

# Our Conviction in BCRED

**10%**  
annualized  
distribution yield<sup>1</sup>

**98%**  
senior secured  
debt portfolio<sup>2</sup>

**≈100%**  
floating rate  
debt<sup>3</sup>

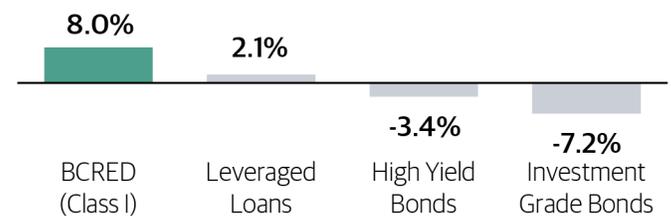
BCRED is generating a **10.2% distribution yield<sup>1</sup>** for investors with a **98% senior secured debt portfolio<sup>2</sup>** which is **≈100% floating rate<sup>3</sup>**. Higher interest rates and today's new deal environment give us strong conviction in BCRED.

## Delivering Positive Performance for Investors

- **10.2%** annualized 2023 distribution yield as of January (Class I)<sup>1</sup>
- **8.0%** annualized total return since inception<sup>4</sup>

## BCRED Has Outperformed Fixed Income Markets<sup>4,5</sup>

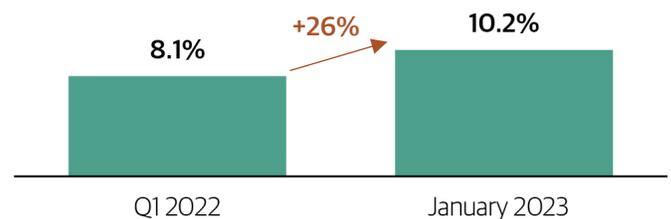
Inception to date total return



## Higher Income in Today's Market Environment

- **≈100% of BCRED's debt is floating rate<sup>3</sup>**, which has driven a meaningful earnings increase across the portfolio this year
- This has allowed for a **26% increase in our annualized distribution yield** and an additional special distribution in 2022

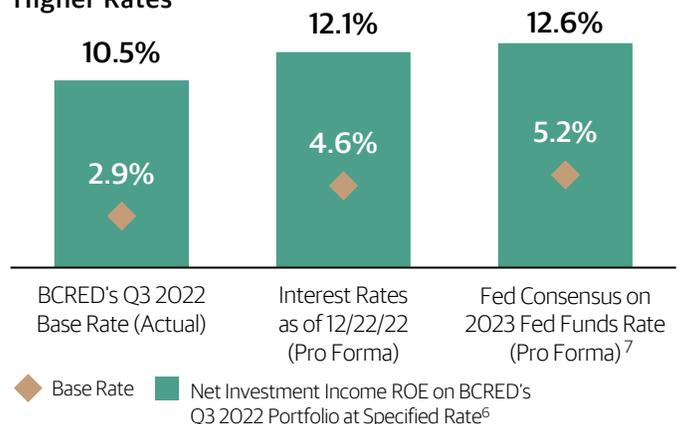
## BCRED's Distributions Have Grown Meaningfully This Year



## Potential Tailwinds to BCRED's Earnings

- With interest rates in the portfolio resetting every three months on average, **current interest rates of 4.6% represent opportunity for upside to BCRED's net investment income** from the Fund's Q3 2022 base rate of 2.9%
- Opportunity for growth in both base rates and BCRED's portfolio earnings in 2023 if, as projected by current Fed consensus, Fed Funds rate increases to **≈5.2%**<sup>7</sup>

## BCRED's Portfolio Earnings Expected to Rise With Higher Rates

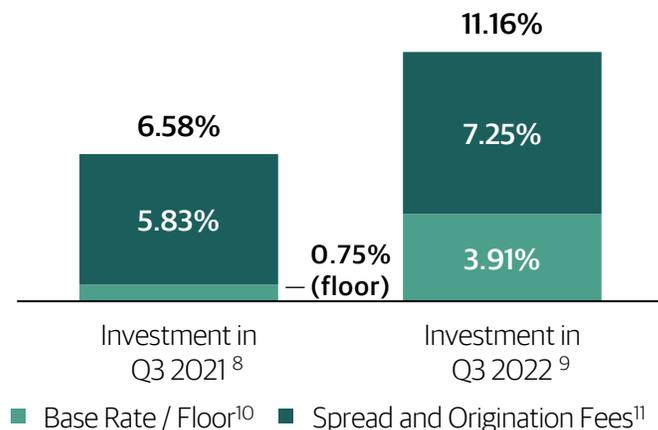


The above reflects Blackstone's views and beliefs. Past performance is not necessarily indicative of future results. There can be no assurance that any Blackstone fund or investment will achieve its objectives or avoid substantial losses.

## Opportunistic Lending Environment

- As public markets remain dislocated, BCRED has benefited from **higher spreads and origination fees in new private deals**, along with enhanced lender protections and significant equity cushions

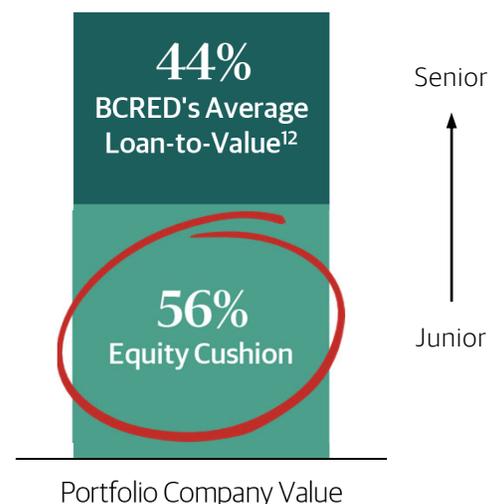
## Increased Spreads and Origination Fees Driving Higher Income on New Deals



## Defensive Portfolio Positioning

- We believe the best place to be positioned in a recessionary environment is in senior secured assets, which are structured to be repaid before any junior or equity securities are paid
- Approximately **98%<sup>2</sup> of BCRED assets are senior secured** at an average **loan-to-value of 44%<sup>12</sup>**
- BCRED is positioned defensively with exposure to more than **500 companies** focused on **high-growth, historically resilient sectors**
- Our **portfolio companies have grown twice as fast as the market** on average quarter-over-quarter<sup>13</sup> and their **earnings continue to be healthy** relative to cash interest payments

## BCRED's Loans are First Priority in Repayment Structure



## Repayments Offer Potential Upside to Current Valuation

- BCRED updates its valuations monthly to reflect changes in credit markets and individual company performance. Current valuations reflect higher margins for newly issued loans and factor in future potential credit losses
- BCRED's portfolio is currently marked at a discount to par (100) with an average mark of 96.3<sup>14</sup>. We believe this implies a loss rate higher than what the fund will experience. For comparison, the historical annual loss rate for leveraged loans has averaged 0.92%<sup>15</sup> since 2006<sup>16</sup>
- Contractual repayment at par of 100 typically occurs between three and five years after issuance absent any sales or defaults
- BCRED has experienced minimal payment defaults and has received par value or better on all loan repayments since inception<sup>17</sup>

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# Q&A

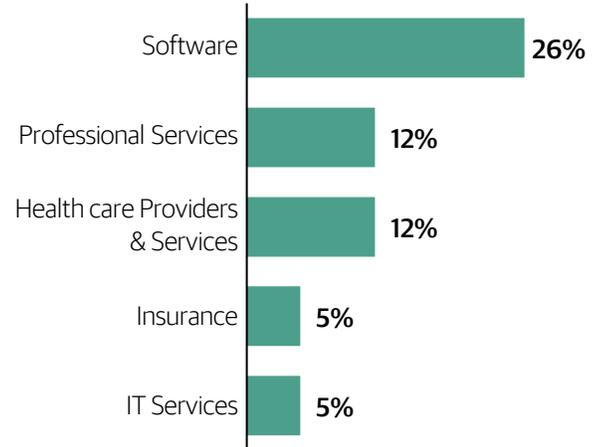
## How is BCRED positioned to weather a weaker economic environment?

We believe that in a recessionary environment, investors will benefit from senior secured exposure and more defensive strategies like BCRED.

- **Defensive Sector Selection:** We believe BCRED's portfolio is focused on more resilient sectors with high free cash flow generation
- **Young Portfolio:** BCRED's debt portfolio has a weighted average life of 12 months and was underwritten with the assumption of higher inflation and interest rates
- **Large Scale:** We invest in large, resilient companies that have an average enterprise value of \$3 billion<sup>19</sup>
- **Senior Position:** Our loans are supported by significant equity in our portfolio companies' capital structures

### Top 5 Industries in BCRED's Portfolio<sup>18</sup>

At fair market value



### Key Underwriting Theme: Software

BCRED invests in mature, high-margin software market leaders – providing mission-critical solutions such as cyber security – with significant free cash flow generation to service their debt. BCRED's software companies have grown revenue 16% in the past year.<sup>20</sup>

## How should shareholders think about BCRED's liquidity?

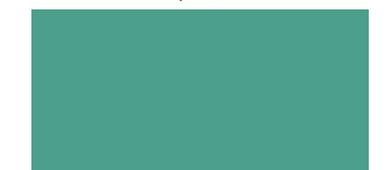
BCRED was built to weather challenging environments, with ample liquidity<sup>21</sup> and a structure that is designed to maximize long-term shareholder value.

- BCRED is investment grade rated by three rating agencies, reflecting the strength of the balance sheet<sup>22</sup>
- Net flows have remained positive since inception including Q4 2022
- BCRED has \$7.6 billion of available liquidity<sup>21</sup> and manages a portfolio of liquid assets as an additional source of capital
- With an expected average hold of 3 to 5 years for each loan, private credit portfolios turnover 10%-20% per year, providing BCRED with a long-term replenishing source of liquidity

### BCRED's Available Liquidity<sup>21</sup>

(\$ in billions)

\$7.6



Cash + Borrowing Availability

### Loan Repayments Offer Additional Liquidity<sup>21</sup>

(\$ in billions)

- BCRED is contractually owed repayment at 100 (par) or better
- In 2022 BCRED had \$2.6 billion of repayments at 100+,<sup>23</sup> well above the 96.3<sup>14</sup> average mark of the portfolio
- BCRED is entering its third year of operations in February of 2023 and the expected average hold time for a loan is 3 to 5 years

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## Why is now a good time to be invested in BCRED?

**1 Income...Increased with Higher Rates**  
BCRED's distribution yield increased to 10.2%<sup>1</sup> with multiple potential tailwinds given the portfolio's below market base rate, an attractive new deal environment and Fed consensus around potential growth in rates in 2023

**2 Portfolio...Healthy**  
Large, growing, high free cash flow companies; historically low default sectors; issuer diversity with over 500 portfolio companies

**3 Valuations...Discount to Par**  
BCRED's portfolio is currently marked at a discount to par (100) with an average mark of 96.3.<sup>14</sup> We believe this implies a loss rate higher than what the fund will experience

**4 Liquidity...Significant<sup>21</sup>**  
\$7.6 billion immediate liquidity, further supported by the contractual obligation of loans to repay over time

### END NOTES

Note: Data is as of December 31, 2022, unless otherwise indicated. Returns for periods greater than one year are annualized. **Past performance is not necessarily indicative of future results and there can be no assurance that the fund will achieve results comparable to those of any of Blackstone Credit's prior funds or be able to implement its strategy or achieve its investment objectives, including due to an inability to access sufficient investment opportunities.**

1. Annualized Distribution Yield reflects January's distribution annualized and divided by last reported NAV from December. Distributions are not guaranteed. Distributions have been and may in the future be funded through sources other than cash flow. See BCRED's prospectus. Please visit BCRED's website for notices regarding distributions subject to Section 19(a) of the Investment Company Act of 1940. 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. As of December 31, 2022, 100% of inception to date distributions were funded from cash flows from operations. A return of capital (1) is a return of the original amount invested, (2) does not constitute earnings or profits and (3) will have the effect of reducing the basis such that when a shareholder sells its shares the sale may be subject to taxes even if the shares are sold for less than the original purchase price. Distribution may also be funded in significant part, directly or indirectly, from temporary waivers or expense reimbursements borne by 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. Annualized Distribution Yield for other share classes are as follows: 9.4% for Class S and 10.0% for Class D.
2. Excludes BCRED's equity investments in joint ventures which has similar underlying qualities.
3. As a percentage of debt investments in BCRED's portfolio, which represents 98% of BCRED's equity investments excluding BCRED's equity investments in joint ventures.
4. Total Net Return is calculated as the change in NAV per share during the period, plus distributions per share (assuming dividends and distributions are reinvested) divided by the beginning NAV per share. Returns greater than one year are annualized. Inception-to-date (ITD) total return for Class S (no / with upfront placement fee): 7.1%/5.2%. ITD total return for Class D (no / with upfront placement fee): 6.4%/5.5%. All returns shown are derived from unaudited financial information and are net of all BCRED expenses, including general and administrative expenses, transaction related expenses, management fees, incentive fees, and share class specific fees, but exclude the impact of early repurchase deductions on the repurchase of shares that

have been outstanding for less than one year. **Past performance is historical and not a guarantee of future results.**

Class D and Class S listed as (With Upfront Placement Fee or Brokerage Commissions) reflect the returns after the maximum upfront placement fees. Class D and Class S listed as (No Upfront Placement Fee or Brokerage Commissions) exclude upfront placement fees. Class I does not have upfront placement fees. The returns have been prepared using unaudited data and valuations of the underlying investments in BCRED's portfolio, which are estimates of fair value and form the basis for BCRED's NAV. Valuations based upon unaudited reports from the underlying investments may be subject to later adjustments, may not correspond to realized value and may not accurately reflect the price at which assets could be liquidated.

5. "Senior Loans" is represented by the Morningstar LSTA US Leveraged Loan Index. "High Yield" is represented by the Bloomberg US Corporate High Yield Index. "Corporates" is represented by the Bloomberg US Corporate Bond Index. "Investment Grade Bonds" is represented by the Bloomberg US Aggregate Bond Index. "Treasuries" is represented by the Bloomberg US Treasury Index. The indices presented represent investments that have material differences from an investment in BCRED or the investments that BCRED may make.
6. Net Investment Income Return On Equity is defined as the net income earned on investments attributable to BCRED shareholders and is calculated as annualized quantity of net investment income earned by the portfolio of assets in the quarter divided by average net asset value. Net Investment Income Return On Equity is shown on the portfolio composition as of Q3 2022 divided by the average net asset value as of Q3 2022, calculated as the annualized net investment income pro forma (as applicable) applying the applicable base interest rates. As of the date hereof, the portfolio has changed since Q3. As a result, Net Investment Income Return On Equity does not reflect actual Net Investment Income Return On Equity and is shown for illustrative purposes only. These pro forma numbers are solely intended to reflect the impact of the interest rate levels noted, assuming all floating rate investments reset at three-month tenors. Net Investment Income Return On Equity reflects actual expenses for Q3 2022 (including management fees, actual interest expense in Q3 2022, shareholder servicing fees, G&A, actual income incentive fee and capital gains incentive fees, when applicable). Expenses related to increasing base rates (including interest expense on floating rate debt, and income incentive fees associated with marginal pre-fee Net Investment Income) are estimates and assume no changes in our investment borrowing structure, portfolio composition or NAV per share. Investors are cautioned not to place undue reliance on any estimated or pro forma calculations, as they are inherently uncertain and subject to change. There can be no assurance that dividend yield or other income will continue to increase or stay at current levels.

7. December 2022 Fed Consensus on Forward Rates scenario assumes a base rate that reflects Federal Open Market Committee participants' expectations of the 2023 target policy rate/ effective Federal Funds rate, sourced via latest Summary of Economic Projections (as of the publication of this letter) released by the Federal Reserve on December 14, 2022. This scenario assumes all other financial inputs, besides the base rate and variables directly influenced by the base rate, are held constant at actual levels observed in Q3 2022 and is being shown for illustrative purposes only. There can be no assurance that this figure will continue to increase or stay at current levels.
8. "Investment in Q3 2021" is in the Diversified Consumer Services industry. The selected investment is illustrative of the investments originated in the portfolio at this time.
9. "Investment in Q3 2022" is in the Healthcare industry. The selected investment is illustrative of the investments originated in the portfolio at this time.
10. For "Investment in Q3 2021", represents LIBOR floor of 0.75%. The 3-year swap to 3M LIBOR as of September 30, 2021 was 0.65%. For "Investment in Q3 2022", represents 3-Year forward average SOFR as of September 30, 2022. For illustrative purposes only. There can be no assurance that rates will rise or at any particular pace.
11. Deal fees are amortized over an average hold of three years.
12. As of December 31, 2022. Includes all private debt investments for which fair value is determined by BCRED's Board of Trustees (the "Board") in conjunction with a third-party valuation firm and excludes quoted assets. Average loan-to-value represents the net ratio of loan-to-value for each portfolio company, weighted based on the fair value of total applicable BCRED private debt investments. Loan-to-value is calculated as the current total net debt through each respective loan tranche divided by the estimated enterprise value of the portfolio company as of the most recent quarter end. See BCRED's prospectus.
13. As of September 30, 2022. QoQ EBITDA growth of +4% QoQ vs. market of 2% (S&P/LSTA LL index).
14. As of December 31, 2022.
15. The annual loss rate for the index is fundamentally different than the potential cumulative loss rate for this portfolio. 0.92% represents the weighted average historical annual loss rate for the CS Institutional Leveraged Loan index, shown since 2006, the date that BXC commenced operations. The loss rate for this index is calculated using the trading price the day that a loan defaults (payment defaults or bankruptcy) and does not reflect actual recovery of defaulted loans. BCRED's valuation marks are impacted by the pricing of assets with comparable risk in the current market. For example, a loan originated and priced in a lower risk environment may be marked down when comparable loans are pricing at higher levels, even if that loan is not expected to default.
16. As of September 30, 2022.
17. **Past performance is not necessarily indicative of future results**, and there can be no assurance that any Blackstone fund or investment will continue to experience minimal defaults or be repaid at par or better.
18. As of December 31, 2022. Measured as the fair market value of investments for each category against the total fair market value of all investments. Totals may not sum due to rounding. BCRED's investment in Joint Ventures are excluded from the industry top 5.
19. As of September 30, 2022. Includes all private debt investments for which fair value is determined by BCRED's Board in conjunction with a third-party valuation firm and excludes quoted assets. Amounts are weighted on fair market value of each respective investment. Amounts were derived from the most recently available portfolio company financial statements, have not been independently verified by BCRED, and may reflect a normalized or adjusted amount. Accordingly, BCRED makes no representation or warranty in respect of this information.
20. Morningstar LSTA US Q2 2022 Report.
21. Quarterly tender offers are expected but not guaranteed. Quarterly repurchases are limited to 5.0% of aggregate shares outstanding (either by number of shares or aggregate NAV) as of the close of the previous calendar quarter. **BCRED has 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 BCRED shares has limited or no liquidity outside of our share repurchase program, and the BCRED board of trustees may amend or suspend the share repurchase program at any time if in its reasonable judgment it deems such action to be in BCRED's best interest and the best interest of BCRED shareholders, such as when a repurchase offer would place an undue burden on BCRED liquidity, adversely affect operations or risk having an adverse impact on BCRED that would outweigh the benefit of the repurchase offer. As a result, share repurchases may not be available each quarter. Shares not held for one year will be repurchased at 98% of NAV. The Board of Trustees may amend, suspend or terminate these share repurchase in its discretion if it deems such action to be in the best interest of shareholders. See "Important Disclosure Information and Risk Factors" and BCRED's prospectus.
22. As of December 31, 2022. BCRED has an investment grade credit rating of BBB / Positive outlook from DBRS Morningstar, provided on November 7, 2022, and an investment grade credit rating of Baa3 / stable from Moody's, provided on September 10, 2021, and an investment grade credit rating of BBB- / stable from S&P, provided on January 6, 2022. The underlying loans in BCRED are not rated. Credit ratings are statements of opinions and are not statements of fact or recommendations to purchase, hold or sell securities. Blackstone provides compensation directly to DBRS/Morningstar, Moody's and S&P for its evaluation of the Underlying Fund. Credit ratings do not address the suitability of securities or the suitability of securities for investment purposes, and should not be relied on as investment advice.
23. Represents BCRED repayments. The fund may choose to sell assets at prices less than par.

## Past Performance and Forward-Looking Statements

**Past performance is not necessarily indicative of future results.** The opinions expressed herein reflect the current opinions of Blackstone as of the date appearing in this material only. There can be no assurance that views and opinions expressed in this document will come to pass. The above is not intended to be indicative of future results to be achieved by the proposed fund; actual results may differ materially from the information generated through the use of illustrative components of return. While Blackstone believes that these assumptions are reasonable under the circumstances, there is no assurance that the results will be obtained, and unpredictable general economic conditions and other factors may cause actual results to vary materially. Any variations could be adverse to the actual results.

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 financial projections and 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 also include but are not limited to those described under the section entitled "Risk Factors" in its prospectus, 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.

## Important Disclosure Information and Risk Factors

### 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. (together with its affiliates, "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 the 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). An investor should consider the investment objectives, risks, and charges and expenses of BCRED carefully before investing. 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, 2022, unless otherwise noted. The words "we", "us", and "our" refer to BCRED, unless the context requires otherwise.

Our Conviction in BCRED

### 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 is 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. 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.

Blackstone Securities Partners L.P. ("BSP") is a member of FINRA and 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.

**Past performance is no guarantee of future results.** 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.

## Additional Important Disclosures, Continued

**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.

**Epidemics/Pandemics.** Certain countries have been susceptible to epidemics or pandemics, most recently COVID-19. The outbreak of such epidemics or pandemics, together with any resulting restrictions on travel or quarantines imposed, has had and will likely continue to have a negative impact on the economy and business activity globally (including in the countries in which BCRED invests), and thereby is expected to adversely affect the performance of BCRED's investments. Furthermore, the rapid development of epidemics or pandemics could preclude prediction as to their ultimate adverse impact on economic and market conditions, and, as a result, present material uncertainty and risk with respect to BCRED and the performance of its investments or operations.

**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.

**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 is represented by the Bloomberg US Corporate High Yield 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, 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 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.

## Additional Information on Certain Indexes, Continued

The bonds in the Bloomberg U.S. Aggregate Bond Index and Bloomberg U.S. Corporate High Yield 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 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 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: -0.5%; 1.9%; -13.0%; -13.0%; 0.0%; 1.1%. Morningstar LSTA US Leveraged Loan Index: 0.4%; 2.7%; -0.6%; -0.6%; 3.3%; 3.7%. Bloomberg US Corporate High Yield Index: -0.6%; 4.2%; -11.2%; -11.2%; 2.3%; 4.0%.

**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, fixed-rate corporate bond market. Securities are classified as high yield if the middle rating of Moody's, Fitch and S&P is Ba1/BB+/BB+ or below.

**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.

**Russian Invasion of Ukraine.** On February 24, 2022, Russian troops began a full-scale invasion of Ukraine and, as of the date of this Material, the countries remain in active armed conflict. Around the same time, the United States, the United Kingdom, the European Union, and several other nations announced a broad array of new or expanded sanctions, export controls, and other measures against Russia, Russia-backed separatist regions in Ukraine, and certain banks, companies, government officials, and other individuals in Russia and Belarus. The ongoing conflict and the rapidly evolving measures in response could be expected to have a negative impact on the economy and business activity globally (including in the countries in which the Fund invests), and therefore could adversely affect the performance of the Fund's investments. The severity and duration of the conflict and its impact on global economic and market conditions are impossible to predict, and as a result, present material uncertainty and risk with respect to the Fund and the performance of its investments and operations, and the ability of the Fund to achieve its investment objectives. Similar risks will exist to the extent that any portfolio entities, service providers, vendors or certain other parties have material operations or assets in Russia, Ukraine, Belarus, or the immediate surrounding areas.

**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.