

# Direct Lending: Performance in Context

## Annual Returns of Key Indices Ranked in Order of Performance (2016-2025)

2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Total Return <sup>(1)</sup>
<b>17.1%</b> High Yield Bonds	<b>8.6%</b> Direct Lending	<b>8.1%</b> Direct Lending	<b>14.3%</b> High Yield Bonds	<b>7.5%</b> Investment Grade Bonds	<b>12.8%</b> Direct Lending	<b>6.3%</b> Direct Lending	<b>13.4%</b> High Yield Bonds	<b>11.3%</b> Direct Lending	<b>9.3%</b> Direct Lending	<b>9.4%</b> Direct Lending
<b>11.2%</b> Direct Lending	<b>7.5%</b> High Yield Bonds	<b>1.8%</b> 1-3 Month T-Bill	<b>9.0%</b> Direct Lending	<b>7.1%</b> High Yield Bonds	<b>5.3%</b> High Yield Bonds	<b>1.5%</b> 1-3 Month T-Bill	<b>13.3%</b> Leveraged Loans	<b>9.0%</b> Leveraged Loans	<b>8.6%</b> High Yield Bonds	<b>6.5%</b> High Yield Bonds
<b>10.2%</b> Leveraged Loans	<b>4.1%</b> Leveraged Loans	<b>1.4%</b> Treasury	<b>8.7%</b> Investment Grade Bonds	<b>5.8%</b> Treasury	<b>5.2%</b> Leveraged Loans	<b>-0.8%</b> Leveraged Loans	<b>12.1%</b> Direct Lending	<b>8.2%</b> High Yield Bonds	<b>7.3%</b> Investment Grade Bonds	<b>5.8%</b> Leveraged Loans
<b>2.6%</b> Investment Grade Bonds	<b>3.5%</b> Investment Grade Bonds	<b>0.4%</b> Leveraged Loans	<b>8.6%</b> Leveraged Loans	<b>5.5%</b> Direct Lending	<b>0.0%</b> 1-3 Month T-Bill	<b>-7.8%</b> Treasury	<b>5.5%</b> Investment Grade Bonds	<b>5.3%</b> 1-3 Month T-Bill	<b>6.5%</b> Treasury	<b>2.2%</b> 1-3 Month T-Bill
<b>1.1%</b> Treasury	<b>1.1%</b> Treasury	<b>0.0%</b> Investment Grade Bonds	<b>5.2%</b> Treasury	<b>3.1%</b> Leveraged Loans	<b>-1.5%</b> Investment Grade Bonds	<b>-11.2%</b> High Yield Bonds	<b>5.1%</b> 1-3 Month T-Bill	<b>2.4%</b> Treasury	<b>5.9%</b> Leveraged Loans	<b>2.0%</b> Investment Grade Bonds
<b>0.3%</b> 1-3 Month T-Bill	<b>0.8%</b> 1-3 Month T-Bill	<b>-2.1%</b> High Yield Bonds	<b>2.2%</b> 1-3 Month T-Bill	<b>0.5%</b> 1-3 Month T-Bill	<b>-1.7%</b> Treasury	<b>-13.0%</b> Investment Grade Bonds	<b>4.3%</b> Treasury	<b>1.3%</b> Investment Grade Bonds	<b>4.3%</b> 1-3 Month T-Bill	<b>1.8%</b> Treasury

Source: Morningstar, Cliffwater, as of December 31, 2025. Represents the annual returns for the respective calendar year, ranked in order of performance. The asset classes presented are based on the following indices: Cliffwater Direct Lending Index for Direct Lending, Bloomberg U.S. Corporate High Yield Index for High Yield Bonds, Bloomberg U.S. Aggregate Bond Index for Investment Grade Bonds, Morningstar LSTA US Leveraged Loan Index for Leveraged Loans, Bloomberg U.S. Intermediate Treasury Index for Treasuries, Bloomberg U.S. Treasury Bill 1-3 Month Index for 1-3 Month T-Bill. **Past performance does not predict future returns.** There can be no assurance any alternative asset classes will achieve their objectives or avoid significant losses. The volatility and risk profile of the indices is likely materially different from that of a fund. The indices employ different investment guidelines / criteria than a fund and do not employ leverage; a fund's holdings and the liquidity of such holdings may differ significantly from securities comprising the indices. The indices aren't subject to fees / expenses and it may not be possible to invest in the indices. The indices' performance has not been selected to represent an appropriate benchmark to compare to a fund's performance, but rather is disclosed to allow for comparison to that of well-known and widely recognized indices. A summary of the investment guidelines for the indices are available upon request. In the case of equity indices, performance of the indices reflects the reinvestment of dividends. The indices are not necessarily the top performing indices in the given asset class and recipients should consider this when comparing the performance of any fund or investment to that of the indices. See "Important Disclosure Information," including "Index Comparison" and "Index Definition." | (1) Total return is calculated over the period January 1, 2016 to December 31, 2025.

## IMPORTANT DISCLOSURE INFORMATION

### Summary of Risk Factors

Blackstone Private Credit Fund ("BCRED") is a non-exchange traded business development company ("BDC") that expects to invest at least 80% of its total assets (net assets plus borrowings for investment purposes) in private credit investments (loans, bonds and other credit instruments that are issued in private offerings or issued by private companies). This investment involves a high degree of risk. You should purchase these securities only if you can afford the complete loss of your investment. You should read the prospectus carefully for a description of the risks associated with an investment in BCRED. These risks include, but are not limited to, the following:

- We have limited prior operating history and there is no assurance that we will achieve our investment objectives.
- This is a "blind pool" offering and thus you will not have the opportunity to evaluate our investments before we make them.
- You should not expect to be able to sell your shares regardless of how we perform.
- You should consider that you may not have access to the money you invest for an extended period of time.
- We do not intend to list our shares on any securities exchange, and we do not expect a secondary market in our shares to develop prior to any listing.
- Because you may be unable to sell your shares, you will be unable to reduce your exposure in any market downturn.
- We have implemented a share repurchase program, but only a limited number of shares will be eligible for repurchase and repurchases will be subject to available liquidity and other significant restrictions.
- An investment in our common shares is not suitable for you if you need access to the money you invest. See "Suitability Standards" and "Share Repurchase Program" in the prospectus.
- You will bear substantial fees and expenses in connection with your investment. See "Fees and Expenses" in the prospectus.
- We cannot guarantee that we will make distributions, and if we do we may fund such distributions from sources other than cash flow from operations, including the sale of assets, borrowings, return of capital or offering proceeds, and although we generally expect to fund distributions from cash flow from operations, we have not established limits on the amounts we may pay from such sources.
- Distributions may also be funded in significant part, directly or indirectly, from temporary waivers or expense reimbursements borne by Blackstone Credit BDC Advisors LLC (the "Adviser") or its affiliates, that may be subject to reimbursement to the Adviser or its affiliates. The repayment of any amounts owed to our affiliates will reduce future distributions to which you would otherwise be entitled.
- We use and continue to expect to use leverage, which will magnify the potential for loss on amounts invested in us.
- We intend to invest in securities that are rated below investment grade by rating agencies or that would be rated below investment grade if they were rated. Below investment grade securities, which are often referred to as "junk," have predominantly speculative characteristics with respect to the issuer's capacity to pay interest and repay principal. They may also be illiquid and difficult to value.
- We do not own the Blackstone name, but we are permitted to use it as part of our corporate name pursuant to the investment advisory agreement between BCRED and an affiliate of Blackstone Inc. ("Blackstone"). Use of the name by other parties or the termination of the use of the Blackstone name under the investment advisory agreement may harm our business.

Neither the Securities and Exchange Commission nor any state securities regulator has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is unlawful.

This sales material must be read in conjunction with the BCRED prospectus in order to fully understand all the implications and risks of an investment in BCRED. This sales material is neither an offer to sell nor a solicitation of an offer to buy securities. An offering is made only by the prospectus, which must be made available to you prior to making a purchase of shares and is available at [www.BCRED.com](http://www.BCRED.com). Prior to making an investment, investors should read the prospectus, including the "Risk Factors" section therein, which contains a discussion of the risks and uncertainties that we believe are material to our business, operating results, prospects and financial condition.

Numerical data is approximate and as of December 31, 2025, unless otherwise noted. The words "we," "us," and "our" refer to BCRED, unless the context requires otherwise.

**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 Statement Disclosure.** Certain information contained in this communication constitutes "forward-looking statements" within the meaning of the federal securities laws and the Private Securities Litigation Reform Act of 1995. These forward-looking statements can be identified by the use of forward-looking terminology, such as "outlook," "indicator," "believes," "expects," "potential," "continues," "may," "can," "will," "should," "seeks," "approximately," "predicts," "intends," "plans," "estimates," "anticipates," "confident," "conviction," "identified" or the negative versions of these words or other comparable words thereof. These may include BCRED's financial estimates and their underlying assumptions, statements about plans, objectives and expectations with respect to future operations, statements regarding future performance, statements regarding economic and market trends and statements regarding identified but not yet closed investments. 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. BCRED believes these factors include but are not limited to those described under the section entitled "Risk Factors" in its prospectus and annual report for the most recent fiscal year, and any such updated factors included in its periodic filings with the Securities and Exchange Commission (the "SEC"), 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 this document (or BCRED's prospectus and other filings). Except as otherwise required by federal securities laws, BCRED undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future developments or otherwise.

### Additional Important Disclosures

This material was not created by any third-party registered broker-dealers or investment advisers who are distributing shares of BCRED (each, a "Dealer"). The Dealers are not affiliated with BCRED and have not prepared the material or the information herein.

Investments mentioned may not be in the best interest of, or suitable for all investors. Any product discussed herein may be purchased only after an investor has carefully reviewed the prospectus and executed the subscription documents.

Alternative investments often are speculative, typically have higher fees than traditional investments, often include a high degree of risk and are in the best interest of, or suitable for, eligible, long-term investors who are willing to forgo liquidity and put capital at risk for an indefinite period of time. They may be highly illiquid and can engage in leverage and other speculative practices that may increase volatility and risk of loss.

Opinions expressed herein reflect the current opinions of Blackstone as of the date appearing in the materials only and are based on Blackstone's opinions of the current market environment, which is subject to change. Stockholders, financial professionals and prospective investors should not rely solely upon the information presented when making an investment decision and should review the most recent prospectus, as supplemented, available at [www.BCRED.com](http://www.BCRED.com). 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.

Further, opinions expressed herein may differ from the opinions expressed by a Dealer and/or other businesses / affiliates of a Dealer. This is not a "research report" as defined by FINRA Rule 2241 and was not prepared by the research departments of a Dealer or its affiliates.

**Past performance does not predict future returns.** Actual results may vary. Diversification of an investor's portfolio does not assure a profit or protect against loss in a declining market.

Alternative investments involve complex tax structures, tax inefficient investing, and delays in distributing important tax information. Individual funds have specific risks related to their investment programs that will vary from fund to fund. Investors should consult their own tax and legal advisors as Dealers generally do not provide tax or legal advice. BDCs are generally not taxed at the corporate level to the extent they distribute all of their taxable income in the form of dividends. Ordinary income dividends are taxed at individual tax rates and distributions may be subject to state tax. Each investor's tax considerations are different and consulting a tax advisor is recommended. Any of the data provided herein should not be construed as investment, tax, accounting or legal advice.

Interests in alternative investment products are distributed by the applicable Dealer and (1) are not FDIC-insured, (2) are not deposits or other obligations of such Dealer or any of its affiliates, and (3) are not guaranteed by such Dealer and its affiliates. Each Dealer is a registered broker-dealer or investment adviser, not a bank.

**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.

**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.

**Exchange Rate.** Currency fluctuations may have an adverse effect on the value, price, income or costs of the product which may increase or decrease as a result of changes in exchange rates.

**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.

## IMPORTANT DISCLOSURE INFORMATION

**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 (or that the returns will be commensurate with the risks of investing in the type of transactions described herein). The portfolio companies in which a Fund may invest (directly or indirectly) are speculative investments and will be subject to significant business and financial risks. A Fund's performance may be volatile. An investment should only be considered by sophisticated investors who can afford to lose all or a substantial amount of their investment. A Fund's fees and expenses may offset or exceed its profits.

**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 U.S. 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.

**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.

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**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 a market value-weighted index designed to measure the performance of the US leveraged loan market based upon market weightings, spreads and interest payments.

**Bloomberg US Corporate High Yield Index** measures the USD-denominated, High Yield Bonds, fixed-rate corporate bond market. Securities are classified as High Yield Bonds if the middle rating of Moody's, Fitch and S&P is Ba1/BB+/BB+ or below.

**Bloomberg US Intermediate Treasury Index** measures the performance of public obligations of the U.S. Treasury with maturities of 1-10 years, including securities roll up to the U.S. Aggregate, U.S. Universal, and Global Aggregate Indices.

**Bloomberg US Aggregate Bond Index** represents securities that are SEC-registered, taxable, and dollar denominated. The index covers the US investment grade fixed rate bond market, with index components for government and corporate securities, mortgage pass-through securities, and asset-backed securities. These major sectors are subdivided into more specific indices that are calculated and reported on a regular basis.

**Bloomberg US 1-3 Month Treasury Bill** measures the performance of public obligations of the U.S. Treasury with maturities of 1-3 month, including securities roll up to the U.S. Aggregate, U.S. Universal, and Global Aggregate Indices.

**Index Comparison.** The volatility and risk profile of the indices presented in this document is likely to be materially different from that of BCRED. In addition, the indices employ different investment guidelines and criteria than BCRED and do not employ leverage; as a result, the holdings in BCRED 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 is available upon request.

**Additional Information on Certain Indexes.** Investment Grade Bonds is represented by the Bloomberg U.S. Aggregate Bond Index. Leveraged Loans is represented by the Morningstar LSTA US Leveraged Loan Index. High Yield Bonds is represented by the Bloomberg US Corporate High Yield Bonds Index. Treasuries is represented by the Bloomberg U.S. Intermediate Treasury Index. 1-3 Month T-Bill is represented by the Bloomberg U.S. Treasury Bill 1-3 Month Index. It is not possible to invest in any of the above indices. We believe that these indices are appropriate and accepted indexes representing common public fixed income asset classes. An investment in BCRED has material differences from an investment in investment grade bonds, leveraged loans, and High Yield Bonds bonds, including, among other things, those related to costs and expenses, liquidity, volatility, risk profile and tax treatment. Unlike BCRED shareholders, holders of bonds do not hold an ownership interest in the issuer. Investment grade bonds and High Yield Bonds bonds are typically issued in \$1,000 or \$5,000 denominations and when purchased as a new issue, are not subject to fees or expenses. Leveraged loan denominations are negotiated by the issuer and arranger and typically are subject to fees and expenses. The purchase price of BCRED shares is generally the prior month's NAV per share for the applicable class, plus upfront selling commissions and dealer manager fees for Class S and D shares. Such shares classes are also subject to shareholder servicing fees. While the liquidity of assets in public markets depends on its credit rating and market conditions, there exists a secondary market for such bonds. There is no public trading market for shares of BCRED and an investor's ability to dispose of shares will likely be limited to repurchase by us, subject to the limitations described in BCRED's prospectus. The volatility and risk profile of public markets are also likely to be materially different from that of BCRED because, among other things, BCRED's shares are not fixed-rate debt instruments and such bonds represent debt issued by corporations across a variety of issuers with varying pricing, terms and conditions. BCRED's share price may be subject to less volatility because its per share NAV is based on the value of assets it owns and is not subject to market pricing forces in the same way as are the prices of bonds in public markets, but is not immune to fluctuations. The bonds in the Bloomberg U.S. Aggregate Bond Index and Bloomberg U.S. Corporate High Yield Bonds Index bear a contractual interest rate for periods of over one year, whereas BCRED's yield is generated primarily by income from its underlying assets and these obligations are not rated. Furthermore, issuers of investment grade bonds and High Yield Bonds bonds are contractually obligated to pay periodic interest and repay a fixed principal amount at maturity, whereas we cannot guarantee that we will make any distributions and investing in BCRED involves a high degree of risk, as described in BCRED's prospectus. In addition, the Bloomberg U.S. Aggregate Bond Index, Bloomberg U.S. Corporate High Yield Bonds Index, and Morningstar LSTA US Leveraged Loan Index employ different investment guidelines and criteria than BCRED; as a result, the assets in BCRED may differ significantly from the holdings of the securities that comprise these indexes. Such bonds generally provide investors with current income, and BCRED's primary objective is to provide current income with some appreciation. While BCRED invests primarily in privately originated and privately negotiated U.S. first lien senior secured floating rate loans, an investment in BCRED is not a direct investment in the underlying portfolio companies and BCRED's investments are typically below investment grade. Latest available 1-month, 3-month, YTD, 1-year, 5-year, and 10-year returns for the indexes are as follows: Bloomberg U.S. Aggregate Bond Index: -1.6%; -3.1%; 1.3%; 1.3%; -0.3%; 1.4%. Morningstar LSTA US Leveraged Loan Index: 0.6%; 2.3%; 9.0%; 9.0%; 5.9%; 5.2%. Bloomberg US Corporate High Yield Index: -0.4%; 0.2%; 8.2%; 8.2%; 4.2%; 5.2%. Bloomberg US Intermediate Treasury Index: -0.6%; -1.7%; 2.4%; 2.4%; 0.5%; 1.3%. Bloomberg US Treasury Bill 1-3 Month Index: 0.4%; 1.2%; 5.3%; 5.3%; 2.5%; 1.8%.