversified portfolio can be a risk management technique and contains a mix of distinct assets and investments to offset losses from any single asset class, thereby lessening the impact on the overall portfolio
<b>Dry Powder</b>	The uninvested capital of a fund that can be used to make investments. It can be in cash or marketable securities that are low risk and highly liquid and convertible to cash

# Glossary (Cont'd)

The following are explanations of terms you may come across in this presentation. These definitions are not exhaustive and are intended as a guide only.

<b>EBITDA CAGR</b>	A financial metric that measures the annual growth rate of a company's Earnings Before Interest, Taxes, Depreciation, and Amortization (EBITDA) over a specific period. It provides insight into the company's operational performance and profitability growth, expressed as a percentage
<b>Economic Cycle</b>	Refers to the natural fluctuation of economic activity over time, characterized by periods of expansion (growth) and contraction (recession) in an economy, typically measured by changes in GDP, employment, and production levels
<b>Hedging Inflation</b>	Using investments or financial instruments to mitigate a decrease in the purchasing power of money, inflation being the general increase in prices and fall in the purchasing value of money
<b>High Barriers to Entry</b>	High barriers to entry are obstacles that make it difficult for new competitors to enter a market, such as high capital requirements, regulatory hurdles, and strong brand loyalty
<b>Hyperscaler</b>	A large-scale cloud service provider that operates extensive data centers and offers scalable computing resources and services, typically characterized by significant infrastructure, high efficiency, and the ability to handle massive amounts of data and traffic, such as Amazon Web Services, Microsoft Azure, and Google Cloud
<b>Indexed to Inflation</b>	Refers to a financial mechanism where the value of an asset, payment, or financial obligation is adjusted based on changes in the inflation rate. This ensures that the real value of the asset or payment remains constant over time, preserving purchasing power
<b>Inflation-Linked</b>	Inflation-linked refers to financial instruments or contracts that have their value or returns adjusted based on changes in inflation, ensuring that the purchasing power of the investment or payment is maintained in response to rising prices
<b>Investment-Grade Bonds</b>	Bonds with a high credit rating, meaning they generally have a relatively low risk of default
<b>Institutions</b>	Organizations that invest large sums of money on behalf of their members or clients, such as pension funds, insurance companies, endowments, and sovereign wealth funds, typically seeking to achieve specific financial goals and manage risk
<b>Liquidity</b>	Ability for fund investors to subscribe and redeem units in a fund. The more liquid a fund means the greater ease to subscribe and redeem units
<b>Logistics</b>	Tangible and intangible resources used in the logistics process, including warehouses, transportation vehicles, inventory, technology systems, and equipment that facilitate the storage, movement, and management of goods throughout the supply chain
<b>MM TEU</b>	This unit indicates the throughput in millions of TEUs, providing a clearer picture of global trade activity and port performance. One TEU represents the capacity of a standard 20-foot shipping container
<b>Powered Landbank</b>	Refers to a portfolio of land assets that are equipped with necessary infrastructure and utilities, such as electricity, water, and telecommunications, making them ready for development or use
<b>Pricing Power</b>	The ability of a company to raise prices without significantly reducing demand for its products or services, often due to strong brand loyalty, unique offerings, or a lack of competition
<b>Renewables</b>	Energy sources that are naturally replenished, such as solar, wind, hydroelectric, geothermal, and biomass, offering sustainable alternatives to fossil fuels with minimal environmental impact
<b>Unlisted Infrastructure</b>	A sector-specialized private fund that only invests in infrastructure
<b>Unrealized Value</b>	Also referred to as residual value. Unrealized value is the total capital from investments that have not been liquidated
<b>Volatility</b>	A statistical measure of the dispersion of returns for a given security or market index
<b>Zettabytes</b>	A unit of digital information equal to approximately 1,073,741,824 gigabytes (GB)

## Endnotes

1. PME data contained herein was generated by Cambridge Associates' PME tool as of March 31, 2024, and was not calculated by Blackstone. PME methodology replicates the date and amount of cash flows from Cambridge Private Equity Index capital calls or distributions in a public market index (i.e., MSCI ACWI). There are multiple PME calculation methodologies that can be used to compare private and public markets, and the use of a different PME calculation methodology may result in a different outcome than the one shown here. Cambridge Associates' Private Investments Database is a collection of private fund performance including the performance of buyout, growth equity, private equity energy, and subordinated capital funds. The private fund and investment-level performance information is drawn from the quarterly and audited annual financial statements of the fund managers and each manager's reported performance numbers are independently recreated from the financial statements and verified by Cambridge Associates.

## Important Disclosure Information

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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.

**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.

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**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.** A Fund is intended for long-term investment by investors that can accept the risks associated with making highly speculative, primarily illiquid investments in privately negotiated transactions. 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 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 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.

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**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

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