

Item 1 – Cover Page

Clarus Ventures, LLC

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as of March 28, 2024

Form ADV, Part 2A; the “Brochure” provides information about the qualifications and business practices of Clarus Ventures, LLC (the “Clarus Adviser”).

If you have any questions about the contents of this Brochure, please contact us at (617) 949-2200. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority. The Clarus Adviser is registered with the SEC as an investment adviser. The Clarus Adviser’s registration as an investment adviser does not imply any level of skill or training. The oral and written communications the Clarus Adviser provides to you, including this Brochure, serve as information for you to use to evaluate the Clarus Adviser and should be considered in your decision whether to invest in an investment vehicle advised by the Clarus Adviser.

Additional information about the Clarus Adviser is also available at the SEC’s website www.adviserinfo.sec.gov (click on the link “Investment Adviser Search”, select “Investment Adviser Firm” and type in “Clarus Ventures”). The search results will provide you with both Parts 1 and 2A of our Form ADV.

Item 2 – Material Changes

There has not been a material change to this Brochure since the annual update on March 31, 2023. However, please carefully read Items 5, 8 and 10, which have expanded upon the description of certain fees and expenses, potential risk of loss and potential conflicts of interest, respectively.

The Clarus Adviser, at any time, may update this Brochure and may either send you a copy or offer to send you a copy (either by electronic means (e-mail) or in hard copy form). If you would like another copy of this Brochure, please download it from the SEC's website as indicated on the cover of this Brochure, or you may contact us at (617) 949-2200.

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Item 4 – Advisory Business

The Clarus Adviser is a Delaware limited liability company. The Clarus Adviser provides investment advisory services to Clarus Lifesciences I, L.P.; Clarus Lifesciences II, L.P.; Clarus Lifesciences III, L.P.; Clarus Defined Exit I, L.P.; Clarus Defined Exit II, L.P.; Clarus IV-A, L.P.; Clarus IV-B, L.P.; Clarus IV-C, L.P.; and Clarus IV-D, L.P. and any parallel or alternative investment vehicle formed in connection therewith (together, the “Funds”). The Funds are investment funds which specialize in investments in the life sciences industry, including the healthcare, pharmaceutical, biotechnology and medical device sectors. Affiliates of the Clarus Adviser serve as the general partner (the “General Partners”) of each of the Funds. The Clarus Adviser was established in 2005.

References throughout this Brochure to the term “Sponsor” describe, as the context or applicable law requires, individually and collectively, the General Partner of the applicable Fund(s) and the Clarus Adviser, and all references herein to the Sponsor or to any rights, powers, responsibilities, or activities of the Sponsor are qualified in all respects by the Organizational Documents (as defined herein) of the applicable Fund(s), all of which should be carefully reviewed by each potential investor in a Fund for, among other things, a more detailed description of the relative rights, powers, responsibilities and activities of each of the applicable General Partner(s) and the Clarus Adviser.

The ultimate parent of the Clarus Adviser is Blackstone Inc. (together with its affiliates, “Blackstone”), which is a publicly traded corporation listed on the New York Stock Exchange and which trades under the ticker symbol “BX”. Blackstone is a leading global alternative investment manager with investment vehicles focused on the private equity, real estate, hedge fund solutions, credit, infrastructure, life sciences, secondary private equity funds of funds and multi-asset class strategies.

Please see **Item 10 – Other Financial Industry Activities and Affiliations** for more information.

The Clarus Adviser’s regulatory assets under management were \$1,095,696,232 as of December 31, 2023.

Description of Advisory Services

The Clarus Adviser serves as investment adviser to the Funds pursuant to the terms of the investment advisory agreements (the “Advisory Agreements”) with respect to each of the Funds, and makes investment decisions for the Funds including by evaluating the Funds’ investments.

The individual needs of the investors in the Funds are not the basis of investment decisions by the Clarus Adviser. Investment advice is provided directly to the Funds by the Clarus Adviser and not individually to the Funds’ investors.

Item 5 – Fees and Compensation

Management Fees and Performance Fees

Per the Advisory Agreements with each of the Funds, the Clarus Adviser is entitled to compensation for its services in the form of a management fee (the “Management Fee”), generally payable quarterly in advance. The Management Fee is based on either committed capital or invested capital, depending on the Fund and whether its investment period is currently active. Prorated refunds would be provided for partial quarters, if any, to the extent applicable. As set forth in Item 6 below, the General Partner of each Fund is also eligible to receive performance-based or “carried interest” allocations. The Confidential Private Placement Memorandum (as supplemented from time to time) and the Partnership Agreement and Advisory Agreements (collectively, the “Organizational Documents”) of each Fund include further details on fees and compensation and related matters.

Management Fees and performance-based allocations are either withheld from distributions or, in the case of Management Fees, invoiced at an appropriate time pursuant to a capital call notice.

Certain investors in the Funds, including current and/or former senior advisors, executive advisors, officers, directors, personnel of Blackstone and/or other key advisors/relationships (including operating partners, executives, founders and entrepreneurs), Portfolio Entities (as defined herein) of the Funds and Other Blackstone Clients (as defined herein), including charitable programs, endowment funds and related entities established by or associated with any of the foregoing (including any trusts, family members, family investment vehicles, estate planning vehicles, descendants, trusts and other related persons or entities), and other persons related to Blackstone (“Blackstone Investors”), will not pay Management Fees and/or performance-based or carried interest allocations in connection with their investment in or alongside the Funds or Blackstone-sponsored funds that make investments in the Funds. Notwithstanding the foregoing, such investors will either directly pay for their *pro rata* share of certain Fund expenses (as described below), or the *pro rata* amount of such expenses will be allocated to the applicable General Partner or its affiliates. Such *pro rata* allocation of Fund expenses will, in certain circumstances, be calculated based on capital commitments, invested capital, available capital or other metrics as determined by the applicable General Partner or its affiliates in its sole discretion. Any such methodology (including the choice thereof) involves inherent conflicts and will, in certain circumstances, not result in perfect attribution and allocation of expenses. In addition, to the extent current and/or former partners, employees, advisors and other persons referred to above, including their charitable programs, endowment funds and related entities established by or associated with any of the foregoing (including any trusts, family members, family investment vehicles, estate planning vehicles, descendants, trusts and other related persons and entities), make capital commitments and/or otherwise invest in or alongside the Funds, any such amounts will in certain circumstances, in the General

Partner's sole discretion, be treated as satisfying the applicable portion of any required capital commitment of the General Partners and/or their affiliates to the Funds , as applicable (even in circumstances where any such commitments or investments are made following a separation from Blackstone). For more information with respect to the allocation of Fund expenses, please see "—Expenses" in this Item 5 below.

Blackstone Strategic Relationships. Blackstone has entered, and it can be expected that Blackstone in the future will enter, into strategic relationships with investors (and/or one or more of their affiliates) that involve an overall relationship with Blackstone that could (but is not required to) incorporate one or more strategies (including, but not limited to, a different sector and/or geographic focus within the same or a different Blackstone business unit) in addition to the Funds' strategies ("Strategic Relationships"). A Strategic Relationship often involves (but is not required to involve) an investor agreeing to make a capital commitment to two or more Blackstone vehicles, one of which could be a Fund. To the fullest extent permitted by law, Investors in the Funds will not receive a copy of any agreement memorializing a Strategic Relationship program (even if in the form of a side letter) or receive any other disclosure or reporting of the terms of or existence of any Strategic Relationship and will be unable to elect in the "most-favored nations" election process any rights or benefits afforded through a Strategic Relationship (and, for the avoidance of doubt, it is not expected that any further disclosure or reporting information will be shared with the limited partners about any Strategic Relationship). Specific examples of such additional rights and benefits have included and can be expected to include, among others, specialized reporting, secondment arrangements discounts or reductions on and/or reimbursements or rebates of management fees or carried interest, secondment of personnel from the investor to Blackstone (or vice versa), targeted amounts for co-investments alongside Blackstone vehicles (including, without limitation, preferential or favorable allocation of co-investment, and preferential terms and conditions related to co-investment or other participation in Blackstone vehicles (including any carried interest and/or Management Fees to be charged with respect thereto, as well as any additional discounts, reductions, reimbursements or rebates thereof or other penalties that would result if certain target co-investment allocations or other conditions under such arrangements are not achieved)). The co-investment that is part of a Strategic Relationship can be expected to include co-investment in investments made by the Funds. To the extent any allocations are made pursuant to the Organizational Documents based on unused capital commitments, any such discount or reduction of Management Fees will cause the unused capital commitments of the applicable investors to fluctuate disproportionately as compared to the unused capital commitments of any other Fund investors without such Management Fee discount or reduction (and the same consequences will result from the different Management Fee terms amongst investors in a Fund as indicated in its Organizational Documents). Blackstone, including its personnel (including life sciences personnel), can be expected to receive compensation from Strategic Relationships and be incentivized to allocate investment opportunities away from the Funds to or source investment opportunities for Strategic Relationships. Strategic Relationships will, in certain circumstances, therefore result in fewer co-investment opportunities (or reduced allocations) being made available to Investors in the Funds. In addition, from time to time, the Sponsor could enter into economic and/or fee

sharing arrangements with respect to the Funds, Other Blackstone Clients or certain limited partners thereof, which rights will not generally be made available to other limited partners. (See also “—Additional Potential Conflicts of Interest with respect to Co-Investment; Strategic Relationships Involving Co-Investment” herein.)

Other Fees Payable to the Clarus Adviser and its Affiliates

In addition to the Management Fee and performance-based allocations (see Item 6 below), the Clarus Adviser and its affiliates from time to time receive a variety of other fees as part of the investment activities of the Funds and with respect to the Funds’ Portfolio Entities. The Management Fee paid by investors in the Funds will generally be offset by the amount of certain fees, including directors’ fees, commitment fees, break-up fees, monitoring fees and success fees, or other remuneration paid by the Funds to the Clarus Adviser and its affiliates (but excluding any fees or remuneration paid to any “venture partner”, “entrepreneur in residence” or other similar employee, or consultant to, the Clarus Adviser or its affiliates, or with respect to any of the foregoing persons plus executives and officers, any Development Company) net of expenses, subject to the terms of the Organizational Documents of the applicable Fund.

Any such fees that result in an offset to the Management Fee only apply to the extent it is made as part of the Funds’ investments in such Portfolio Entities, and without regard to the nature of the fees, there will be no offset for Management Fees with respect to any fees paid to the Sponsor after a Fund has exited an investment. Conflicts of interest are expected to arise when a Portfolio Entity enters into arrangements with the Sponsor on or about the time a Fund exits an investment. As a result, in the case of directors’ fees, the Management Fee will not be reduced or offset to the extent any Blackstone and/or Sponsor employees or professionals receive directors’ fees relating to continued director service after the Funds have exited the Portfolio Entities and/or following the termination of such employee’s employment with Blackstone and/or the Sponsor. Investors in the Funds should carefully consult the applicable Organizational Documents to determine the fees that can be offset, and the Management Fee offset percentage applicable to the Fund in which they are invested. (See “—Other Blackstone Business Activities”). In addition, from time to time, the Clarus Adviser can be expected to also engage and retain on behalf of the Funds and/or their Portfolio Entities, strategic advisors, consultants, operating advisors, senior advisors, industry experts, joint venture and other partners and professionals any of whom might be former executives or other personnel of the Clarus Adviser, its affiliates, Development Companies or Portfolio Entities of the Funds or Other Blackstone Clients and who, from time to time, can be expected to receive payments from, or allocations with respect to, Portfolio Entities or the Funds, and such amounts will not offset the Management Fee paid by the Funds (see “—Advisors, Consultants and Partners” in Item 10 below).

The precise amount of, and the manner and calculation of, the fees and compensation described above, including the Management Fee and performance-based compensation, are established by the Clarus Adviser through negotiations with investors in each Fund, and the

Organizational Documents of each Fund include further details on such fees, compensation and related matters.

Expenses

The following is a list of expenses that are typically borne by the Funds (and indirectly by the investors in the Funds). This list is not intended to be exhaustive; prospective and existing investors in the Funds are advised to review the applicable Fund offering materials and Organizational Documents for a more extensive description of the expenses associated with an investment in the Funds.

- all costs and expenses incurred in identifying, investigating, developing, negotiating, structuring, acquiring, sourcing, trading (including trading errors), settling, monitoring, tracking and holding investments (whether or not consummated), including legal, tax, accounting and travel expenses (including first or business class commercial travel and, in the event the Sponsor determines in its reasonable discretion that commercial air travel would be impractical, the actual cost of non-commercial air travel at rates not in excess of customary commercial rates) in connection therewith;
- fees, costs and expenses related to the organization or maintenance of any Development Company or entity (including intermediate entities or other vehicles) used to develop, source, acquire, hold or dispose of any one or more investments or otherwise facilitating a Fund's investment activities, including without limitation any travel and accommodation expenses related to such entity, fees paid to any service providers of such entities and the salary and benefits of any personnel (including personnel of the General Partners or their affiliates) reasonably necessary and/or advisable for the maintenance and operation of such entity (including, without limitation, the salary and compensation of personnel of any Irish or Cayman Islands entities formed in connection with the Fund's activities and the meetings of officers or directors of such entities or their general partners) and costs and expenses associated with the leasing of office space (including, without limitation, rent and refurbishment costs) and Blackstone's activities (e.g., the appointment of new managers) for such entities in the Cayman Islands;
- clearing costs;
- expenses (including legal, advisory and accounting expenses) incurred in connection with the identification, negotiation and structuring of corporate partnerships and other strategic corporate relationships of the Funds and their affiliates;
- costs and expenses of third party appraisals of prospective investments (whether or not consummated);
- broken deal expenses (see "—Broken Deal Expenses" in Item 10 below);
- banks and brokerage fees and commissions and prime brokerage fees, custodial expenses, agent bank and other bank service fees and other investment costs;

- fees and expenses attributable to “back office” support functions provided by third party service providers;
- payments to legal counsel, tax advisors, auditors, accountants, administrators, custodians, consultants (including individuals consulted through expert network consulting firms) and other outside advisors;
- reasonable expenses of each Fund’s Investor Committee attributable to such Fund and its activities (including accommodation, meal, event entertainment and other similar expenses in connection with any meetings of a Fund’s Investor Committee and any fees, expenses and costs of any legal counsel or other advisors of such Investor Committee);
- to the extent permitted by applicable law, costs and expenses in connection with the Funds’ legal and regulatory compliance with U.S. federal, state, local, non-U.S. or other laws and regulations, including the Cayman Islands Private Funds Law, applicable to the Funds and third party expenses incurred in connection with the preparation and administration of filings in connection with such laws or regulations or the laws, rules, regulations or similar requirements of jurisdictions in which the Funds engage in activities (or in which any actual or potential investor is resident or established);
- expenses incurred in connection with the managed distribution of marketable securities;
- insurance premiums and other related costs;
- market data costs;
- research-related expenses (including, without limitation, news and quotation equipment, software and services);
- other expenses related to the purchase, monitoring, sale, settlement, custody or transmittal of any or all assets of the Funds including any expenses related to attending trade association and/or industry meetings, conferences or similar meetings, or visits or meetings with one or more companies or company executives in which the Funds are permitted to invest (including, without limitation, travel, accommodation and related expenses related to such entity, including fees paid to any service providers of such entities);
- costs of any investigation, litigation or threatened litigation relating to the business or activities of the Funds or the Sponsor;
- all indemnification obligations set forth in the Organizational Documents;
- principal, interest and other expenses for borrowed money (including but not limited to legal and other costs associated with the negotiation and documentation of agreements with one or more lenders);
- any taxes, fees or government charges that could be assessed against the Funds;

- any extraordinary expense of the Funds, including fees and expenses associated with any tax or other audit, investigation, settlement or review of the Funds;
- liquidation expenses and costs of the Funds (including payment of any liquidation or similar fee);
- costs and expenses of annual and special meetings of each Fund's Investor Committee or otherwise holding meetings (including annual meetings) or conferences with investors in a Fund, whether individually or in a group (including the travel and other out-of-pocket costs and expenses incurred by the Sponsor in planning and attending such meetings such as for example, set-up, room and board, honorarium, dining, entertainment, and related expenses);
- costs of preparing financial statements and reports and delivering the same to the investors in the Funds and the Funds' affiliates, including but not limited to web portal and other technology costs, as well as tax returns (including any tax returns or filings required to be made by the Fund in any jurisdictions in which any limited partner is resident or established), Schedule K-1s, Forms 200 and 205 and other communications or notices relating to the Funds, including periodic investor notices and communications;
- compliance with specialized reports, assistance or documentation requested by specific investors;
- costs incurred in connection with preventing, enforcing or otherwise addressing any event of default by an investor;
- organizational expenses associated with operating the Funds, including, without limitation, filing fees, legal costs and expenses (including expenses of preparing, reviewing and negotiating the partnership agreement, side letters, placement agent arrangements and other related organizational documents);
- data management and/or data science-related services (e.g., data analytics and statistical modeling);
- Management Fees;
- expenses related to certain personnel of the Sponsor and/or Blackstone and their affiliates, including Consultants, seconded to Portfolio Entities, vendors or service providers of the Funds and Other Blackstone Clients to provide finance, accounting, operational support, data management and other similar services, including the sourcing of investments for the Funds or other parties (see "—Secondments and Internships" in Item 10 below);
- all other expenses properly chargeable to the activities of the Funds.

Additionally, as a result of a public health emergency like the COVID-19 pandemic, the Clarus Adviser has determined in the past, and could in the future determine, in its discretion, that it is most effective and/or efficient to use private air and/or charter travel due to travel restrictions and/or health and safety considerations, including to and from locations where Blackstone personnel are currently living (even if different than where Blackstone has historically had offices). The cost of such private air or charter travel, which could be increased due to an epidemic, shall be an expense of the Funds subject to and in accordance with Blackstone's policies and the Organizational Documents. The Clarus Adviser also could determine to use alternative methods, including the use of technology, when sourcing and conducting diligence on potential Investments and monitoring of existing Investments, and the expenses associated with such methods should be allocated to the Funds.

From time to time, the General Partners will be required to decide whether costs and expenses are to be borne by a Fund, on the one hand, or the applicable General Partner, on the other, and whether certain costs and expenses should be allocated between or among the Funds, on the one hand, and Blackstone's other investment funds, investment vehicles, permanent capital vehicles, accounts and related entities (including those in existence as of the date hereof and those that could be formed in the future, collectively, "Other Blackstone Clients"), on the other hand. Certain expenses could be suitable for only a particular Fund or participating Other Blackstone Client and borne only by such vehicle, or, as is more often the case, expenses could be allocated *pro rata* among each participating Other Blackstone Client and the Funds even if the expenses relate only to particular vehicle(s) and/or investor(s) therein (including, for the avoidance of doubt, the expenses of any feeder entities and each of their respective alternative investment vehicles). Any Other Blackstone Clients that co-invest alongside the Funds in investments (which, for the avoidance of doubt, are not considered "parallel funds" or "parallel vehicles" of the Funds) will generally not be required to bear any portion of the organizational expenses or any other non-investment related partnership expenses (given that those other vehicles generally bear their own non-investment related expenses). The Clarus Adviser intends to generally allocate partnership expenses, including partnership expenses of a Fund, any feeder entities and other parallel funds and alternative investment vehicles, and organizational expenses of such Fund, any feeder entities and the parallel funds between or among such Fund, any feeder entities, the parallel funds, and each of their respective alternative investment vehicles, as applicable, on a *pro rata* basis based on capital commitments, invested capital or available capital, as applicable, but could in certain circumstances allocate such expenses in a different manner if the Clarus Adviser determines in good faith that doing so is more equitable or appropriate under the circumstances. This will result in such Fund bearing a portion of certain partnership expenses and/or organizational expenses attributable to feeder entities and/or another parallel fund that are not directly connected to such Fund and its activities, including expenses incurred in connection with either such Fund's or a feeder entity's or parallel fund's legal, tax and regulatory compliance with any U.S. or non-U.S. law or regulation (including, without limitation, reports, disclosures, registration and other filings and notifications prepared in accordance with the laws of any such jurisdiction). Likewise, while the aggregate amount of capital contributions to be made by the partners for partnership expenses will generally be allocated among the partners based upon each of their unused capital

commitments or with respect to partnership expenses directly and solely attributable to an investment, their interests in such investment, the Clarus Adviser could in certain circumstances allocate such expenses in a different manner if the Clarus Adviser determines in good faith that doing so is more equitable or appropriate under the circumstances (for example, if a partnership expense is directly attributable to the status of a particular partner or group of partners). For example, certain expenses could be incurred by or on behalf of a Fund, feeder entities, parallel funds, other funds and Other Blackstone Clients and will be allocated among such Fund and such feeder entities, parallel funds, other funds and Other Blackstone Clients by the Clarus Adviser in its good faith reasonable discretion, including, in the case of travel, based on estimated time spent with respect to the business of the Funds and Other Blackstone Clients.

With respect to broken deal expenses, the Funds will generally be required to bear their *pro rata* portion of broken deal expenses in accordance with the amount they were expected to invest in the unconsummated deal. However, in the event that a proposed co-investment opportunity in a new or existing investment is not consummated but certain costs and expenses have been incurred by one or more Funds in pursuit of such investment opportunity, including (without limitation) legal, financial, travel and other business diligence costs and expenses, such costs and expenses generally will be paid solely by the applicable Fund(s), and it is expected that any potential co-investors will not bear any portion of such “broken deal” costs and expenses. If a co-investment does close, the portion of unreimbursed transaction expenses incurred by the applicable Fund(s) in connection with such investment, unreimbursed expenses incurred by such Fund(s) in connection with the ongoing monitoring of its investment in the applicable company and any other unreimbursed expenses incurred by such Fund(s) with respect to such investment that are payable by the co-investors (if any) will be determined on a case-by-case basis. The Sponsor will have no obligation to cause co-investors to bear any expenses incurred by the Funds or to bear any particular portion of such expenses (and will have no obligation to pro rate or otherwise reduce the amount paid by the applicable Fund(s) in respect of any such expenses to take into account the co-investment).

The Funds could incur fees, costs and/or expenses that will not always be directly related to a specific potential investment and could be more general in nature and focused on industry sectors. Such fees, costs and/or expenses are initially expected to be allocated to the Funds as partnership expenses, notwithstanding the fact that such fees, costs and/or expenses or related services could directly or indirectly inure to the benefit of Blackstone, its affiliates, their personnel or Other Blackstone Clients and their Portfolio Entities, in addition to or in lieu of the Funds. To the extent that such fees, costs and/or expenses are specific to a particular investment (such as due diligence), and such investment is ultimately consummated in whole or in part by one or more Other Blackstone Clients, the Clarus Adviser expects to allocate a portion of such fees, costs and/or expenses attributable to such investment that would otherwise be borne by the Funds to the Other Blackstone Clients ultimately consummating such investment. Additionally, to the extent a potential investment has been formally allocated to an Other Blackstone Client, which is expected to occur upon a recommendation to a Fund Investment Committee by the Allocation Committee (as defined below), instead of the Funds and such

investment is not ultimately consummated, such Other Blackstone Client is expected to bear the portion of such fees, costs and/or expenses attributable to such potential investment (it being understood that to the extent no such formal allocation decision has been made, the Funds will bear the portion of the retainer attributable to such potential investment) (see also “—Broken Deal Expenses”). The formal allocation decision is typically made shortly prior to committing to an investment and can result in substantial amounts of broken deal expenses being borne by the Funds, even if it was anticipated that such potential investment might be formally allocated to an Other Blackstone Client instead of the Funds. Conflicts exist in the allocation of the costs and benefits of these arrangements, and limited partners rely on the Clarus Adviser to handle them in its sole discretion, and there can be no assurance that the Clarus Adviser will resolve such conflicts of interest in a manner that is favorable to the limited partners or the Funds.

Item 6 – Performance-Based Fees and Side-By-Side Management

In addition to the Management Fees and other fees described in Item 5 that are received by the Clarus Adviser and its affiliates, the Sponsor receives a portion of the profits of all investment proceeds from each Fund with respect to each Fund limited partner (other than those that are affiliates of the Clarus Adviser), which is equal to twenty percent of the net gain in respect of such limited partner (as set forth in the applicable Fund's Organizational Documents). Such allocation of profits is only allocated to the applicable General Partner when specific conditions are met, including, in each case, the return to each of the Fund limited partners of an aggregate amount equal to all capital contributed to the applicable Fund by such limited partner and the receipt of a preferred return on such amounts.

As described in Item 10 — "Performance-Based Compensation", the fact that the Clarus Adviser is in part compensated based on the performance of the Funds creates a greater incentive for the applicable General Partner to make more speculative investments on behalf of a Fund or time the purchase or sale of investments in a manner motivated by the personal interest of Blackstone or Sponsor personnel than if such performance-based compensation did not exist. However, the significant commitment by the Sponsor to invest in the Funds and the General Partner clawback and related guarantee, where applicable, should reduce the incentives to make more speculative investments or otherwise time the sale of investments based on considerations related to carried interest.

The General Partner clawback, where applicable, potentially creates other misalignments of interests between the General Partners and limited partners, such as an incentive for the General Partners to defer disposition of an investment that would result in a realized loss or a return on investment that was less than the preferred return and trigger the clawback, or delay the dissolution and liquidation of a Fund if doing so would trigger a clawback obligation.

Item 7 – Types of Clients

The Clarus Adviser manages the Funds. The Funds' investors consist of some or all of the following:

- Insurance companies
- Public and private retirement and pension plans
- Trusts and estates
- Charitable organizations and foundations, including endowment funds thereof
- State and municipal government agencies
- Private investment funds
- Corporations
- Business entities other than those listed above
- High net worth individuals
- Family offices

All investors are subject to applicable suitability requirements. The Clarus Adviser and the General Partners require that each investor in the Funds be (i) an “accredited investor” as defined in Regulation D under the U.S. Securities Act of 1933, as amended (the “Securities Act”), and (ii) a “qualified purchaser” as defined in Section 2(a)(51) of the U.S. Investment Company Act of 1940, as amended, and meet other suitability requirements (including, in some circumstances, a person that is not a U.S. Person as defined in Regulation S under the Securities Act). Generally, investors must invest a minimum dollar amount as determined in the applicable General Partner’s sole discretion. Each General Partner reserves the right, in its sole discretion, to waive the minimum dollar amount.

Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss

Investment Strategies

The Clarus Adviser offers advice to the Funds generally to focus on structured investments in late clinical stage life sciences products, including pharmaceutical corporate partnerships, pre-approval royalties and other opportunistic life sciences investments, including pre-approval royalty monetizations and investments in early-stage businesses. In the past, the Clarus Adviser has also offered advice to certain of the Funds to invest in life sciences venture capital investments. These investments could be made in connection with privately negotiated partnerships and transactions including spinouts and could utilize some degree of leverage.

The Clarus Adviser's investment analysis methods include fundamental, technical and cyclical research. The Clarus Adviser's investment team is responsible for evaluating securities (and other products) for investment. The Clarus Adviser's investment professionals also review all portfolios for adherence to the investment objectives of each portfolio and the applicable Fund's stated investment strategies.

All decisions for a Fund to invest in a particular investment opportunity require the approval of the investment committee in respect of the applicable Fund(s) (each, an "Investment Committee" and together, the "Investment Committees"). The Clarus Adviser's investment team, in collaboration with Blackstone's various business units, is responsible for selecting, evaluating, structuring, diligencing, negotiating, executing, managing and exiting investments, as well as pursuing potential operational improvements and value creation initiatives. The Clarus Adviser's personnel generally meet each Monday to discuss potential and pending transactions and ongoing diligence. The members of the broader Blackstone organization investing in healthcare also meet in person and in groups on a regular basis to discuss portfolio investments and industry trends in greater detail, and the Clarus Adviser intends to conduct comprehensive in-person reviews of each Fund's portfolio twice a year. Each Fund's investment decisions will be reviewed and approved by the applicable Investment Committee. If the potential transaction reaches the stage where the investment team proposes to make a definitive bid to acquire or invest in the target company or business, it will prepare a detailed memorandum on the transaction for the appropriate Investment Committees and convene a meeting of the Investment Committee to discuss the transaction in depth with the investment team and decide whether to authorize such a definitive bid and what the bid should be. The Investment Committee will convene as appropriate to approve binding investment decisions, ensuring that broad consensus is achieved and all key concerns have been addressed, before any Fund's capital is committed to a particular deal. The power to, among other things, grant approval for a Fund to acquire a particular investment, finance or refinance any new or existing investment or dispose of any existing investment could be delegated to a sub-committee of the applicable Investment Committee and could be further delegated to particular investment professionals and/or other Blackstone professionals.

In addition, the Sponsor or its affiliates, in partnership with other life sciences specialist investors (the “Syndicate Partners”), own special purpose development companies, including SFJ Pharmaceuticals and Avillion, and could form, invest in, or acquire additional development companies in the future, including development companies wholly owned by the Sponsor or its affiliates (each a “Development Company” and collectively, the “Development Companies”). The Sponsor’s representatives have the right to sit on the board of directors of each of the Development Companies. The focus of each Development Company is to assist the Funds in identifying and diligencing high-quality, later stage assets in life sciences pipelines, to assist in the negotiation of satisfactory terms for transactions on these assets and/or to take the lead in executing the agreed development plans through the mutually agreed success milestone. The Sponsor (or its affiliates) and the Syndicate Partners (if applicable) have exclusive rights to all deal flow sourced by these Development Companies and as such cannot be offered to outside investors. The Sponsor’s team independently diligences each investment opportunity, is actively involved in negotiating the deal structure and economics, and carefully reviews the associated deal documentation with dedicated counsel. The Sponsor has significant involvement in the design of the trial protocol along with the Development Company and life sciences company counterparty. The Sponsor has authority over final deal terms and structures in all of these investments. In the future, the Sponsor could have different processes or control rights with respect to Development Companies, including in respect of any Development Company wholly-owned by the Sponsor or its affiliates. Please also see “—Development Companies” in Item 10 below.

The management teams of each Development Company could source and diligence investment opportunities. Each Development Company independently triages and prioritizes such opportunities and, with the input of its board, submits preliminary term sheet proposals when it feels a program has the potential to meet the Sponsor’s (or its affiliates) (and any Syndicate Partner(s) in such Development Company) investment criteria and returns targets. If further diligence and negotiation indicates the potential for a deal to be of interest to the Sponsor (or its affiliates) (and any Syndicate Partner(s) in such Development Company), then the Sponsor’s team responsible for that Development Company discuss the opportunity with the broader Sponsor team, and generally an independent Sponsor diligence team will be assembled to vet the opportunity. The Sponsor also works closely with the Development Companies and the life sciences counterparty in the final design of the clinical development plan for each investment opportunity.

The Sponsor also independently sources, evaluates and consummates select investment opportunities that fall outside the mandates of the Development Companies, or where another development team could have unique knowledge of, or rights to, a particular asset. Investments could also include the Sponsor collaborating with an existing, smaller life sciences company to finance the development of one or more of its assets through to a pre-agreed success milestone, which would in turn trigger a pre-negotiated acquisition of the company (or its program financed by the Sponsor) by a larger life sciences acquiror.

In addition to the extensive diligence conducted by the Development Company teams (where applicable), the Sponsor performs its own independent confirmatory diligence on each investment opportunity. For an investment opportunity proposed by a Development Company, the Sponsor's deal team generally will include additional members of the Sponsor's investment team who are not on the board of such Development Company.

Risk of Loss

An investment in the Funds entails a significant degree of risk and therefore should be undertaken only by investors capable of evaluating the risks of the Funds and bearing the risks such investments represent. Set forth below is a non-exhaustive list of such risks (some of which might not apply to a particular Fund):

1. Nature of Investments;
2. Uncertainty of Financial Results;
3. Past Performance Is Not Indicative of Future Results;
4. No Assurance of Profit or Distributions;
5. Uncertainty of Future Results;
6. Risks Associated with Investments in Life Sciences and Healthcare Products;
7. Investment Concentration;
8. Dependence on Single Products;
9. Uncertainty Related to Health Care Reimbursement and Reform Measures;
10. Economic, Political and Social Uncertainty in the U.S. and Globally;
11. Competition;
12. Leverage;
13. Bankruptcy;
14. Hedging Techniques;
15. Availability of Investment Capital;
16. Illiquidity of the Interests;
17. Long-Term Investment; No Assurance of Returns;
18. Illiquidity of Portfolio Investments;
19. Management of the Fund;

20. Dependence on the Managing Directors;
21. Reliance Upon Company Personnel;
22. Resolution of Conflicts; Investor Committee Approvals;
23. Regulatory and Enforcement Risks;
24. “Bad Actor” Disqualification for Private Placements under Regulation D;
25. Impact of the AIFM Directive;
26. European Union Uncertainty;
27. Political Risks;
28. Social and Political Unrest;
29. Compliance with the Cayman Islands Private Fund Law and Other International Law;
30. Certain Health Care Reform Measures;
31. Certain Litigation Risks;
32. Recourse to the Fund’s Assets;
33. Service on Boards and as Executives;
34. Risk of Dilution;
35. Side Agreements;
36. Cybersecurity Breaches, Identity Theft (including Software Code Protection), Denial of Service Attacks, Ransomware Attacks, and Social Engineering Attempts;
37. Fund Expenses;
38. Difficulty in Valuing Investments;
39. Distributions in Kind;
40. Contingent Liabilities on Disposition of Investments;
41. Controlled Group Risks;
42. The Fund as a Potential Party in Interest to Investing ERISA Plans;
43. Possibility of United States Internal Revenue Service (“IRS”) Examination or Other Audit;
44. Taxation;
45. Indemnification and Exculpation;

- 46. Return of Distributions;
- 47. Non-controlling Investments;
- 48. Material Non-Public Information;
- 49. Limited Access to Information;
- 50. Freedom of Information/Sunshine Laws;
- 51. Government Plan Partners;
- 52. Adequacy of Reserves; Participation in Follow-On Investments;
- 53. Uncertain Time Frame for Winding-Up Affairs;
- 54. Non-U.S. Investments;
- 55. Capital Calls;
- 56. Penalty for Failure to Make Capital Calls;
- 57. Failure of Limited Partners to Fulfill Their Commitment Obligations;
- 58. Fund Size;
- 59. Functional Currency;
- 60. Confidential Information;
- 61. Industry Specific Terminology;
- 62. Compliance with Tax Laws (Including FATCA and Partnership Audit Rules);
- 63. Financial and Tax Situation;
- 64. Withholding and Other Taxes;
- 65. Legal Counsel;
- 66. Factual Statements;
- 67. Track Record Information;
- 68. Lack of Operating History;
- 69. Definitive Terms and Conditions;
- 70. Special Caution for Investors in Second or Later Closings;
- 71. General Tax Considerations;

- 72. Development and Regulatory Approval;
- 73. Permits, Approvals and Licenses;
- 74. Benchmark Reform and the Impact on LIBOR and Other “IBOR” Rates;
- 75. CFIUS and similar Non-U.S. Regulatory Regimes;
- 76. Environment, Social and Governance;
- 77. GDPR/Privacy;
- 78. Placement Agents;
- 79. Technical Risk;
- 80. Renewable Energy Policy Risk;
- 81. Sovereign Risk;
- 82. Weather and Climatological Risks;
- 83. Enhanced Scrutiny and Potential Regulation of the Private Investment Fund Industry and the Financial Services Industry (Including SEC proposals to impose new regulatory restrictions and obligations on private fund advisers);
- 84. Impediments to M&A and Private Equity Activities;
- 85. Dependence on Patents, Trademarks and Other Intellectual Property;
- 86. Charitable and Political Contributions;
- 87. Intermediate Entities;
- 88. Access to Information from Portfolio Entities;
- 89. Political activities (including political contributions, hiring lobbyists and other permissible political activities in U.S. or non-U.S. jurisdictions);
- 90. Sustainability Risks;
- 91. Epidemics/pandemics;
- 92. Coronavirus and Public Health Emergencies; Legislative & Regulatory Enactments;
- 93. Misconduct by general partner employees and partnership service providers;
- 94. Expedited Transactions;
- 95. United Kingdom Relations With the European Union and Related Volatility;

- 96. Cayman Islands Regulatory Oversight;
- 97. Cayman Islands Data Protection;
- 98. Social and Political Unrest/Terrorist Activities/War;
- 99. Electronic Delivery of Certain Documents;
- 100. Exclusion; Excuse Rights;
- 101. European Market Infrastructure Regulation;
- 102. Alternative Investment Vehicles;
- 103. Corruption;
- 104. Climate Change Risk;
- 105. Technological, Scientific and Other Innovations
- 106. Access to Information from Portfolio Entities;
- 107. US Tax Reform;
- 108. Investments through Irish Collective Investment Vehicles;
- 109. Antitrust Risk;
- 110. Risks Related to Recent Developments in the Banking Sector;
- 111. Cybersecurity and Data Protection;
- 112. Artificial Intelligence Developments;
- 113. Data Protection;
- 114. Regulation with Respect to Private Funds and Investment Advisers;
- 115. October 7th Attacks on Israel; Aftermath; and
- 116. Custody and Banking Risks.

Investors are advised to review the applicable Fund's offering materials for a more extensive and detailed description of the applicable investment strategies and the risks of investing in such Fund.

Economic, political, regulatory, technological and industry conditions fluctuate substantially over time, and performance of any investment is not guaranteed. As a result, there is a risk of loss of value in the assets which the Clarus Adviser manages that is not in the Clarus Adviser's control. The Clarus Adviser cannot guarantee any level of performance or that investors in the Funds will not experience a substantial or complete investment loss. There is no assurance that

the Funds will be able to generate returns or that the returns will be commensurate with the risks inherent in their investment strategies. The marketability and value of any investment by a Fund will depend upon many factors beyond the control of the Clarus Adviser. The expenses of the Funds could exceed their income, and an investor in a Fund could lose the entire amount of its contributed capital. Therefore, an investor should only invest in a Fund as part of an overall investment strategy, and only if the investor can withstand a total loss of its investment. The past investment performance of the Funds cannot be taken to guarantee or predict future results of the Funds or any investment in the Funds.

Inflation. The U.S. and other developed economies are experiencing higher-than-normal inflation rates. It remains uncertain whether substantial inflation in the U.S. and other developed economies will be sustained over an extended period of time and how significantly it will impact the U.S. or other economies. Inflation and rapid fluctuations in inflation rates have had in the past, and could in the future have, negative effects on economies and financial markets, particularly in emerging economies. For example, if a Portfolio Entity is unable to increase its revenue in times of higher inflation, its profitability will likely be adversely affected, including, without limitation, as a result of increased operating costs. Portfolio Entities could have revenues linked to some extent to inflation, including, without limitation, by government regulations and contractual arrangements. Nevertheless, as inflation rises, even if a Portfolio Entity earns more revenue, it will typically also incur higher expenses. Furthermore, as inflation declines, it is possible that a Portfolio Entity will not be able to reduce expenses commensurate with any resulting reduction in revenue. Additionally, wages and prices of inputs increase during periods of inflation, which can negatively impact returns on investments. In an attempt to stabilize inflation, certain countries have imposed and could continue to impose wage and price controls or otherwise intervene in the economy, and certain central banks have raised and could continue to raise interest rates.

Past governmental efforts to curb inflation have also involved more drastic economic measures that have had a materially adverse effect on the level of economic activity in the countries where such measures were employed, and similar governmental efforts could be taken in the future to curb inflation and could have similar effects. Certain countries, including the U.S., have recently seen increased levels of inflation, and there can be no assurance that inflation will not become a more serious problem in the future and have a material adverse impact on the Funds' returns.

Recent Developments in the Banking Sector. Events involving limited liquidity, defaults, non-performance of contractual obligations, or other adverse developments that affect financial institutions, transactional counterparties or other companies in the financial services industry or that affect the financial services industry generally, or concerns or rumors about any events of these kinds or other similar risks, have in the past led and could in the future lead to market-wide liquidity problems. Notably, recent bank closures in the United States and Europe have caused uncertainty for financial services companies and fear of instability in the global financial system generally. Recent developments, such as the UBS Group AG's acquisition of Credit Suisse Group AG and JPMorgan Chase Bank's assumption of all of First Republic Bank's deposits and substantially all of its assets, and any similar future developments can be expected to also

have other implications for broader economic and monetary policy, including interest rate policy, and might impact the financial condition of banks and other financial institutions globally. In addition, certain financial institutions – in particular, smaller and/or regional banks but also certain global, systemically important banks – have experienced volatile stock prices and significant losses in their equity value, and there is concern that depositors at these institutions have withdrawn, or will withdraw in the future, significant sums from their accounts at these institutions. Notwithstanding intervention by U.S. governmental agencies to stabilize the banking sector and to protect the uninsured depositors of banks that have recently closed, there is no guarantee that the uninsured depositors of a financial institution that closes (which depositors could include a Fund and/or its Portfolio Entities) will be made whole or, even if made whole, that such deposits will become available for withdrawal in short order. There is a risk that other banks, or other financial institutions, will be similarly impacted, and it is uncertain what steps (if any) financial regulators and central banks would take in such circumstances. As a consequence, for example, a Fund and/or its Portfolio Entities could be delayed or prevented from accessing money, making any required payments under their own debt or other contractual obligations (including making payroll obligations) or pursuing key strategic initiatives, and investors could be impacted in their ability to honor capital calls and/or receive distributions. In addition, such bank failures or instability could affect, in certain circumstances, the ability of both affiliated and unaffiliated joint venture partners, lenders, co-lenders, syndicate lenders or other parties to undertake and/or execute transactions with a Fund, which in turn would result in fewer investment opportunities being made available to a Fund, result in shortfalls or defaults under existing investments, or impact a Fund's ability to provide additional follow-on support to Portfolio Entities. In addition, in the event that a financial institution that provides credit facilities and/or other financing to a Fund or its Portfolio Entities closes or experiences distress, there can be no assurance that such financial institution will honor its obligations or that the Fund or such Portfolio Entities will be able to secure replacement financing or capabilities at all or on similar terms and/or in a timely manner. See also “—Custody and Banking Risks” herein. There can be no assurances that a Fund or its Portfolio Entities will establish banking relationships with multiple financial institutions, and a Fund and its Portfolio Entities are expected to be subject to contractual obligations to maintain all or a portion of their respective assets with a particular bank (including without limitation, in connection with a credit facility or other financing transaction). Uncertainty caused by recent bank failures – and general concern regarding the financial health and outlook for other financial institutions – could have an overall negative effect on banking systems and financial markets generally. For the foregoing reasons, there can be no assurances that conditions in the banking sector and in global financial markets will not worsen and/or adversely affect a Fund, its Portfolio Entities or their respective financial performance.

Custody and Banking Risks. The Funds will maintain funds with one or more banks or other depository institutions (“Banking Institutions”), which include US and non-US Banking Institutions, and the Funds will enter into credit facilities or have other financial relationships with Banking Institutions. The distress, impairment or failure of one or more Banking Institutions with whom the Funds, their Portfolio Entities and/or the Clarus Adviser transact

could inhibit the ability of the Funds or their Portfolio Entities to access depository accounts or lines of credit at all or in a timely manner. In such cases, it is possible that the Funds would be forced to delay or forgo investments or to call capital when it is not desirable to do so, resulting in lower performance for the Funds. In the event of such a failure of a Banking Institution where the Funds or one or more of their Portfolio Entities holds depository accounts (including accounts used for depositing principal and interest payments from borrowers on loans owned by the Funds), access to such accounts could be restricted and U.S. Federal Deposit Insurance Corporation (“FDIC”) protection will generally not be available for balances in excess of amounts insured by the FDIC (and similar considerations could apply to Banking Institutions in other jurisdictions not subject to FDIC protection). In such instances, it is possible that the Funds and their affected Portfolio Entities would not recover such excess, uninsured amounts and instead, would only have an unsecured claim against the Banking Institution and participate pro rata with other unsecured creditors in the residual value of the Banking Institution’s assets. The loss of amounts maintained with a Banking Institution or the inability to access such amounts for a period of time, even if ultimately recovered, could be materially adverse to the Funds or their Portfolio Entities. One or more Fund investors or the Clarus Adviser could also be similarly affected and unable to fund capital calls, further delaying or deferring new investments. In addition, the Clarus Adviser will not always be able to identify all potential solvency or stress concerns with respect to a Banking Institution or to transfer assets from one bank to another in a timely manner in the event a Banking Institution comes under stress or fails.

Additionally, there can be no assurances that a Fund or its Portfolio Entities will establish banking relationships with multiple financial institutions. The Funds and their Portfolio Entities are expected to be subject to contractual obligations to maintain all or a portion of their respective assets with a particular bank (including, without limitation, in connection with a credit facility or other financing transaction). Moreover, the Advisers Act (as defined herein) custody rule generally prohibits the Clarus Adviser from transferring funds of a Fund to an account of the Clarus Adviser or its related persons. Circumstances could arise where such a bank shows signs of distress or impairment and Blackstone and Portfolio Entities would need to decide between (1) moving assets to another bank in breach of such contractual obligations or to an account of the Clarus Adviser or its related persons in potential violation of the Advisers Act custody rule (thereby exposing a Fund or its Portfolio Entities to breach of contract liability and/or regulatory risk), on the one hand, and (2) honoring the contractual obligations and adhering to the Advisers Act custody rule but running the risk of losing the assets, on the other hand. Either decision could have a material adverse effect on a Fund or its Portfolio Entities.

Artificial Intelligence Developments. Recent technological developments in artificial intelligence, including machine learning technology and generative artificial intelligence such as ChatGPT (collectively, “AI Technologies”), pose risks to the Clarus Adviser, the Funds, and the Portfolio Entities (including Portfolio Entities of the Funds and Other Blackstone Clients expected to provide services to Funds). Any of these technological innovations could result in harm to the Clarus Adviser or the Portfolio Entities, significantly disrupt the market in which

they operate and subject them to increased competition, which could materially and adversely affect their business, financial condition and operations, and have an adverse impact on Funds.

The Clarus Adviser, the Funds, and the Portfolio Entities intend to avail themselves of the benefits, insights and efficiencies that are available through the use of AI Technologies. However, the use of AI Technologies presents a number of risks that cannot be fully mitigated. For example, AI Technologies are highly reliant on the collection and analysis of large amounts of data and complex algorithms, but it is not possible or practicable to incorporate all relevant data into models that AI Technologies utilize to operate. Moreover, with the use of AI Technologies, there often exists a lack of transparency of how inputs are converted to outputs and the Clarus Adviser cannot fully validate this process and its accuracy. The accuracy of such inputs and the resulting impact on the results of AI Technologies cannot be verified and could result in a diminished quality of work product that includes or is derived from inaccurate or erroneous information. Further, inherent bias in the construction of AI Technologies can lead to a wide array of risks, including but not limited to accuracy, efficacy and reputational harm. Therefore, it is expected that data in such models will contain a degree of inaccuracy and error, and potentially materially so, and that such data, as well as algorithms in use, could otherwise be inadequate or flawed, which would be likely to degrade the effectiveness of AI Technologies and could adversely impact the Clarus Adviser, the Funds, or Portfolio Entities and investments to the extent they rely on the work product of such AI Technologies. At the same time, any interruption of access to or use of AI Technologies could impede the ability of the Clarus Adviser, the Funds, and Portfolio Entities to generate information and analysis that could be beneficial to them and their business, financial condition and results of operations. AI Technologies will likely also be competitive with certain business activities or increase the obsolescence of certain organizations' products or services, particularly as AI Technologies improve. This could also have an adverse impact on Portfolio Entities, the Clarus Adviser, and the Funds.

AI Technologies can also be misused or misappropriated by third parties and/or employees of the Clarus Adviser or Portfolio Entities. For example, there is a risk that a user will input confidential information, including material non-public information, or personal identifiable information, into AI Technologies applications, resulting in such information becoming part of a dataset that is accessible by other third-party AI Technologies applications and users, including competitors of the Clarus Adviser, the Funds, and their Portfolio Entities. Moreover, the Clarus Adviser, the Funds, and Portfolio Entities will not necessarily be in a position to control the manner in which third-party AI Technologies are developed or maintained or the manner in which third parties use AI Technologies to provide services, even where they have sought contractual protections. The use of AI Technologies, including potential inadvertent disclosure of confidential information or personal identifiable information of the Clarus Adviser, Funds, or Portfolio Entities, could also lead to legal and regulatory investigations and enforcement actions. Relatedly, the Clarus Adviser, the Funds and Portfolio Entities could be exposed to risks to the extent third-party service providers or any counterparties use AI Technologies in their business activities.

Regulations related to AI Technologies could also impose certain obligations on organizations, and the costs of monitoring and responding to such regulations, as well the consequences of non-compliance, could have an adverse effect on Blackstone, the Clarus Adviser, the Funds, and Portfolio Entities. For example, the EU is in the process of introducing a new regulation application to certain AI Technologies and the data used to train, test and deploy them (the “EU AI Act”). Once in effect, the EU AI Act would impose material requirements on both the providers and deployers of AI Technologies, with infringement punishable by sanctions of up to 7% of annual worldwide turnover or EUR 35 million (whichever is higher) for the most serious breaches. See also the description of the Predictive Data Proposal in “—Regulation with Respect to Private Funds and Advisers” herein. Complying with the EU AI Act and the Predictive Data Proposal, once effective, and other regulations related to AI Technologies, could involve material compliance costs and/or adversely affect the operations or results of Blackstone, the Clarus Adviser, and Portfolio Entities, and have an adverse impact on the Funds.

AI Technologies and their current and potential future applications, including in the private investment and financial sectors, as well as the legal and regulatory frameworks within which they operate, continue to rapidly evolve, and it is not possible to predict the full extent of current or future risks related thereto. For more information on risks relating to information security, see “—Cybersecurity and Data Protection” herein.

Geopolitical Conflicts and Risk. As economies and financial markets worldwide become increasingly interconnected, the likelihood increases that geopolitical conflicts in one country or region will adversely impact markets or issuers in other countries or regions, including in ways that are difficult to predict or foresee. The impacts of these conflicts or events can be exacerbated by failures of governments and societies to respond adequately to a geopolitical conflict and subsequent emerging events or threats. For example, local or regional armed conflicts have led to significant sanctions by the U.S., EU, and other countries against certain countries and persons and companies connected with certain countries. Such armed conflicts and sanctions and other local or regional developments can exacerbate global supply and pricing issues, particularly those related to oil and gas, and result in other adverse developments and circumstances, as well as increased general uncertainty, for markets, economies, issuers, businesses, and societies both globally and in specific jurisdictions. Although these types of conflicts have occurred and could also occur in the future, it is difficult to predict when similar conflicts affecting the U.S. or global financial markets and economies will occur, the effects of such events or conditions, potential retaliations in response to sanctions or similar actions, and the duration or ultimate impact of those conflicts. Any such conflicts could have a significant adverse impact on the operations, risk profile, and value of the Funds and their Portfolio Entities, with or without direct exposure to the specific geographies, markets, countries or persons involved in an armed conflict or subject to sanctions.

Russian Invasion of Ukraine/Sanctions. On February 24, 2022, Russian troops began a full-scale invasion of Ukraine and, as of the date of this Brochure, 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.

Israel– Hamas War. On October 7th, 2023, Hamas (an organization which governs Gaza, and which has been designated as a terrorist organization by the United States, the United Kingdom, the European Union, Australia and other nations), committed a terrorist attack within Israel (the “October 7th Attacks”). Israel responded by initiating a full-scale invasion of Gaza and, as of the date of this Brochure, Israel and Hamas remain in active armed conflict. It is possible the armed conflict will expand and ultimately more actively involve the United States, Lebanon (and/or Hezbollah), Syria, Iran and/or other countries or terrorist organizations, any of which will exacerbate the risks described above. In response to the October 7th Attacks, the United States has announced sanctions and other measures against Hamas-related persons and organizations, and the United States (and other countries) can be expected to announce further sanctions related to the ongoing conflict in the future.

The aforementioned ongoing conflicts and the measures taken in response have had and could be expected to continue having a negative impact on the economy and business activity globally (including in the countries in which a Fund invests), and therefore could adversely affect the performance of a Fund’s investments. The severity and duration of the conflict and its future impact on global economic and market conditions (including, for example, oil prices) are impossible to predict, and as a result, present material uncertainty and risk with respect to the a Fund and the performance of its investments, Portfolio Entity operations, and the ability of a Fund to achieve its investment objectives. Similar risks exist to the extent that any Portfolio Entities, service providers and vendors of Blackstone, the Clarus Adviser, the Funds and any Portfolio Entities, or certain other parties have material operations or assets in the countries where such conflicts are taking place or in the immediate surrounding areas.

Other geopolitical conflicts could arise in the future and such conflicts could have material adverse consequences on Blackstone, the Clarus Adviser, the Funds and their Portfolio Entities.

Furthermore, if after subscribing to a Fund, an investor or any beneficial owner thereof is included on a list of prohibited entities and individuals maintained by a relevant regulatory and/or government entity, including the Office of Foreign Asset Control, or under similar EU and UK regulations or under other applicable law, or are operationally based or domiciled in a country or territory in relation to which current sanctions have been issued by the U.S., United Nations, EU, UK, Luxembourg, the Cayman Islands and/or other applicable jurisdictions, the Funds would likely be required to cease any further dealings with such investor or freeze any dealings with the interests or accounts of the investor (e.g., by prohibiting payments by or to the investor or restricting or suspending dealings with the interests or accounts) or freeze the assets of a Fund until such sanctions are lifted or a license is sought under applicable law to continue dealings. Funds could further have to report to the relevant competent authorities the implementation of any restrictive measures carried out pursuant to international financial sanctions. For the avoidance of doubt, the Sponsor of a Fund has the sole discretion to determine the remedy if an investor is included on a sanctions list and is under no obligation to seek a license or any other relief to continue dealing with such investor. Although the Clarus

Adviser and its affiliates expend significant effort and resources to comply with the sanctions regimes in the countries where it operates, one of these rules could be violated by Blackstone's or a Fund's activities or investors, which would adversely affect the Funds.

Regulation with Respect to Private Funds and Advisers. The Clarus Adviser is subject to regulation by the SEC. In recent years, the SEC staff's stated examination priorities and published observations from examinations have included, among other things, private equity firms' collection of fees and allocation of expenses, their marketing and valuation practices, custody practices, allocation of investment opportunities, terms agreed to in side letters and similar arrangements with investors, consistency of firms' practices with their disclosures, handling of material non-public information and insider trading, use of affiliated service providers, adviser-led restructurings, ESG investing, purported waivers or limitations of fiduciary duties and the existence of, and adherence to, policies and procedures with respect to conflicts of interest.

In August 2023, the SEC voted to adopt rules and amendments to existing rules under the U.S. Investment Advisers Act of 1940, as amended from time to time (the "Advisers Act") (collectively, the "Private Funds Rules"), specifically related to investment advisers and their activities with respect to the private funds they advise. In particular, the Private Funds Rules will, among other things, (i) impose quarterly reporting by private funds to investors that is required to contain detailed information on performance, investments, adviser-compensation, fees and expenses, and capital inflows and outflows; (ii) require registered investment advisers to obtain an annual audit for all private funds that meets the requirements of the existing Advisers Act custody rule; (iii) require registered investment advisers to obtain a fairness or valuation opinion and make certain disclosures in connection with adviser-led secondary transactions (also known as GP-led secondaries); (iv) restrict advisers from engaging in certain practices unless they satisfy certain disclosure requirements and, in some cases, consent requirements, including, without limitation, (a) charging regulatory or compliance fees or expenses, or fees or expenses associated with an examination, of the investment adviser or its related persons to private fund clients, (b) seeking reimbursement for certain investigation-related expenses, (c) reducing the amount of the General Partner's clawback by actual, potential or hypothetical taxes applicable to the General Partner or its employees, (d) borrowing from a private fund, or (e) making non-pro rata investment-related expense allocations; (v) restrict advisers from providing certain forms of preferential treatment to private fund investors related to liquidity and information rights if they would be reasonably expected to have a material negative effect on other investors and otherwise require advisers to make certain disclosures regarding preferential treatment of investors; and (vi) prohibit an adviser from having a private fund bear the costs of any fees or expenses related to an investigation resulting in a court or governmental authority imposing a sanction for violating the Advisers Act. The Private Funds Rules also impose additional requirements on advisers to document their annual compliance reviews in writing and retain additional required books and records relating to private funds they advise. Although the legality of the Private Funds Rules is currently being challenged in federal court, it is uncertain whether this legal challenge will succeed.

While the full impact of the Private Funds Rules cannot yet be determined, it is generally anticipated that these rules will have a significant effect on private fund advisers and their operations, including by increasing regulatory and compliance costs and burdens and heightening the risk of regulatory inquiries and actions (including public regulatory sanctions) and limiting the Clarus Adviser's ability or willingness to negotiate certain types of individualized terms with investors in the Funds or similar pools of assets, which can be expected to cause certain investors to not subscribe to the Funds who otherwise might have. To the extent permitted under the Organizational Documents, the Funds are expected to bear (either directly or indirectly through their Portfolio Entities) certain regulatory and compliance costs relating to the Private Funds Rules, which could include (without limitation): fees, costs and expenses incurred in connection with preparing and distributing to investors the quarterly statements required by the rules, soliciting and obtaining from investors any consents required by the rules, providing investors with any notices or disclosures required by the rules and obtaining and distributing to investors fairness or valuation opinions in connection with adviser-led secondary transactions (including fees paid to third parties engaged by the Clarus Adviser or the Funds to perform or assist with such actions or processes), which fees, costs and expenses could be expected to be material.

In addition, in July 2023, the SEC proposed new predictive data analytics rules (the "Predictive Data Proposal"), which would require broker-dealers and registered investment advisers to (1) identify certain covered technologies (defined to include any analytical, technological, or computational function, algorithm, model, correlation matrix, or similar method or process that optimizes for, predicts, guides, forecasts, or directs investment-related behaviors or outcomes, and not limited to "artificial intelligence", algorithmic trading or machine learning processes) which present or could present conflicts of interest in direct or indirect interactions (including exercising investment discretion, managing investments, providing information or soliciting new investment) with investors (including investors in pooled investment vehicles) and (2) eliminate or neutralize (rather than just disclose) such conflicts. Advisers using covered technologies would be required to adopt policies and procedures reasonably designed to prevent violations of the proposed rule, detailing the processes for identifying and evaluating covered technologies and conflicts of interest and for eliminating or neutralizing the effect of such conflicts, and advisers would also be subject to associated annual review and recordkeeping requirements (such as, maintaining a record of all covered technologies used in investor interactions, including the date of first use and each date on which the technology is materially modified). If adopted, the proposed rule could expose the Clarus Adviser to additional regulatory uncertainty, liability and increased compliance and other costs related to procuring, utilizing and monitoring covered technologies used in direct or indirect interactions with investors (including the costs of onboarding service and technology providers). If adopted, the Predictive Data Proposal could also cause the Clarus Adviser to limit or discontinue its use of certain covered technologies (even in cases where such technologies could benefit the Funds or investors, including in connection with the Clarus Adviser's management of investments in Portfolio Entities) in order to: eliminate or neutralize conflicts associated therewith or to avoid the costs or burdens of complying with the rule with respect to such technologies, limit certain direct or indirect interactions with investors that involve the use of a covered technology, or

otherwise alter how it integrates covered technologies into its investment management services and related processes, which could be detrimental to the Funds and Fund investors, particularly given the proposed rule's breadth.

In February 2023, the SEC proposed extensive amendments to the Advisers Act custody rule (the "Proposed Safeguarding Rule"), which would, if adopted as currently proposed, extend the existing custody rule's requirements beyond cash and securities to any positions held in an advisory client's accounts (including investments in royalties and transferable contractual arrangements ("Contracts") with pharmaceutical, biotechnology and medical device, diagnostic and life sciences tools (collectively, "MedTech" and together with pharmaceutical and biotechnology, "Life Sciences") companies which are expected to account for a substantial portion of the investments of one or more of the Funds, as well as royalties and other synthetic rights); require registered investment advisers to enter into new or amended written agreements with each qualified custodian ("QC") used to maintain client assets and obtain written assurances from that QC related to, among other matters, indemnification of client losses and the QC's standard of care; require that a QC maintains possession or control of client assets, whereby the QC is required to participate in and effectuate any change of beneficial ownership of the assets, except with respect to certain privately offered securities and physical assets that the adviser reasonably determines (and documents in writing) cannot be maintained by a QC in a manner in which such QC can maintain possession or control of those assets.

If adopted, the proposed amendments could expose the Clarus Adviser to additional regulatory liability, increase compliance costs and costs related to custodizing the Funds' assets (including costs of identifying and negotiating with new and existing QCs) and limit the number of QCs available (or make it more costly for such QCs to operate, which might result in higher expenses to the Funds). It is unclear whether existing QCs will continue to provide custodial services in the future given the requirements of the Proposed Safeguarding Rule and whether such services will be available at a reasonable cost. Furthermore, the Proposed Safeguarding Rule could also limit the Sponsor's ability to make certain types of investments on behalf of the Funds that are described herein as being a significant component of the Funds' overall investment strategy. The Proposed Safeguarding Rule could have a material adverse effect on the Funds, Clarus Adviser and Blackstone. In particular, the proposed requirement that the QC maintain possession or control of the Contract and participate in or effectuate any change of its beneficial ownership would pose substantial obstacles to the Funds' investment in Contracts, since this requirement could require the QC to become a party to certain Contracts. QCs and/or Life Sciences companies might not agree to making the QC a party to the Contract, and even if some QCs and Life Sciences companies did not object to the QC becoming party to these Contracts, interposing a third-party such as the QC into a Contract could make these Contracts less viable and profitable in the marketplace. While the Proposed Safeguarding Rule includes an exception to the requirement that the QC maintain possession and control of the assets for certain privately offered securities and physical assets under certain conditions as discussed above, this exception does not apply to Contracts, and even if the exception were expanded to cover Contracts, it might not be feasible for the Contracts to satisfy the conditions for this exception.

In May 2022, the SEC proposed ESG-related rules for investment advisers and for 1940 Act funds that address, among other things, enhanced ESG-related disclosure requirements concerning the incorporation of ESG factors in their investment activities (the “Proposed ESG Rules”). This could increase the risk that the Adviser will be perceived as, or accused of, greenwashing (i.e., the making of inaccurate or misleading statements related to ESG). Such perception or accusation could damage the Adviser’s reputation, result in litigation or regulatory actions, and adversely impact the Adviser’s ability to raise capital and attract new investors.

The SEC also adopted amendments to Form PF in May 2023 and in February 2024, which impose additional reporting obligations on registered investment advisers with respect to the private funds they manage (the “Form PF Amendments”). In addition, the SEC has also recently proposed, and can be expected to propose, additional new rules and rule amendments under the Advisers Act in respect of cybersecurity risk governance for advisers and broker dealers, the outsourcing of certain functions to service providers and changes to Regulation S-P (together with the Proposed ESG Rules, the Proposed Safeguarding Rule and the Predictive Data Proposal, the “Proposed Rules”).

The Private Funds Rules, the Proposed Safeguarding Rule, and the Form PF Amendments, as well as the Proposed Rules, to the extent adopted, are expected to result in material alterations to how Blackstone and the Clarus Adviser operate their business and/or the Funds, as well as the Clarus Adviser’s implementation of the Funds’ investment strategy, to significantly increase compliance burdens and associated costs (which, to the extent permitted under the Organizational Documents and consistent with applicable law, including the Private Funds Rules (once they become effective), will be treated as partnership expenses) and to possibly restrict the ability of the Clarus Adviser to receive certain expense reimbursements or allocate certain expenses in certain circumstances. This regulatory complexity, in turn, could increase the need for broader insurance coverage by fund managers and increase such costs and expenses charged to the Funds and their investors, if permitted. Certain of the proposed rules could also increase the cost of entering into and maintaining relationships with service providers to the Clarus Adviser and the Funds and/or limit the number of service providers in a manner detrimental to the Clarus Adviser or the Funds. In addition, these amendments could increase the risk of exposure of the Funds, the Clarus Adviser and Blackstone to additional regulatory scrutiny, litigation, censure and penalties for noncompliance or perceived noncompliance, which in turn would be expected to adversely (potentially materially) affect the Clarus Adviser’s, Blackstone’s and the Funds’ reputation, and to negatively impact the Funds in conducting their business. There can be no assurance that the Private Funds Rules and any other new SEC or other regulatory rules and amendments will not have a material adverse effect on Blackstone, the Clarus Adviser, the Funds and their Investments and/or the Funds’ investors or that such rules or amendments will not materially reduce returns to Fund investors.

ESG Framework Risk. Blackstone has established a firm-wide ESG policy and related programs and procedures, including Clarus Adviser’s ESG Policy and Procedures and certain Fund-specific ESG practices (collectively, the “ESG Framework”), which outlines the Clarus Adviser’s approach

to integrating ESG in its business and investment activities. The Clarus Adviser intends to apply the ESG Framework, as applicable, across investments consistent with and subject to its fiduciary duties and applicable legal, regulatory or contractual requirements. The Clarus Adviser will endeavor to consider material¹ ESG factors where applicable in connection with a Fund's investment activities in order to protect and maximize investment performance, however, such framework is not part of the Funds' investment objective or intended to limit available investments. Any reference herein to environmental or social considerations is not intended to qualify the Funds' investment objective to maximize risk adjusted returns on investment. However, the act of selecting and evaluating material ESG factors is subjective by nature, and there is no guarantee that the criteria utilized or judgment exercised by the Clarus Adviser or a third-party ESG specialist (if any) will reflect the beliefs, values, internal policies or preferred practices of any particular investor or align with the beliefs or values or preferred practices of other asset managers or with market trends. Additionally, ESG factors are only some of the many factors that the Clarus Adviser will consider in making an investment and, depending on the nature of the investment, except to the extent required by law, ESG factors will not be considered for certain investments or assets. Although the Clarus Adviser considers application of the ESG Framework to be an opportunity to enhance or protect the performance of investments over the long-term, the Clarus Adviser cannot guarantee that the application of its ESG Framework, which depends in part on skills and qualitative judgments, will positively impact the performance of any individual Portfolio Entity or Fund. Similarly, to the extent the Clarus Adviser or a third-party ESG specialist engages with portfolio investments on ESG related practices and potential enhancements thereto, there is no guarantee that such engagements will improve the performance of the investment. Successful engagement efforts will depend on the Clarus Adviser's ability to properly identify and analyze material ESG considerations and other factors and their value, and there can be no assurance that the strategy or techniques employed will be successful.

The materiality of sustainability risks and impacts on an individual asset or issuer and on a portfolio as a whole depends on many factors, including the relevant industry, country, asset class and investment style. In evaluating a prospective investment or providing reporting regarding such investment, the Clarus Adviser often depends upon (and will not independently verify) information and data provided by the entity or obtained via third-party reporting or advisors, which will, in certain circumstances, be incomplete or inaccurate and could cause the Clarus Adviser to incorrectly identify, prioritize, assess or analyze the entity's ESG practices and/or related risks and opportunities. The Clarus Adviser can be expected to decide in its discretion not to utilize certain information or data. While the Clarus Adviser believes such sources to be reliable, it will neither update any such information or data nor undertake an independent review of any such information or data provided by third parties. Subject to any

¹ As used in this instance, "material" ESG factors are defined as those factors that the Clarus Adviser determines have - or have the potential to have - a material impact on an investment's going-forward ability to create, preserve or erode economic value, including as related to environmental and social value, for that organization and its partners. The word "material" as used herein should not be equated to or taken as a representation about the "materiality" of such ESG factors under the U.S. federal securities laws or any similar legal or regulatory regime globally.

applicable legal or regulatory requirements, any ESG reporting will be provided in the Clarus Adviser's sole discretion.

In addition, the Clarus Adviser's ESG Framework is expected to change over time. In certain circumstances, the Clarus Adviser could determine, in its discretion, to revisit the implementation of certain of its ESG initiatives (including due to cost, timing, or other considerations). It is also possible that market dynamics or other factors will make it impractical, inadvisable or impossible for the Clarus Adviser to adhere to all ESG-related elements of a particular Fund's investment strategy, including with respect to ESG risk and opportunity management, whether with respect to one or more individual investments or to the Fund's portfolio generally.

There is also growing regulatory and investor interest, particularly in the US, UK, and EU (which will be looked to as models in growth markets), in improving transparency around how asset managers define and measure ESG performance, in order to allow investors to validate and better understand sustainability claims. The Clarus Adviser can be expected to be subject to increasing scrutiny from regulators, elected officials, and investors with respect to ESG matters. In recent years, certain investors, including public pension funds, have placed increasing importance on the impacts of investments made by the private funds to which they commit capital, including with respect to climate change, among other aspects of ESG. Conversely, certain investors have raised concerns as to whether the incorporation of ESG factors in the investment and portfolio management process is inconsistent with the fiduciary duty to maximize returns for investors. The Clarus Adviser can expect to be subject to competing demands from different investors and other groups with divergent views on ESG matters, including the role of ESG in the investment process. This divergence increases the risk that any action or lack thereof with respect to ESG matters will be perceived negatively by at least some investors and/or interested parties and adversely impact the Clarus Adviser's reputation and business.

Regulatory initiatives to require investors to make disclosures to their investors regarding ESG matters have become increasingly common, which will further increase the number and type of investors who place importance on these issues and who demand certain types of reporting from Blackstone or the Clarus Adviser. In addition, government authorities of certain U.S. states have requested information from and scrutinized certain asset managers with respect to whether such managers have adopted ESG policies that could restrict such asset managers from investing in certain industries or sectors, such as conventional energy. These authorities have indicated that such asset managers could lose opportunities to manage money belonging to these states and their pension funds to the extent the asset managers boycott certain industries. The SEC maintains an enforcement task force to examine ESG practices and disclosures by public companies and investment managers and identify inaccurate or misleading statements, often referred to as "greenwashing." The SEC has commenced enforcement actions against at least three investment advisers relating to ESG disclosures and policies and procedures failures, and Blackstone expects there will continue to be significant enforcement activity in this area. The SEC has also proposed ESG-related rules for investment advisers and for 1940 Act funds that address, among other things, enhanced ESG-related

disclosure requirements concerning the incorporation of ESG factors in their investment activities. This could increase the risk that the Clarus Adviser will be perceived as, or accused of, greenwashing. Such perception or accusation could damage the Clarus Adviser's reputation, result in litigation or regulatory actions. Outside of the United States, the European regulatory environment for alternative investment fund managers and financial services firms can be expected to evolve and increase in complexity and make compliance more costly and time-consuming. The Clarus Adviser's ESG Framework is subject to evolving regulations and could in the future become subject to additional regulation, penalties and/or risks of regulatory scrutiny and enforcement. Compliance with new requirements will lead to increased management burdens and costs, which has the potential to adversely affect the Funds and which, to the extent permitted under the Organizational Documents, costs will be borne by the Funds as partnership expenses.

The Clarus Adviser cannot guarantee that its current approach will meet future regulatory requirements, reporting frameworks or best practices. If the SEC or any other governmental authority, regulatory agency or similar body were to take issue with past or future practices of Blackstone or the Clarus Adviser, then the Clarus Adviser will be at risk for regulatory sanction, and any such investigations could be costly, distracting and/or time consuming for the Clarus Adviser and the Funds. There is also risk of mismatch between US, EU and UK initiatives relating to ESG.

Further, ESG integration and responsible investing practices as a whole are evolving rapidly and there are different frameworks and methodologies being implemented by other asset managers. The Clarus Adviser's ESG Framework does not represent a universally recognized standard for assessing ESG considerations and can be expected to not align with the approach used by other asset managers or preferred by prospective investors or with future market trends.

Additionally, Blackstone has established certain firmwide and business group-specific ESG-related initiatives. Although the aim of these initiatives is to create strong returns for investors, the pursuit of these initiatives (which could include data collection, analysis and reporting, among other activities) will involve the dedication of time and resources and there is consequently a risk that the pursuit of these initiatives could result in a Fund performing differently than investment funds that do not have ESG-related initiatives. Further, these ESG-related initiatives are aspirational and not guarantees or promises that all or any such initiatives will be achieved.

Epidemics/Pandemics. Certain countries have been susceptible to epidemics, which can be designated as pandemics by world health authorities, most recently a novel and highly contagious form of coronavirus ("COVID-19"). The outbreak of such epidemics or pandemics, together with any resulting restrictions on travel or quarantines imposed, has had and could continue to have a negative impact on the economy and business activity globally (including in the countries in which the Funds invest), and thereby can be expected to adversely affect the performance of the Funds' 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, presents material uncertainty and risk with respect to the Funds, the performance of their investments, Portfolio Entity operations, and the ability of the Funds to achieve their investment objectives. In addition, if any clinical trial (including enrollment therein) or regulatory approval process for pharmaceuticals is delayed, otherwise hindered or abandoned as a result of such epidemics or pandemics (including COVID-19), this could have a negative impact on the ability of the Funds' investments to engage in trials or receive approvals, and thereby could adversely affect the performance of the Funds' investments

Coronavirus and Public Health Emergencies. From 2020 to 2022, in response to the COVID-19 pandemic, many countries instituted quarantine restrictions and took other measures to limit the spread of the virus. This resulted in labor shortages and disruption of supply chains and contributed to prolonged disruption of the global economy. It is difficult to predict the extent to which the ripple effects of the COVID-19 pandemic will continue to be felt and adversely affect the Funds' investments.

In addition, a widespread reoccurrence of COVID-19 (including any new or variant outbreaks) or another pandemic or global health crisis could increase the possibility of periods of increased restrictions on business operations, labor shortages and disruption of supply chains, which could have a significant adverse impact on the Funds' and Portfolio Entities' business, financial condition, results of operations, liquidity and prospective investments and exacerbate many of the other risks discussed herein.

In the event of another pandemic or global health crisis like the COVID-19 pandemic, Portfolio Entities could experience decreased revenues and earnings, which could adversely impact the Clarus Adviser's ability to realize value from such investments and in turn reduce the Funds' performance. Investments in certain sectors, including hospitality, location-based entertainment, retail, travel, leisure and events, office and residential, and in certain geographies could be particularly negatively impacted, as was the case during the COVID-19 pandemic. Portfolio Entities could also face increased credit and liquidity risk due to volatility in financial markets, reduced revenue streams and limited access or higher cost of financing, which could result in potential impairment of the Funds' investments. In addition, it can be expected that borrowers of loans, notes and other credit instruments in the Funds' portfolios will be unable to meet some or all of their principal or interest payment obligations or satisfy financial covenants, resulting in a decrease in value of the Funds' investments. In the event of significant credit market contraction as a result of a pandemic or similar global health crisis, certain Funds could be limited in their ability to sell assets at attractive prices or in a timely manner in order to avoid losses and margin calls from credit providers.

A pandemic or global health crisis can be expected to also pose enhanced operational risks. For example, the Clarus Adviser's employees could become sick or otherwise unable to perform their duties for an extended period, and extended public health restrictions and remote working arrangements can be expected to impact employee morale, integration of new employees and preservation of Blackstone's culture. Remote working environments could also be less secure and more susceptible to hacking attacks, including phishing and social

engineering attempts. Moreover, the Clarus Adviser's third-party service providers could be impacted by an inability to perform due to pandemic-related restrictions or by failures of, or attacks on, their technology platforms. Additionally, restrictions on immigration and processing of visas and other work permits could affect the work force of the Funds' Portfolio Entities, some of which rely on foreign talent as an important part of their work force, which could have a material adverse impact on their ability to implement their business plans.

In connection with a public health emergency like the COVID-19 pandemic, the Clarus Adviser determined in the past, and could in the future determine, in its discretion, that it is most effective and/or efficient to use private air and/or charter travel due to travel restrictions and/or health and safety considerations, including to and from locations where the Clarus Adviser's personnel are currently living (even if different than where the Clarus Adviser has historically had offices). The cost of such private air or charter travel, which could be increased due to the pandemic, shall be an expense of the Funds subject to and in accordance with the Clarus Adviser's policies and the Organizational Documents.

Cybersecurity and Data Protection. Blackstone's operations are highly dependent on its technology platforms, and Blackstone relies heavily on its analytical, financial, accounting, communications and other data processing systems. Blackstone's systems face ongoing cybersecurity threats and attacks, which could result in the loss of confidentiality, integrity or availability of such systems and the data held by such systems. Attacks on Blackstone's systems could involve, and in some instances have in the past involved, attempts intended to obtain unauthorized access to Blackstone's, the Funds' or Other Blackstone Clients' and their underlying investors' proprietary information, destroy data or disable, degrade or sabotage Blackstone's systems, or divert or otherwise steal funds, including through the introduction of computer viruses, "phishing" attempts and other forms of social engineering. Attacks on Blackstone's systems could also involve ransomware or other forms of cyber extortion. Cyberattacks and other data security threats could originate from a wide variety of external sources, including cyber criminals, nation state hackers, hacktivists and other outside parties. Cyberattacks and other security threats could also originate from the malicious or accidental acts of insiders, such as employees, consultants, independent contractors or other service providers.

There has been an increase in the frequency and sophistication of the cyber and data security threats Blackstone faces, with attacks ranging from those common to businesses generally to those that are more advanced and persistent, which could target Blackstone because, as an alternative asset management firm, Blackstone holds a significant amount of confidential and sensitive information about the Funds, Other Blackstone Clients and their respective Portfolio Entities, potential investments and investors. As a result, Blackstone could face a heightened risk of a security breach or disruption with respect to this information. There can be no assurance that measures Blackstone takes to ensure the integrity of its systems will provide adequate protection, especially because cyberattack techniques are continually evolving and it is possible cyberattacks will persist undetected over extended periods of time and/or will not be mitigated in a timely manner to prevent or minimize the impact of an attack on Blackstone, the Funds, Other Blackstone Clients and their respective Portfolio Entities, potential

investments or investors. If Blackstone's systems or those of third party service providers are compromised either as a result of malicious activity or through inadvertent transmittal or other loss of data, do not operate properly or are disabled, or Blackstone fails to provide the appropriate regulatory or other notifications in a timely manner, Blackstone could suffer financial loss, increased costs, a disruption of Blackstone's businesses, liability to Blackstone's counterparties, the Funds, Other Blackstone Clients and their respective investors, regulatory intervention or reputational damage. It can be expected that costs related to certain cyber or other data security threats or disruptions will not be fully insured or indemnified by other means.

In addition, Blackstone could also suffer losses in connection with updates to, or the failure to timely update, the technology platforms on which it relies. Blackstone is reliant on third party service providers for certain aspects of its business, including for the administration of certain Funds and Other Blackstone Clients, as well as for certain technology platforms, including cloud-based services. These third party service providers could also face ongoing cybersecurity threats and compromises of their systems and as a result, unauthorized individuals could gain, and in some past instances have gained, access to certain confidential data.

Cybersecurity and data protection have become top priorities for regulators around the world. Many jurisdictions in which Blackstone operates have laws and regulations relating to privacy, data protection and cybersecurity, including, as examples, the General Data Protection Regulation ("GDPR") in the European Union, the U.K. Data Protection Act, and the California Privacy Rights Act ("CPRA"). In addition, in February 2022, the SEC proposed rules regarding registered investment advisers' and funds' cybersecurity risk management requiring the adoption and implementation of cybersecurity policies and procedures, enhanced disclosure in regulatory filings and prompt reporting of certain cybersecurity incidents to the SEC, which, if adopted, could increase Blackstone's compliance costs and potential regulatory liability related to cybersecurity. Some jurisdictions have also enacted or proposed laws requiring companies to notify individuals and government agencies of data security breaches involving certain types of personal data.

Breaches in Blackstone's security or in the security of third party service providers, whether malicious in nature or through inadvertent transmittal or other loss of data, could potentially jeopardize Blackstone's, its employees', the Funds', Other Blackstone Clients', Portfolio Entities' or their respective investors' or counterparties' confidential, proprietary and other information processed and stored in, and transmitted through, Blackstone's computer systems and networks, or otherwise cause interruptions or malfunctions in Blackstone's, its employees', the Funds', Other Blackstone Clients', Portfolio Entities', their respective investors' or counterparties' or third parties' business and operations, which could result in significant financial losses, increased costs, liability to the Funds' and Other Blackstone Clients' investors and other counterparties, regulatory intervention and reputational damage. Furthermore, if Blackstone fails to comply with the relevant laws and regulations or fails to provide the appropriate regulatory or other notifications of breach in a timely matter, it could result in regulatory investigations and penalties, which could lead to negative publicity and reputational harm and could cause the Funds' and Other Blackstone Clients' investors and clients to lose

confidence in the effectiveness of Blackstone's security measures and Blackstone more generally.

The Funds' and Other Blackstone Clients' Portfolio Entities also rely on data processing systems and the secure processing, storage and transmission of information, including payment and health information, which in some instances are provided by third parties. A disruption or compromise of these systems could have a material adverse effect on the value of these businesses. Certain Funds and Other Blackstone Clients could invest in strategic assets having a national or regional profile or in infrastructure, the nature of which could expose them to a greater risk of being subject to a terrorist attack or a security breach than other assets or businesses. Such an event could have material adverse consequences on Blackstone's investment or assets of the same type or could require Portfolio Entities to increase preventative security measures or expand insurance coverage.

Finally, the Funds' and Other Blackstone Clients' portfolio companies' technology platforms, data and intellectual property are also subject to a heightened risk of theft or compromise to the extent Blackstone or the Funds' and Other Blackstone Clients' portfolio companies engage in operations outside the United States, in particular in those jurisdictions that do not have comparable levels of protection of proprietary information and assets such as intellectual property, trademarks, trade secrets, know-how and customer information and records. In addition, Blackstone and the Funds' and Other Blackstone Clients' Portfolio Entities could be required to compromise protections or forego rights to technology, data and intellectual property in order to operate in or access markets in a foreign jurisdiction. Any such direct or indirect compromise of these assets could have a material adverse impact on Blackstone and the Funds' and Other Blackstone Clients' portfolio companies.

Rapidly developing and changing global data security and privacy laws and regulations could increase compliance costs and subject Blackstone to enforcement risks and reputational damage.

Blackstone, the Funds, Other Blackstone Clients and/or their respective Portfolio Entities are subject to various risks and costs associated with the collection, storage, transmission and other processing of personally identifiable information ("PII") and other sensitive and confidential information. This data is wide ranging and relates to Blackstone's investors, employees, contractors and other counterparties and third parties.

Blackstone's data security and privacy compliance obligations impose significant compliance costs on Blackstone, which could increase significantly as laws and regulations evolve globally. Blackstone's compliance obligations include those relating to U.S. laws and regulations, including, without limitation, state regulations such as the CPRA, which provides for enhanced consumer protections for California residents, a private right of action for data breaches and statutory fines and damages for data breaches or other California Consumer Privacy Act ("CCPA") violations, as well as a requirement of "reasonable" cybersecurity. At the U.S. federal level, the SEC has proposed changes to Regulation S-P, which would require, among other things, that investment companies, broker-dealers, and SEC-registered investment advisers

notify affected individuals of a breach involving their personal financial information within 30 days of becoming aware that it occurred.

Blackstone's compliance obligations also include those relating to foreign data collection and privacy laws, including, for example, the GDPR and U.K. Data Protection Act, as well as laws in many other jurisdictions globally, including Switzerland, Japan, Hong Kong, Singapore, India, China, Australia, Canada and Brazil. Global laws in this area are rapidly increasing in the scale and depth of their requirements, and are also often extra-territorial in nature. In addition, a wide range of regulators and private actors are seeking to enforce these laws across regions and borders. Furthermore, Blackstone frequently has privacy compliance requirements as a result of Blackstone's contractual obligations with counterparties. These legal, regulatory and contractual obligations heighten Blackstone's data protection and privacy obligations in the ordinary course of conducting Blackstone's business in the U.S. and internationally.

Any inability, or perceived inability, by Blackstone, the Funds, Other Blackstone Clients or their respective Portfolio Entities to adequately address data protection or privacy concerns, or comply with applicable laws, regulations, policies, industry standards and guidance, contractual obligations, or other legal obligations, even if unfounded, could result in significant legal, regulatory and third party liability, increased costs, disruption of Blackstone's, the Funds', Other Blackstone Clients' or their respective Portfolio Entities' business and operations, and a loss of client (including investor) confidence and other reputational damage. In addition, any such inability or perceived inability of Portfolio Entities, even if unfounded, could result in reputational damage to Blackstone. Many regulators have indicated an intention to take more aggressive enforcement actions regarding data privacy matters, and private litigation resulting from such matters is increasing and resulting in progressively larger judgments and settlements. Furthermore, as new data protection and privacy-related laws and regulations are implemented, the time and resources needed for Blackstone, the Funds, Other Blackstone Clients and Portfolio Entities to comply with such laws and regulations continues to increase and become a significant compliance workstream.

Item 9 – Disciplinary Information

The Clarus Adviser does not have any legal, financial or other “disciplinary” event to report. As a registered investment adviser, the Clarus Adviser is obligated to disclose any legal disciplinary event that would be material to a client when evaluating the adviser’s advisory business or integrity of its management.

On occasion, in the ordinary course of its business, the Sponsor or Blackstone is named as a defendant in a legal action. Although there can be no assurance of the outcome of such legal actions, the Clarus Adviser does not believe that any current legal proceeding or claim to which it or Blackstone is a party would individually or in the aggregate materially affect the Clarus Adviser and/or the Funds’ results of operations, financial position or cash flows. Certain regulatory, litigation and other similar matters are, from time to time, disclosed in (i) Blackstone’s public filings (including, without limitation, its current, periodic and annual reports on Forms 8-K, 10-Q and 10-K), which may be accessed through the website of the SEC (www.sec.gov) or Blackstone (<https://ir.blackstone.com/investors/annual-reports-and-sec-filings/default.aspx>), and (ii) materials made available through Blackstone’s BXAccess online portal, which is accessible to each Fund’s limited partners with respect to such Fund.

Item 10 – Other Financial Industry Activities and Affiliations

Other Financial Industry Activities

Blackstone has conflicts of interest, or conflicting loyalties, as a result of the numerous activities and relationships of Blackstone, the Sponsor, the Funds, the Other Blackstone Clients, the Portfolio Entities of the Funds and Other Blackstone Clients and affiliates, partners, members, shareholders, officers, directors and employees of the foregoing, some of which are described herein. However, not all potential, apparent and actual conflicts of interest are included below, and additional conflicts of interest could arise as a result of new activities, transactions or relationships commenced in the future. In addition, certain terms described herein might only be applicable to certain of the Funds but not others. Potential Fund investors should review this section and the applicable Fund's Organizational Documents carefully for additional risks and conflicts disclosure before making an investment decision.

The Clarus Adviser will take such actions as might be required by the Organizational Documents of the applicable Funds to handle conflicts.

Any references to Blackstone and/or the Clarus Adviser in this section will be deemed to include their respective affiliates (including the General Partners), partners, members, shareholders, officers, directors and employees. References herein to "Portfolio Entity" describes, individually and collectively, any entity owned, directly or indirectly through subsidiaries, by the Funds or Other Blackstone Clients, including, as the context requires, portfolio companies (including those that are Development Companies), holding companies, special purpose vehicles and other entities through which investments are held.

If any matter arises that the Clarus Adviser determines in its good faith judgment constitutes an actual and material conflict of interest, the Clarus Adviser will take the actions it determines appropriate to mitigate the conflict, which will be deemed to fully satisfy any fiduciary duties it could have to the Funds or the investors in the Funds. Thereafter, the Clarus Adviser will be relieved of any liability related to the conflict to the fullest extent permitted by law.

Actions that could be taken by the Clarus Adviser or its affiliates to mitigate a conflict include, by way of example and without limitation; (i) if applicable, handling the conflict as described in the applicable Fund's Organizational Documents; (ii) consulting with and obtaining from the applicable Fund's investor committee consisting of representatives of select Fund investors (an "Investor Committee"), independent client representative ("Independent Client Representative") (if any) and/or the investors in the Funds, and as expressly provided for in the Organizational Documents, advice, waiver or consent as to the conflict (including matters giving rise to a conflict of interest with respect to an investment), or acting in a manner or in accordance with standards or procedures approved by the Investor Committee, Independent Client Representative and/or the Fund investors with respect to the conflict; (iii) disposing of the investment or security giving rise to the conflict of interest; (iv) disclosing the conflict to the Investor Committee and/or limited partners (including without limitation, in drawdown notices,

distribution notices, financial statements, quarterly letters or other communications); (v) appointing an Independent Client Representative to act or provide consent with respect to the matter giving rise to the conflict of interest; (vi) validating the arms-length nature of the transaction by referencing participation by unaffiliated third parties; (vii) in the case of conflicts among clients, creating groups of personnel within Blackstone separated by information barriers (which can be expected to be temporary and limited purpose in nature), each of which would advise or represent one of the clients that has a conflicting position with other clients; (viii) implementing policies and procedures reasonably designed to mitigate the conflict of interest; or (ix) otherwise handling the conflict as determined appropriate by the Clarus Adviser in its discretion.

While the Organizational Documents provide that any transaction or relationship that involves an actual conflict of interest (excluding any transaction or relationship expressly provided for in the Organizational Documents) will be subject to the consent of an Investor Committee, the Clarus Adviser has significant discretion in analyzing and determining whether any such actual conflict of interest exists (and therefore whether consent of an Investor Committee is required). The Clarus Adviser is expected to determine in many cases that, although a potential for conflict might exist, such potential conflict does not rise to an actual conflict of interest requiring such consent, including because of the presence or implementation of mitigation factors described above or elsewhere in this Brochure, or because of the presence or implementation of other facts or mitigants that the Clarus Adviser determines to be sufficient, in which case no such consent will be required.

There can be no assurance that the Clarus Adviser will identify or resolve all conflicts of interest in a manner that is favorable to the Funds and the Funds' investors might not be entitled to receive notice or disclosure of the actual occurrence of these conflicts or have any right to consent to them as they arise. Any specific consent to and waiver of certain conflicts of interest described below in no way limits the generality of the foregoing, which is applicable to all conflicts of interest described, implied or alluded to herein. For the avoidance of doubt, where the consent or approval of any Fund's Investor Committee is sought with respect to any matter relating to an Other Blackstone Client, the consent or approval of the Investor Committee shall not be required in connection with such matter, and the lack thereof shall not prevent any Other Blackstone Client from proceeding on the basis of its investor committee's consent or approval (including in circumstance in which the Funds do not similarly proceed). Conversely, to the extent the investor committee of any Other Blackstone Client does not consent to or approve of a matter, notwithstanding the consent or approval of a Fund's Investor Committee to such matter or the determination that such consent or approval is not necessary, the Clarus Adviser could determine not to proceed, which could result in the Funds not participating in transactions that the Clarus Adviser otherwise believes would be beneficial for the Funds.

For purposes of this section, (a) "BREDS Funds" shall be deemed to include any account, client, fund, vehicle or any other similar arrangement managed by Blackstone Real Estate Special Situations Advisors L.L.C.; (b) "Blackstone Credit and Insurance Funds" shall be deemed to include any account, client, fund, vehicle or any other similar arrangement managed by Blackstone ISG-II Advisors L.L.C., Blackstone ISG-I Advisors L.L.C., Blackstone Alternative Credit

Advisors LP (formerly known as GSO Capital Partners LP) or Blackstone Structured Products Advisors L.P. or its affiliated advisory entities that operate as part of the credit-focused business of Blackstone; (c) “Legacy Clarus Funds” shall be deemed to include any account, client, fund, vehicle or any other similar arrangement managed by the Clarus Adviser and its related vehicles/entities and successor funds; (d) “BXLS Funds” shall include the Legacy Clarus Funds and any account, client, fund, vehicle or any other similar arrangement managed by Blackstone Life Sciences Advisors L.L.C.; and (f) “BXMT Funds” shall mean accounts, clients, funds, vehicles or any other similar arrangements managed by BXMT Advisors L.L.C.

Performance-Based Compensation. Each General Partner’s carried interest creates a greater incentive for such General Partner to make more speculative investments on behalf of a Fund or time the purchase or sale of investments in a manner motivated by the personal interests of the Sponsor’s personnel than if such performance-based compensation did not exist, as such General Partner receives a disproportionate share of profits (above the preferred return hurdle, where applicable under the Organizational Documents). However, the significant commitment by the Sponsor to invest in the Funds (which commitment, for the avoidance of doubt, might not be allocated other than *pro rata* among the Funds) and the General Partner clawback and related guarantees (if any) should reduce the incentives for the applicable General Partner to make more speculative investments or otherwise time the purchase or sale of investments based on considerations related to carried interest and in a manner motivated by the personal interests of Blackstone personnel. The General Partner clawback and performance-based compensation potentially creates other misalignments of interests between the General Partners and investors in the Funds, such as an incentive for the applicable General Partner to defer disposition of an investment that would result in a realized loss (or a return on investment that was less than the preferred return, where applicable under the Organizational Documents) and trigger the clawback, or delay the dissolution and liquidation of a Fund if doing so would trigger a clawback obligation. In addition, the current U.S. federal income tax law provides for a lower capital gains tax rate on performance-based compensation from investments held for at least three years, which can be expected to incentivize the applicable General Partner to cause a Fund to accelerate deployment of capital at the beginning of such Fund’s investment period, hold investments longer to ensure long-term capital gains treatment or dispose of investments prior to any change in law that would result in a higher effective income tax rate on carried interest. Furthermore, upon a withdrawal by an investor from a Fund in certain circumstances, upon the liquidation of a Fund or as otherwise permitted by the Organizational Documents, the applicable General Partner could receive carried interest distributions with respect to a distribution in-kind of non-marketable securities. The amount of carried interest will be dependent on the valuation of the non-marketable securities distributed, which will be determined by the General Partners and could incentivize the General Partners to value the securities higher than if there were no carried interest. Each General Partner can engage a third party to determine the value of securities distributed in-kind or non-marketable securities and rely upon the third party opinion of value, but there can be no assurance such an opinion will reflect value accurately (see “—Valuation Matters” below).

Management Fee. The Management Fee is payable quarterly in arrears, through the duration detailed in the applicable Organizational Documents of a Fund, including potentially through the complete liquidation of a Fund. In instances where a Fund's Management Fee is calculated (in part) based on invested capital rather than capital commitments, there would be an incentive for the Clarus Adviser to defer realization of Investments, make more speculative Investments than it otherwise would have made if Management Fees were based solely on capital commitments, seek to deploy the capital commitments in Investments at an accelerated pace and/or hold Investments longer than it otherwise would have if Management Fees were based on capital commitments.

The Management Fee will be calculated on a basis that generally is not tied to the Funds' then-current net asset value. As described in the Organizational Documents, from the Commencement Date of each of the Funds until the Fee Reduction Date, the Management Fee with respect to each Fund investor will be calculated based on a percentage of such Fund investor's capital commitment.

Subject to certain exceptions set forth in the applicable Organizational Documents, after the Fee Reduction Date, the Management Fee will be calculated based on a percentage of the amount of such Fund investor's capital contributions with respect to investments that have not been disposed of or written off (i.e., the adjusted cost of which has been reduced to zero). For the avoidance of doubt, no Management Fee will be payable on such Fund investor's capital contributions with respect to Investments that have been written off (i.e., the adjusted cost of which has been reduced to zero), which creates an incentive for the Clarus to avoid writing off investments. As a result, the amount of the Management Fee generally will not correspond with fluctuations in the relevant Fund's net asset value, including following the commitment period, and will not be reduced in connection with any write-downs (other than permanent write-downs), except in the case of Investments written off. The determination to characterize an Investment as having been disposed of or written off (i.e., adjusted cost of which has been reduced to zero) generally remains in the sole discretion of the Clarus Adviser and Blackstone, involves subjective judgments and creates a conflict of interest, due to the impact of such determinations on the total amount of Management Fees payable to the Clarus Adviser. Unless the Organizational Documents expressly provide to the contrary, the Management Fee will not be reduced (in whole or in part) in the case of any recapitalization, refinancing or other similar transaction, or in connection with certain distributions such as dividends or as a result of any reorganization or restructuring of, extraordinary dividend made with respect to, or similar transaction related to, an investment that does not result in the disposition of the relevant Fund's interest therein (even in cases where the value of the relevant Fund's investment or the relevant Fund's ownership percentage in such investment has been reduced as a result of such reorganization, restructuring, extraordinary dividend or similar transaction), and in such cases, Funds' investors will continue paying Management Fees based on the cost basis of investments regardless of any such transaction.

Allocation of Personnel. The Clarus Adviser will devote such time and attention to the Funds as it determines to be necessary to conduct its business affairs in an appropriate manner. However, Blackstone personnel, including members of the Investment Committees, and

personnel of Development Companies will work on other projects, serve on other committees (including boards of directors, as applicable) and source potential investments for and otherwise assist the investment programs of Other Blackstone Clients and their Portfolio Entities, including other investment programs to be developed in the future. Certain members of the Funds' investment teams are also members of other Funds' or Other Blackstone Clients' investment teams and will continue to serve in those roles (and, in certain circumstances, could devote a majority of their time and attention to such roles) and as a result, not all of their business time will be devoted to a particular Fund. Certain non-investment professionals are not dedicated solely to a particular Fund and are permitted to perform work for other Funds or Other Blackstone Clients which is expected to detract from the time such persons devote to a particular Fund. Some key Blackstone personnel who devote substantially all of their time and attention to Blackstone's life sciences investments generally and matters relating thereto within the Clarus group and BXLS Group (as defined below) do not devote their time and attention predominantly, or solely, to a Fund, as they will also be devoting time to investments made by Other Blackstone Clients, including other investments within the BXLS Group that could be formed in the future, such as, but not limited to, a BXLS Fund whose primary focus is equity investments in Life Sciences companies (collectively, the "BXLS Group"). Time spent on these other initiatives diverts attention from the activities of the Funds, which could negatively impact the Funds and investors in the Funds. Furthermore, Blackstone and Blackstone personnel and personnel of Development Companies and the TPTs derive financial benefit from these other activities, including fees, equity and performance-based compensation. Blackstone personnel outside the Clarus group could share in the fees and performance-based compensation from the Funds; similarly, the Clarus group personnel could share in the fees and performance-based compensation generated by Other Blackstone Clients. These and other factors create conflicts of interest in the allocation of time and attention by Blackstone personnel and personnel of Development Companies and TPTs. Each General Partner's determination of the amount of time and attention necessary to conduct the applicable Fund's activities will be conclusive, and investors in the Funds rely on the General Partners' judgment in this regard.

Outside Activities of Principals and Other Personnel and their Related Parties. Certain personnel of Blackstone will, in certain circumstances, be subject to a variety of conflicts of interest relating to their responsibilities to the Funds, Other Blackstone Clients and their respective Portfolio Entities, and their outside personal or business activities, including as members of investment or advisory committees or boards of directors of or advisors to investment funds, corporations, foundations or other organizations. Such positions create a conflict if such other entities have interests that are adverse to those of the Funds, including if such other entities compete with the Funds for investment opportunities or other resources. The Blackstone personnel in question could have a greater financial interest in the performance of the other entities than the performance of the Funds. This involvement would create conflicts of interest in making investments on behalf of the Funds and such other funds, accounts and other entities. Although the Clarus Adviser will generally seek to minimize the impact of any such conflicts, there can be no assurance they will be resolved favorably for the Funds. Also, Blackstone personnel are generally permitted to invest in alternative investment

funds, private equity funds, venture capital funds, real estate funds, hedge funds and other investment vehicles, as well as engage in other personal trading activities relating to companies, assets, securities or instruments, it being understood that such personnel could make such investments for strategic reasons including for purposes of sourcing investment opportunities for the Funds, Other Blackstone Clients and/or Blackstone (subject to Blackstone's Code of Ethics requirements), some of which will involve conflicts of interests. Such personal securities transactions will, in certain circumstances, relate to securities or instruments which can be expected to also be held or acquired by Other Blackstone Clients, including the Funds, or otherwise relate to companies or issuers in which the Funds have or acquire a different principal investment (including, for example, with respect to seniority) which could give rise to conflicts of interest related to misaligned interests between the applicable Fund and such persons, it being understood that where Blackstone personnel make investments in alternative investment funds and other investment vehicles with the intent to source investments for the Funds or Other Blackstone Clients, there is a greater likelihood that the Funds or such Other Blackstone Clients will invest in companies in which Blackstone personnel hold an indirect interest. There could be situations in which such alternative investment funds invest in the same Portfolio Entities as the Funds and there could be situations in which such alternative investment funds purchase securities from, or sell securities to, the Funds. There can be no assurance that conflicts of interest arising out of such activities will be resolved in favor of the Funds. Investors in the Funds will not receive any benefit from any such investments and will not always receive notice should the Funds make in which such persons hold direct interests, and the financial incentives of Blackstone personnel in such other investments could be greater than their financial incentives in relation to the Funds. Although the Clarus Adviser will generally seek to minimize the impact of any such conflicts, there can be no assurance they will be resolved favorably for the Funds. (see "—Additional Potential Conflicts of Interest" below).

Additionally, certain personnel and other professionals of Blackstone have family members or relatives that are actively involved in industries and sectors in which the Funds invest and/or have business, personal, financial or other relationships with companies in such industries and sectors (including the advisors and service providers described above) or other industries, which gives rise to potential or actual conflicts of interest. For example, such family members or relatives might be officers, directors, personnel or owners of companies or assets which are actual or potential investments of the Funds or other counterparties of the Funds and their Portfolio Entities and/or assets. Moreover, in certain instances, the Funds or their Portfolio Entities can be expected to purchase or sell companies or assets from or to, or otherwise transact with, companies that are owned by such family members or relatives or in respect of which such family members or relatives have other involvement. These relationships have the potential to influence Blackstone, including the General Partners, in deciding whether to select, recommend or create such service providers to perform services for the Funds or a Portfolio Entity (the cost of which will generally be borne directly or indirectly by the Funds or such Portfolio Entity, as applicable) and to incentivize Blackstone to engage such service provider over a third party. The fees for services provided by such service providers might or might not be at the same rate charged by other third parties and a General Partner undertakes no

obligations to select service providers who could have lower rates. A General Partner undertakes no minimum amount of benchmarking. To the extent a General Partner does engage in benchmarking, it cannot be assured that such benchmarking will be accurate, comparable, or relate specifically to the assets or services to which such rates or terms relate. Whether or not a General Partner has a relationship with, or receives financial or other benefit from recommending, a particular service provider, there can be no assurance that no other service provider is more qualified to provide the applicable services or could provide such services at lesser cost. In most such circumstances, the Organizational Documents will not preclude the Funds from undertaking any of these investment activities or transactions. To the extent Blackstone determines appropriate, conflict mitigation strategies can be expected to be put in place with respect to a particular circumstance, such as internal information barriers or recusal, disclosure or other steps determined appropriate by the General Partners. The limited partners rely on the applicable General Partner to manage these conflicts in its sole discretion.

Secondments and Internships. Certain personnel of the Sponsor and/or Blackstone, including Consultants (as defined herein), will, in certain circumstances be seconded to one or more Portfolio Entities, Development Companies, TPTs (as defined below), vendors and service providers or investors in the Funds and Other Blackstone Clients to provide finance, accounting, operational support, technology, clinical support, legal and compliance, ESG, data management (including artificial intelligence) and other similar services, including the sourcing of investments for the Funds or other parties. The salaries, benefits, overhead and other similar expenses for such personnel during the secondment could be borne by the Sponsor and/or Blackstone or the organization for which the personnel are working or both. In addition, personnel of Portfolio Entities, Development Companies, TPTs, vendors, service providers (including law firms and accounting firms) and investors in the Funds and Other Blackstone Clients will, in certain circumstances be seconded to, serve internships at, receive trainings from or otherwise provide consulting services to, the Sponsor, the Funds, Blackstone, Development Companies, TPTs, Portfolio Entities and Other Blackstone Clients. While often the Funds, Development Companies, TPTs, Other Blackstone Clients and their Portfolio Entities are the beneficiaries of these types of arrangements, the Sponsor and/or Blackstone are from time to time a beneficiary of these arrangements as well, including in circumstances where the vendor, Portfolio Entity or service provider also provides services to the Funds, Other Blackstone Clients or Blackstone in the ordinary course. The Funds, Development Companies, TPTs or Portfolio Entities (in each case, to the extent permitted by the applicable Organizational Documents) could pay compensation or cover fees or expenses associated with such secondees and interns, and if a Portfolio Entity of a Fund pays the cost, it will be borne directly or indirectly by the applicable Fund. The Sponsor, Blackstone, other Funds, Other Blackstone Clients or their respective Portfolio Entities could receive benefits from these arrangements, including arrangements at reduced or no cost, with secondees or interns employed by service providers or vendors (or affiliates thereof) whose employees serve as secondees or interns to a Fund (or its Portfolio Entities) that bears the compensation, fees or expenses associated with such secondees or interns. Furthermore, such arrangements, including those at no or reduced cost, could include secondees or interns who perform services for the benefit of the Sponsor, Blackstone, other Funds, Other Blackstone Clients or their respective Portfolio Entities that do

not benefit such Fund or its Portfolio Entities. To the extent permitted under the Organizational Documents and seconded or intern compensation, fees or expenses are borne by a Fund, including indirectly through its Portfolio Entities or reimbursement of Blackstone for such costs, the Management Fee will not be offset or reduced as a result of these arrangements or any fees, expense reimbursements or other costs related thereto. The personnel described above could provide services in respect of multiple matters, including in respect of matters related to the Sponsor, Blackstone, the Funds, Development Companies, TPTs, Other Blackstone Clients, Portfolio Entities, each of their respective affiliates and related parties, and any costs of such personnel could be allocated accordingly. The Sponsor and Blackstone will endeavor in good faith to allocate the costs of these arrangements, if any, to the Sponsor, Blackstone, the Funds, Development Companies, TPTs, Other Blackstone Clients, Portfolio Entities and other parties based on time spent by the personnel or another methodology the Sponsor or Blackstone deems appropriate in a particular circumstance.

In addition, there could be instances where current and former employees of Other Blackstone Clients' Portfolio Entities are seconded to or temporarily hired by the Funds' Portfolio Entities or, at times, the Funds' investments directly. Such secondments or temporary hiring of current and former employees of Other Blackstone Clients' Portfolio Entities by the Funds' Portfolio Entities (or its Investments) could result in a potential conflict of interest between the Funds' Portfolio Entities and those of such Other Blackstone Clients. To the extent permitted under the Organizational Documents, the costs of such employees are expected to be borne by the Funds or their relevant Portfolio Entities, as applicable, and the fees paid by the Funds or such Portfolio Entities to other Portfolio Entity service providers or vendors do not offset or reduce the Management Fee. See also "—Portfolio Entity Service Providers and Vendors" herein.

Other Benefits. The Clarus Adviser, its affiliates and their personnel and related parties will receive intangible and other benefits, discounts and perquisites arising or resulting from their activities on behalf of the Funds, the value of which will not offset or reduce Management Fees or otherwise be shared with the Funds, their Portfolio Entities or the investors in the Funds. For example, airline travel or hotel stays will result in "miles" or "points" or credit in loyalty or status programs, and certain purchases made by credit card will result in "credit card points", "cash back" or rebates in addition to such loyalty or status program miles or points. Such benefits will, whether or not *de minimis* or difficult to value, inure exclusively to the benefit of the Clarus Adviser, its affiliates or their personnel or related parties receiving them, even though the cost of the underlying service is borne by the Funds as partnership expenses and/or by their respective Portfolio Entities (see also "—Service Providers, Vendors and Other Counterparties Generally" herein). Similarly, the Clarus Adviser, its affiliates and their personnel and related parties, and third parties designated by the foregoing, also receive discounts on products and services provided by Portfolio Entities and customers or suppliers of such Portfolio Entities.

Advisors, Consultants and Partners. The Clarus Adviser, its affiliates, Portfolio Entities and their respective personnel and related parties engage and retain strategic advisors, consultants, senior advisors, operating advisors, executive advisors, industry experts, joint venture and other partners and professionals and market participants, any of whom might be current or

former executives or other personnel of the Clarus Adviser, Development Companies, TPTs or Portfolio Entities of the Funds or Other Blackstone Clients (collectively, “Consultants”), to provide a variety of services. Similarly, the Funds, Other Blackstone Clients and their Portfolio Entities retain and pay compensation to Consultants to provide services, or to undertake a build-up strategy to originate, acquire and develop assets and businesses in a particular sector or involving a particular strategy. In certain cases, the Funds agree to pay the compensation and other amounts payable to Consultants engaged by the Portfolio Entities. Any amounts paid by the Funds or a Portfolio Entity to Consultants in connection with the above services, including cash fees, profits or equity interests in a Portfolio Entity, discretionary bonus awards, performance-based compensation (e.g., promote), retainers and expense reimbursements, will be treated as partnership expenses or expenses of a Portfolio Entity, as the case may be, and will not, even if they have the effect of reducing any retainers or minimum amounts otherwise payable by the Clarus Adviser or its affiliates, be chargeable to the Clarus Adviser or its affiliates or deemed paid to or received by the Clarus Adviser or its affiliates, or offset or reduce any Management Fees to the Clarus Adviser or its affiliates or be subordinated to return of capital to investors in the Funds. Amounts charged by Consultants will not necessarily be confirmed as being comparable to market rates for such services. In certain cases, Consultants will receive intangible and other benefits resulting from their activities on behalf of the Funds – for example, in the same way that executives from Portfolio Entities of Other Blackstone Clients could provide insight and/or deal origination for the benefit of the Funds, the work performed by executives of the Funds’ Portfolio Entities could benefit from insight or information received from Consultants and/or Other Blackstone Clients. Also, Consultants often co-invest alongside the Funds in Portfolio Entities and investments of the Funds, participate in long-term incentive plans of a Portfolio Entity, and invest directly in the Funds or in vehicles controlled by the Funds, with reduced or waived Management Fees and carried interest (where permitted by applicable law), including after the termination of their engagement by or other status with Blackstone, and such co-investment or participation generally will result in the Funds being allocated a smaller share of an investment and less co-investment being available to Fund investors. Consultants’ benefits described in this paragraph will, in certain circumstances, continue after termination of status as a Consultant. Moreover, in negotiating and structuring transactions with counterparties (such as investment banks, financial intermediaries and other service providers) of the Funds or Portfolio Entities, the Clarus Adviser will generally not seek to maximize terms as if such transaction was taking place in isolation – it will be free to consider relationship, reputational and market considerations, which can in some circumstances result in a cost to the Funds (or otherwise make the terms of the transaction less favorable for the Funds).

The time, dedication, nature of the relationship and scope of work of a Consultant (if applicable to the Fund) varies considerably. In some cases, a Consultant advises Blackstone on transactions, provides the Clarus Adviser with industry-specific insights and feedback on investment themes, assists in transaction due diligence, and makes introductions to, and provides reference checks on, management teams. In other cases, Consultants take on more extensive roles, including serving as executives or directors on the boards of Portfolio Entities and contributing to the identification and origination of new investment opportunities. The

Funds could rely on these Consultants to recommend the Clarus Adviser and the Funds as a preferred investment partner and carry out its investment program, but there is no assurance that any Consultant will continue to be involved with the Funds for any length of time, including the entire investment period of a Fund. The Clarus Adviser and the Funds can be expected to have formal or informal arrangements with Consultants that could, in certain instances, have termination options and could include compensation, no compensation, or deferred compensation until occurrence of a future event, such as commencement of a formal engagement. In certain cases, Consultants have certain attributes of “employees” of Blackstone and/or the Sponsor (e.g., they can be expected to have offices at Blackstone, receive administrative support from personnel of the Sponsor and/ or Blackstone, participate in certain meetings and events for personnel of the Sponsor and/ or Blackstone or work on Sponsor and/or Blackstone matters as their primary or sole business activity, have Blackstone-related or Sponsor-related e-mail addresses or business cards and participate in certain arrangements typically reserved for employees of the Sponsor and/or Blackstone), even though they are not employees of the Sponsor and/or Blackstone, affiliates or for purposes of the Organizational Documents, and their salary and related expenses are paid by the Funds as partnership expenses or by Portfolio Entities without any reduction or offset to Management Fees. Some Consultants work only for the Funds and their Portfolio Entities, while other Consultants could have other clients, including Other Blackstone Clients, as described below. In particular, in some cases, Consultants, including those with a “Senior Advisor”, “Operating Advisor” or “Executive Advisor” title, have been and will be engaged with the responsibility to source and recommend transactions to the Clarus Adviser potentially on a full-time and/or exclusive basis and, notwithstanding any overlap with the responsibilities of the Clarus Adviser under the Organizational Documents, the compensation to such Consultants could be borne fully by the Funds and/or Portfolio Entities (with no reduction or offset to Management Fees) and not the Clarus Adviser. Consultants could have conflicts of interest between their work for the Funds and their Portfolio Entities, on the one hand, and themselves or other clients, on the other hand, and the Clarus Adviser is limited in its ability to monitor and mitigate these conflicts. Additionally, from time to time, Consultants could provide services on behalf of both the Funds and Other Blackstone Clients, and any work performed by Consultants retained on behalf of the Funds could benefit such Other Blackstone Clients (and alternatively, work performed by Consultants on behalf of Other Blackstone Clients could benefit the Funds), and the Clarus Adviser shall have no obligation to allocate any portion of the costs to be borne by the Funds in respect of such Consultant’s work on behalf of the Funds to such Other Blackstone Clients, except as described below.

In addition, the Funds will, in certain circumstances, enter into an arrangement from time to time with one or more individuals (who could be members of a TPT, former personnel of Blackstone or current or former personnel of Development Companies, or Portfolio Entities of the Funds or Other Blackstone Clients, could have experience or capability in sourcing or managing investments, and could form a management team) to undertake a new business line or a build-up strategy to acquire and develop assets and businesses in a particular sector or involving a particular strategy. The services provided by such individuals or relevant Portfolio Entity, as the case may be, could include the following with respect to investments of the

Funds: origination or sourcing, due diligence, evaluation, negotiation, servicing, development, clinical trials, management (including turnaround) and disposition. The individuals or relevant Portfolio Entity could be compensated with a salary and equity incentive plan, including a portion of profits derived from the Funds or a Portfolio Entity or asset of the Funds, (which could take the form of a management fee and/or profits allocation (whether paid directly to such individuals and/or to an affiliated entity controlled by such individuals)), or other long term incentive plans. Such compensation could be based on assets under management and/or a waterfall similar to a carried interest, or other similar metrics. The Funds could initially bear the cost of overhead (including rent, utilities, benefits, salary or retainers for the individuals and/or their affiliated entities) and the sourcing, due diligence and analysis of investments, as well as the compensation for the individuals and entity undertaking the build-up strategy. Such expenses could be borne directly by the Funds as partnership expenses (or broken deal expenses, if applicable) or indirectly through expenditures by a Portfolio Entity. None of such Portfolio Entities or Consultants will be treated as affiliates of the Clarus Adviser for purposes of the Organizational Documents and none of the fees, costs or expenses described above will reduce or offset the Management Fee.

In addition, the Clarus Adviser will, in certain circumstances, engage third parties as Consultants (or another similar capacity) in order to advise it with respect to existing investments, specific investment opportunities, and economic and industry trends. Such Consultants from time to time are permitted to receive reimbursement of reasonable related expenses by Portfolio Entities or a Fund and could have the opportunity to invest in a portion of the equity available to a Fund for investment which could be taken by the Clarus Adviser and its affiliates. If such Consultants generate investment opportunities on the Funds' behalf, such Consultants from time to time are permitted to receive special additional fees or allocations comparable to those received by a third party in an arm's length transaction and such additional fees or allocations would be borne fully by the Funds and/or Portfolio Entities (with no reduction or offset to Management Fees) and not the Clarus Adviser.

Therapeutic Platform Teams. The Sponsor, the Funds, their affiliates and their respective personnel and related parties (including Other Blackstone Clients and their Portfolio Entities) have established and are expected to continue to establish relationships with certain individuals and teams of individuals, on their own or in partnership with Syndicate Partners, to execute on clinical development of assets, including those spun-out of Life Sciences companies in specific therapeutic areas ("Therapeutic Platform Teams" or "TPTs"). Such parties could also engage TPTs or certain of their personnel to provide a variety of other services, including the types of services described above with respect to personnel of platform companies. In certain cases, TPTs are engaged by a single Portfolio Entity, but in other cases, TPTs can be engaged simultaneously or in succession by multiple parties, including multiple Portfolio Entities of the Funds and Other Blackstone Clients. Such engagement could be in the form of an employment relationship but could also be in the form of a Consultant relationship (see also "—Advisors, Consultants and Partners" herein), including being engaged in either such capacity by multiple Portfolio Entities of multiple Other Blackstone Clients. TPTs with multiple simultaneous engagements would not dedicate their business time and attention to any particular Funds or any single Portfolio Entity on a full-time basis and would instead devote time to multiple

engagements, including to other Blackstone Clients and their Portfolio Entities. As a result, conflicts related to allocation of TPT time and related compensation could arise in such circumstances. In addition, even if a TPT is initially established or engaged for a single investment, such TPT or certain members of the TPT could subsequently be engaged to work on multiple Investments (including investments of Other Blackstone Clients). If a TPT or its members engaged with respect to a particular investment held by a particular Blackstone Client source a new investment, such other investment could be allocated to a different Blackstone Client, Blackstone, or any other party. To the extent permitted by the applicable Organizational Documents, any amounts paid by the Funds or a Portfolio Entity to a TPT or its personnel will be treated as partnership expenses, investments by the Funds, or expenses of the Portfolio Entity, as the case may be, and will not be chargeable to the Sponsor or deemed paid to or received by the Sponsor, or offset or reduce any Management Fees to the Sponsor or be subordinated to return of the limited partner's capital.

Development Companies. The Sponsor or its affiliates (including Other Blackstone Clients), on their own or in partnership with the Syndicate Partners, own special purpose development companies and the Clarus Adviser, the Funds or their affiliates could form, invest in, or acquire additional development companies in the future, including development companies wholly owned by the Sponsor, the Funds or their affiliates (each a "Development Company" and collectively, the "Development Companies"). Development Companies, even if initially established for a single investment, could ultimately be involved with multiple Investments (including investments of Other Blackstone Clients). In addition, Development Companies owned by, or primarily engaged by, Other Blackstone Clients could be engaged by the Funds in connection with the Funds' investments.

The Development Companies are highly involved in identifying and diligencing potential investments and negotiating terms with respect to such investments. In many of these transactions, Development Companies take the lead in executing the agreed development plans with respect to investments through the mutually-agreed success milestones. In those situations, Development Companies often actively manage clinical trials with respect to investments and in many cases, the applicable Development Company will take the primary responsibility for executing the clinical trials. The relevant Development Company management teams generally retain final decision-making authority on key development decisions, except those involving issues that could materially affect the commercial prospects of the drug. For certain of the investments where the Development Companies do not actively manage the clinical trials, the relevant Development Company management teams generally retain supervisory oversight and certain decision-making authority and negative controls on key development decisions.

Personnel of Development Companies also source potential investments for such Development Companies. If an investment opportunity is sourced by a Development Company jointly owned by a Syndicate Partner, as opposed to being independently sourced by the Clarus Adviser for the Funds or by a Development Company that is wholly-owned by the Sponsor, or if the Clarus Adviser, the Funds, or their affiliates allocate an independently sourced investment opportunity to such a jointly-owned Development Company (including, for example, to leverage such

Development Company's clinical expertise), such investment opportunity will often be shared with the Syndicate Partners that jointly own such Development Company, which will result in the Funds participating less and having less control over such investment opportunity relative to if the investment was sourced and pursued independently by the Clarus Adviser and the Funds, or by a Development Company wholly-owned by the Sponsor, the Funds, or their affiliates. In certain circumstances, it is also possible that if a deal is sourced for a Development Company by a Syndicate Partner, the Funds will not be able to participate, and vice versa. Certain Development Companies also have rights of exclusivity with respect to investment opportunities they source. As a result, an investment opportunity sourced by such Development Companies could result in the Funds or any other Development Company not being able to independently pursue such investment, even if one or other of such other parties are better positioned to pursue such an investment opportunity. In addition, the Funds and the various Development Companies can be expected to compete for investment opportunities, thus potentially reducing the number of investment opportunities available to the Funds to pursue independently and potentially adversely affecting the terms, including price, upon which investments can be made.

As discussed in the Organizational Documents, the Clarus Adviser or its affiliates, including Other Blackstone Clients, hold significant equity interests in each of the existing Development Companies, and representatives of the Clarus Adviser or its affiliates sit or have the right to sit on the Board of Directors of each of the Development Companies, each of which is effectively controlled by Blackstone and any of its fellow investors in the relevant company.

On wind-down or dissolution, preferred equity holders of a Development Company (including the Blackstone-related parties discussed above) are entitled to receive all of their invested capital back, plus a dividend, followed by a preferred return on any assets held by the Development Company after distribution of invested capital.

Subject to the terms of the Organizational Documents, Development Companies can be expected to provide services to Other Blackstone Clients in addition to the Funds. In certain cases, a Development Company that is owned by a Fund can be expected to provide services to Other Blackstone Clients, or a Development Company that is owned by an Other Blackstone Client can be expected to provide services to one or more Funds. Such arrangements can result in conflicts of interest between the applicable Fund(s) and such Other Blackstone Client, including with respect to distributions paid to owners of Development Companies as discussed below, and such conflicts of interest might not be resolved in favor of the Funds.

Development Companies and/or their personnel will be compensated for their services from the Funds or their Portfolio Entities, which Portfolio Entities are expected to often be special purpose vehicles formed and controlled by the Funds for the purposes of a particular investment. In the past, a typical compensation structure was for the Development Company to charge the applicable Portfolio Entity a cost "plus" based pricing mechanism on the work the Development Company performs on clinical operations and for certain Development Company personnel to also receive a management promote, incentive fee or other performance-based compensation based on a drug reaching a pre-defined milestone and/or regulatory approval.

Compensation could take different and/or multiple forms, including salary, equity in the Development Company or applicable investment, and/or a management promote, incentive fee or other performance-based compensation in connection with a Fund investment reaching a milestone and/or regulatory approval or otherwise upon the sale of or other transaction with respect to such investment. Certain forms of compensation could be received only after the Funds have received a return of their invested capital in such investment. For example, the Clarus Adviser and the Funds could have arrangements with Development Companies or their personnel that could have termination options and could include payment, no payment, or deferred payment until occurrence of a future event, such as the occurrence of a specified milestone and/or regulatory approval. However, compensation is not limited in this regard and is expected to take other forms from time-to-time, including (i) reimbursement or advancement by the Funds of Portfolio Entities of the Development Company's overhead and operating cost expenses (including benefits and compensation), which amounts could be funded by the Funds as a preferred investment in the relevant Development Company), or (ii) in other forms as described above with respect to Consultants.

In addition, the Funds, their Portfolio Entities, the Clarus Adviser, its affiliates and their respective personnel and related parties could engage Development Companies or their personnel to provide a variety of other services. In particular, the Funds could engage personnel of Development Companies that are owned by Other Blackstone Clients to serve as employees of Development Companies or on TPTs of the Funds. Other Blackstone Clients could likewise engage personnel of the Funds' Development Companies. Such employees would not dedicate their business time and attention to the Funds' Development Companies on a full-time basis and would devote time to the investments of Other Blackstone Clients, resulting in less time being allocated to a Fund's Investments than if such employees worked only for the Funds' Development Company.

Any amounts paid by the Funds or a Portfolio Entity to a Development Company or its personnel will be treated as partnership expenses, investments by the Funds or expenses of the Portfolio Entity, as the case may be, and will not be chargeable to the Clarus Adviser or deemed paid to or received by the Clarus Adviser, or offset or reduce any Management Fees to the Clarus Adviser or be subordinated to return of the Funds' investors' capital. Development Companies and their personnel that are expected to perform services could have attributes of Blackstone affiliated entities "employees" (e.g., they could source, evaluate and execute investments, have dedicated offices at Blackstone, receive administrative support from Blackstone personnel, participate in general meetings and events for Blackstone personnel or work on Blackstone matters as their primary or sole business activity, and participate in certain benefit arrangements typically reserved for Blackstone employees), even though they are not Blackstone employees, affiliates or personnel for purposes of the Organizational Documents and the Advisory Agreements, and the fees and compensation of the Development Companies and their personnel are paid by the Funds as partnership expenses or by Portfolio Entities without any reduction or offset to management fees. Amounts payable to Development Companies and their personnel will not necessarily be confirmed as being comparable to market rates for such services, and given the close relationship with the Clarus Adviser or its affiliates (including the

Funds) and the Clarus Adviser or its affiliates' (including the Funds') interest in Development Companies, there are conflicts of interest inherent in determining the relevant amount of compensation. Similarly, Other Blackstone Clients and their Portfolio Entities can be expected to engage Development Companies to provide services, and the Funds shall not receive any portion of any fees or compensation paid to such Development Companies in respect of such services. While the Clarus Adviser and its affiliates and/or Other Blackstone Clients and Blackstone are generally not expected to receive any portion of the fees or compensation paid to the Development Companies or their personnel, the Clarus Adviser or its affiliates and/or Other Blackstone Clients are generally expected to continue to hold equity interests in the Development Companies which could result in the Clarus Adviser or an affiliate of the Clarus Adviser and/or Other Blackstone Clients receiving distributions in its capacity as an equity holder of any such company or benefitting from the appreciation of such equity interests. The Clarus Adviser and its affiliates (including life sciences personnel) would generally not be eligible for such compensation if such compensation were received directly by the Clarus Adviser or its affiliates, or such compensation would offset or reduce the management fee payable by the Funds or investors in the Funds or otherwise be shared with the Funds. As a result, the Clarus Adviser (including life sciences personnel) could be incentivized to source investment opportunities through Development Companies or to hire professionals as employees of Development Companies rather than employees of the Clarus Adviser.

In addition, the Clarus Adviser or its affiliates could elect members of the Board of Directors of certain Development Companies, which could subject such directors to fiduciary obligations to make decisions that they believe to be in the best interests of any such Development Companies. Although in many cases the interests of the Funds and any such Development Company will be aligned, this will not always be the case, including where a Development Company is jointly owned with a Syndicate Partner. Such misalignment would create conflicts of interest between the relevant director's obligations to any such Development Company and its stakeholders, on the one hand, and the interests of the Funds, on the other hand. Although the Clarus Adviser will generally seek to minimize the impact of any such conflicts, there can be no assurance they will be resolved favorably for the Funds. In certain cases, personnel of Development Companies could also have conflicts of interest between their work for the Funds and their Portfolio Entities, on the one hand, and themselves on the other hand, and the Clarus Adviser is limited in its ability to monitor and mitigate these conflicts.

Development Companies and Therapeutic Platform Teams. Development Companies are seed-funded, special purpose development companies that are highly involved in identifying and diligencing potential investments, negotiating terms with respect to investments, and/or, taking the lead in executing the agreed development plans with respect to investments through the mutually agreed success milestones. TPTs are teams established by the Sponsor and employed by Portfolio Entities to execute on clinical development of assets spun-out of Life Sciences companies in specific therapeutic areas. Development Companies and TPTs often actively manage clinical trials with respect to investments and in most cases, the applicable Development Company or TPT will take the primary responsibility for executing the clinical trials. In certain circumstances, Blackstone can be expected to play a substantial role in

overseeing the personnel of Development Companies and/or TPTs that provide services to Funds, Other Blackstone Clients and/or their Portfolio Entities on an ongoing basis, including with respect to the selection, hiring, retention and compensation of such personnel. See also “—Therapeutic Platform Teams” and “—Development Companies” herein for more information.

Blackstone will make determinations of certain market rates (i.e., rates that fall within a range that Blackstone has determined is reflective of rates in the applicable market and certain similar markets, though not necessarily equal to or lower than the median rate of comparable firms, and, in certain circumstances, is expected to be in the top of the range) for, among other things, services provided by Development Companies and TPTs to the Funds, based on its consideration of a number of factors, which are generally expected to include Blackstone’s experience with non-affiliated service providers as well as benchmarking data and other methodologies determined by Blackstone to be appropriate under the circumstances. In respect of benchmarking, while Blackstone often obtains benchmarking data regarding the rates charged or quoted by third parties for services similar to those provided by Development Companies or TPTs in the applicable market or certain similar markets, relevant comparisons could not be available for a number of reasons, including, without limitation, as a result of a lack of a substantial market of providers or users of such services or the confidential or bespoke nature of such services (e.g., different assets could receive different services). In addition, benchmarking data is based on general market and broad industry overviews, rather than determined on an asset-by-asset basis. As a result, benchmarking data does not take into account specific characteristics of individual assets then owned or to be acquired by a Fund (such as size or location), or the particular characteristics of services provided. Further, it could be difficult to identify comparable third-party service providers that provide services of a similar scope and scale as the Development Companies, TPTs or Blackstone-affiliated service providers that are the subject of the benchmarking analysis or to obtain detailed information about pricing of a service comparable to that being provided to the Funds from third-party service providers if such service providers anticipate that Blackstone will not in fact engage their services. For these reasons, such market comparisons could not result in precise market terms for comparable services. Subject to the terms of the Organizational Documents, expenses to obtain benchmarking data will be borne by the Funds, Other Blackstone Clients and/or their respective Portfolio Entities and will not offset the Management Fee. Finally, in certain circumstances Blackstone can be expected to determine that third-party benchmarking is unnecessary, including in circumstances where the price for a particular good or service is mandated by law (e.g., title insurance in rate-regulated U.S. states), or because in Blackstone’s view no comparable service provider offering such good or services (or an insufficient number of comparable service providers for a reasonable comparison) exists or because Blackstone has access to adequate market data (including from third-party clients of the Development Company, TPT or Blackstone-affiliated service provider that is the subject of the benchmarking analysis) to make the determination without reference to third-party benchmarking. For example, in certain circumstances a Development Company, TPT, Blackstone-affiliated service provider or a Portfolio Entity service provider could provide services to third parties, in which case if the rates charged to such third parties are consistent with the rates charged to the Funds, Other Blackstone Clients and their respective Portfolio Entities, then a separate

benchmarking analysis of such rates is not expected to be prepared. See also “—Portfolio Entity Service Providers and Vendors” herein.

Multiple Blackstone Business Lines. Blackstone has multiple business lines, including the Blackstone Capital Markets Group, which Blackstone, the Funds, Other Blackstone Clients, Portfolio Entities of the Funds and Other Blackstone Clients and third parties will, in certain circumstances, engage for debt and equity financings and to provide other investment banking, brokerage, investment advisory or other services. As a result of these activities, Blackstone is subject to a number of actual and potential conflicts of interest, greater regulatory oversight and more legal and contractual restrictions than if it had one line of business. For example, from time to time, Blackstone could come into possession of information that limits the Funds’ ability to engage in potential transactions. Similarly, other Blackstone businesses and their personnel could be prohibited by law or contract from sharing information with the Clarus Adviser that would be relevant to monitoring the Funds’ investments and other activities. Additionally, Blackstone or Other Blackstone Clients can be expected to enter into covenants that restrict or otherwise limit the ability of the Funds or their Portfolio Entities and their affiliates to make investments in, or otherwise engage in, certain businesses or activities. For example, a Fund or Other Blackstone Clients could have granted exclusivity to a joint venture partner that limits the Funds and Other Blackstone Clients from owning assets within a certain distance of any of the joint venture’s assets, or Blackstone or an Other Blackstone Client could have entered into a non-compete in connection with a sale or other transaction or agreed to other restrictions that could impact the Funds’ ability to consummate investments. These types of restrictions could negatively impact the ability of a Fund to implement its investment program. Finally, Blackstone personnel who are members of the investment team or investment committee could be excluded from participating in certain investment decisions due to conflicts involving other Blackstone businesses or for other reasons, including other personal or business activities, in which case the Funds will not benefit from their experience. The Investors in the Funds will not receive a benefit from any fees earned by Blackstone or its personnel from these other businesses.

Blackstone is under no obligation to decline any engagements or investments in order to make an investment opportunity available to the Funds. Blackstone and its employees have long-term relationships with a significant number of corporations and their senior management. In determining whether to invest in a particular transaction on a Fund's behalf, the Clarus Adviser will consider such relationships (including any incentives or disincentives as part of such relationship) when evaluating an investment opportunity, and such relationships can be expected to influence the Clarus Adviser’s decision to make or not make particular investments on a Fund’s behalf. The Funds could also co-invest with clients of Blackstone in particular investments, and the relationship with such clients could influence the decisions made by the Clarus Adviser with respect to such investments. Blackstone is under no obligation to decline any engagements or investments in order to make an investment opportunity available to a Fund (e.g., investments in a competitor of a client or other person with whom Blackstone has a relationship, unless the Organizational Documents specifically provide otherwise). The Funds could be required to sell or hold existing investments as a result of investment banking relationships or other relationships that Blackstone could have or transactions or investments

that Blackstone could make or has made. (See “—Other Blackstone Clients; Allocation of Investment Opportunities” and “—Portfolio Entity Relationships Generally” herein.) Therefore, there can be no assurance that all potentially suitable investment opportunities that come to the attention of Blackstone will be made available to the Funds. (See “—Other Blackstone Clients; Allocation of Investment Opportunities” and “Portfolio Entity Relationships Generally” and “—Conflicting Fiduciary Duties to Debt Funds” herein.) The Funds could also co-invest with Other Blackstone Clients or other persons with whom Blackstone has a relationship in particular investment opportunities, and other aspects of these Blackstone relationships could influence the decisions made by the Clarus Adviser with respect to the Funds’ investments and otherwise result in a conflict. (See also “—Other Blackstone Clients; Allocation of Investment Opportunities” herein.)

In addition, Blackstone will represent creditors or debtors in proceedings under Chapter 11 of the U.S. Bankruptcy Code or prior to such filings and will serve as advisor to creditor and equity committees. This involvement, for which Blackstone will, from time to time, be compensated, could limit or preclude the flexibility that the Funds would otherwise have to buy or sell certain assets, and could require that the Funds dispose of an investment at an inopportune time.

Finally, Blackstone and Other Blackstone Clients could acquire limited partner interests in the Funds in the secondary market. Blackstone and Other Blackstone Clients would generally have greater information than counterparties in such transactions, and the existence of such business could produce conflicts, including in the valuation of the Funds’ investments.

Minority Investments in Asset Management Firms. Blackstone and Other Blackstone Clients, including Blackstone Strategic Capital Holdings (“BSCH”) and its related parties, regularly make minority investments in alternative asset management firms that are not affiliated with Blackstone, the Funds, Other Blackstone Clients and their respective Portfolio Entities, and which could from time to time engage in similar investment transactions, including with respect to purchase and sale of investments, with these asset management firms and their sponsored funds and portfolio entities. Typically, the Blackstone-related party with an interest in the asset management firm would be entitled to receive a share of carried interest/performance based incentive compensation and net fee income or revenue share generated by the various products, vehicles, funds and accounts managed by that third-party asset management firm that are included in the transaction or activities of the third-party asset management firm, or a subset of such activities such as transactions with a Blackstone-related party. In addition, while such minority investments are generally structured so that Blackstone does not “control” such third-party asset management firms, Blackstone could nonetheless be afforded certain governance rights in relation to such investments (typically in the nature of “protective” rights, negative control rights or anti-dilution arrangements, as well as certain reporting and consultation rights) that afford Blackstone the ability to influence the firm. In addition, Blackstone could in certain cases have control rights. Although Blackstone and Other Blackstone Clients, including BSCH, do not intend to control such third-party asset management firms, there can be no assurance that all third parties will similarly conclude that such investments are non-control investments or that, due to the provisions of the governing documents of such third-party asset management firms or the interpretation of applicable law or regulations, investments by Blackstone and Other Blackstone Clients, including BSCH, will not be deemed to

have control elements for certain contractual, regulatory or other purposes. While such third-party asset managers will not be deemed “affiliates” of Blackstone under the Organizational Documents for any purpose, Blackstone could, under certain circumstances, be in a position to influence the management and operations of such asset managers and the existence of its economic / revenue sharing interest therein could give rise to conflicts of interest. The Funds could from time to time participate in such investments alongside Other Blackstone Clients, including BSCH. Participation rights in a third-party asset management firm (or other similar business), negotiated governance arrangements and/or the interpretation of applicable law or regulations could expose the investments of the Funds to claims by third parties in connection with such investments (as indirect owners of such asset management firms or similar businesses) that could have an adverse financial or reputational impact on the performance of the Funds. Furthermore, it is expected that from time to time the Funds, their affiliates and their respective Portfolio Entities will engage in transactions with, and buy and sell investments from, any such third-party asset managers and their sponsored funds, and make investments in vehicles sponsored by such third-party asset managers, which could result in the Blackstone-related party earning carried interest/performance-based incentive compensation and/or fee income in respect of any such transactions. Such transactions and other commercial arrangements between the Funds and/or their Portfolio Entities, on the one hand, and such third party asset managers, on the other, are not subject to Investor Committee approval. There can be no assurance that the terms of these transactions between parties related to Blackstone, on the one hand, and the Funds and their Portfolio Entities, on the other hand, will be at arm’s length or that Blackstone will not receive a benefit from such transactions, which can be expected to incentivize Blackstone to cause these transactions to occur. Such conflicts related to investments in and arrangements with other asset management firms will not necessarily be resolved in favor of the Funds. Investors will not be entitled to receive notice or disclosure of the terms or occurrence of either the investments in alternative asset management firms or transactions therewith and will not receive any benefit from such transactions.

Blackstone Policies and Procedures; Information Walls. Blackstone has implemented policies and procedures to address conflicts that arise as a result of its various activities, as well as regulatory and other legal considerations. Specified policies and procedures, such as Blackstone’s information wall policy, implemented by Blackstone to mitigate potential conflicts of interest and address certain regulatory requirements and contractual restrictions will reduce the synergies and collaboration across Blackstone’s various businesses that the Funds expect to draw on for purposes of identifying, pursuing and managing attractive investment opportunities. Because Blackstone has many different asset management and advisory businesses, including, but not limited to, private equity, growth equity, a credit business, a secondary funds business, an infrastructure business, an insurance solutions business, a hedge fund business, a capital markets group, a life sciences business and a real estate advisory business, it is subject to a number of actual and potential conflicts of interest, greater regulatory oversight and more legal and contractual restrictions than that to which it would otherwise be subject if it had just one line of business. In addressing these conflicts and regulatory, legal and contractual requirements across its various businesses and to protect

against the inappropriate sharing and/or use of information between the Funds and the other business units at Blackstone, Blackstone has implemented certain policies and procedures (e.g., Blackstone's information wall policy) regarding the sharing of information that have the potential to reduce the positive synergies and collaborations that the Funds could otherwise expect to utilize for purposes of identifying, pursuing and managing attractive investments. For example, Blackstone will from time to time come into possession of material non-public information with respect to companies in which Other Blackstone Clients could be considering making an investment or companies that are clients of Blackstone. As a consequence, that information, which could be of benefit to a Fund, might become restricted to those other respective businesses and otherwise be unavailable to such Fund. There can be no assurance, however, that any such policies and/or procedures will be effective in accomplishing their stated purpose and/or that they will not otherwise adversely affect the ability of the Funds to effectively achieve their investment objective by unduly limiting the investment flexibility of the Funds and/or the flow of otherwise appropriate information between the Clarus Adviser and other business units at Blackstone. For example, in some instances, personnel of Blackstone could be unable to assist with the activities of a Fund as a result of these walls. There can be no assurance that additional restrictions will not be imposed that would further limit the ability of Blackstone to share information internally. In addition, due to these restrictions, in some instances, a Fund would not be able to initiate a transaction that it otherwise might have initiated and might not be able to arrange for the sale and liquidation of all or any portion of an investment that it otherwise might have purchased or sold, which could negatively affect its operations or performance.

In addition, to the extent that Blackstone is in possession of material non-public information or is otherwise restricted from trading in certain securities, the Funds and the Clarus Adviser could also be deemed to be in possession of such information or otherwise restricted. Additionally, the terms of confidentiality or other agreements with or related to companies in which any Blackstone vehicle has or has considered making an investment or which is otherwise a client of Blackstone will from time to time restrict or otherwise limit the ability of the Funds and/or their Portfolio Entities and their affiliates to make investments in or otherwise engage in businesses or activities competitive with such companies. Blackstone reserves the right to enter into one or more strategic relationships in certain regions or with respect to certain types of investments that, although intended to provide greater opportunities for the Funds, could require the Funds to share such opportunities or otherwise limit the amount of an opportunity the Funds can otherwise take.

Data. Blackstone receives, generates or obtains various kinds of data and information from the Funds, Other Blackstone Clients, their respective Portfolio Entities, and, at their election, certain investors in the Funds and investors in Other Blackstone Clients, and service providers, including but not limited to data and information relating to or created in connection with business operations, financial results, trends, budgets, plans, suppliers, customers, employees, contractors, ESG, energy usage, carbon emissions and related metrics, financial information, commercial and transactional information, customer and user data, employee and contractor data, supplier and cost data, and other related data and information, some of which is sometimes referred to as alternative data or "big data." Blackstone can be expected to be

better able to anticipate macroeconomic and other trends, and otherwise develop investment themes or identify specific investment, trading or business opportunities, as a result of its access to (and rights regarding, including use, ownership, distribution, and derived works rights over) this data and information from the Funds, Other Blackstone Clients, their Portfolio Entities and, at their discretion, investors in the Funds and investors in Other Blackstone Clients. Blackstone has entered and will continue to enter into information sharing and use, measurement and other arrangements with the Funds, Other Blackstone Clients, their Portfolio Entities, and, at their election, certain investors in the Funds and in Other Blackstone Clients, as well as with related parties and service providers, which will give Blackstone access to (and rights regarding, including use, ownership, distribution and derived works rights over) data that it would not otherwise obtain in the ordinary course. Further, this alternative data is expected to be aggregated across the Funds, Other Blackstone Clients and their respective Portfolio Entities. Although Blackstone believes that these activities improve Blackstone's investment management and other business activities on behalf of the Funds and Other Blackstone Clients, information obtained from the Funds, their Portfolio Entities and, at their election, certain investors in the Funds and in Other Blackstone Clients also provides material benefits to Blackstone or Other Blackstone Clients, typically without compensation or other benefit accruing to the Funds, their investors or Portfolio Entities of the Funds. For example, information obtained from a Portfolio Entity owned by the Funds can be expected to enable Blackstone to better understand a particular industry, enhance Blackstone's ability to provide advice or direction to a company's management team on strategy or operations, and execute trading and investment strategies in reliance on that understanding for Blackstone, other Funds, and Other Blackstone Clients that do not own an interest in such Portfolio Entity or the Fund that owns it, typically without compensation or benefit to such Portfolio Entity. Blackstone is expected to serve as the repository for such data described in this paragraph, including with ownership, use and distribution rights therein.

Furthermore, except for contractual obligations to third parties to maintain confidentiality of certain information or otherwise limit the scope and purpose of its use or distribution, and regulatory limitations on the use of material non-public information, Blackstone is generally free to use and distribute data and information from a Fund's and its Portfolio Entities' activities to assist in the pursuit of Blackstone's various other activities, including but not limited to trading activities or other uses for the benefit of Blackstone, another Fund or an Other Blackstone Client. Any confidentiality obligations in the Organizational Documents do not limit Blackstone's ability to do so. For example, Blackstone's ability to trade in securities of an issuer relating to a specific industry could, subject to applicable law, be enhanced by information of a Portfolio Entity in the same or related industry. Such trading or other business activities are expected to provide a material benefit to Blackstone without compensation or other benefit to the Funds or their investors.

The sharing and use of "big data" and other information presents potential conflicts of interest and any benefits received by Blackstone or its personnel (including fees (in cash or in kind), costs and expenses) will not be subject to the Management Fee offset provisions or otherwise be shared with the Funds or their investors. As a result, the Clarus Adviser has an incentive to

pursue investments that have data and information that can be utilized in a manner that benefits Blackstone or Other Blackstone Clients. (See also “—Data Services” herein.)

Data Services. Blackstone or an affiliate of Blackstone formed in the future will provide data services to Portfolio Entities, to certain investors in the Funds and in Other Blackstone Clients, and to the Funds and Other Blackstone Clients and other Blackstone affiliates and associated entities (including funds in which Blackstone and Other Blackstone Clients make investments, and Portfolio Entities thereof) (collectively, “Data Holders”). Such services can be expected to include assistance with obtaining, analyzing, curating, processing, packaging, distributing, organizing, mapping, holding, transforming, enhancing, marketing and selling such data (among other related data management and consulting services) for monetization through licensing or sale arrangements with third parties and, subject to the limitations in the Organizational Documents and any other applicable contractual limitations, with the Funds, Other Blackstone Clients, Portfolio Entities, investors in the Funds and in Other Blackstone Clients, and other Blackstone affiliates and associated entities (including funds in which Blackstone and Other Blackstone Clients make investments, and Portfolio Entities thereof). Where Blackstone believes appropriate, data from one Data Holder will be aggregated or pooled with data from other Data Holders. Any revenues arising from such aggregated or pooled data sets would be allocated between applicable Data Holders on a fair and reasonable basis as determined by Blackstone in its sole discretion, with Blackstone able to make corrective allocations should it determine subsequently that such corrections were necessary or advisable. If Blackstone in the future enters into data services arrangements with Portfolio Entities and such Portfolio Entities pay Blackstone compensation for such data services, the relevant Funds will indirectly bear their share of the cost of such compensation based on their ownership of such Portfolio Entities. To the extent permitted under the Organizational Documents, and to the extent Blackstone receives compensation for such data management services, such compensation could include a percentage of the revenues generated through any licensing or sale arrangements with respect to the relevant data, as well as fees, royalties and cost and expense reimbursement (including start-up costs and allocable overhead associated with personnel working on relevant matters (including salaries, benefits and other similar expenses)). Such compensation will not offset or reduce management fees or any other fees or expenses borne by the Funds or otherwise be shared with the Funds or Funds’ investors. Additionally, Blackstone is also expected to share and distribute the products from such data services within Blackstone or its affiliates (including Other Blackstone Clients or their Portfolio Entities) at no charge and, in such cases, the Data Holders will not receive any financial or other benefit from having provided such data to Blackstone. The potential receipt of such compensation by Blackstone creates incentives for Blackstone to cause the Funds to invest in Portfolio Entities with a significant amount of data that it might not otherwise have invested in or on terms less favorable than it otherwise would have sought to obtain on behalf of such Funds. (See also “—Data” herein.)

Buying and Selling Investments or Assets from Certain Related Parties. The Funds and their Portfolio Entities can be expected to purchase investments or assets from or sell investments or assets of such Funds to the Funds’ investors, other Funds, Other Blackstone Clients, Portfolio Entities of other Funds or Other Blackstone Clients or their respective related parties, including

parties which such Funds investors, other Funds, Other Blackstone Clients or Portfolio Entities own or have invested in. In certain circumstances, it can be expected that the proceeds received by a counterparty from a Fund in respect of an investment or asset will be distributed, in whole or in part, to a related party of the Fund (i.e., a Fund investor, Other Blackstone Clients and/or Portfolio Entities thereof) when such related party indirectly holds interests in such underlying investment or asset through the counterparty (including, for example, in such related party's capacity as an investor in such counterparty). Blackstone will generally rely upon internal analysis consistent with its valuation policies and procedures to determine the value of the applicable investment or asset, though it could also obtain third-party valuation reports in respect thereof. In other circumstances, where a Fund or a related party of a Fund (i.e., a Fund investor, a Portfolio Entity of another Fund or an Other Blackstone Client, another Fund or an Other Blackstone Client) holds publicly traded securities in a Portfolio Entity and the Fund or such related party has entered into a privately negotiated transaction with such Portfolio Entity, the Fund or such related party can be expected to receive (directly or indirectly) proceeds from such related party or a Fund, as applicable, upon the consummation of such privately negotiated transaction. In each such circumstance, Fund investors, other Funds, Other Blackstone Clients, Portfolio Entities of other Funds or Other Blackstone Clients or their respective related parties could also have limited governance rights in respect of such counterparty or such investment or asset. For example, subject to the Organizational Documents, Clarus IV is expected to sell investments to BXLS (as defined below) Funds. Purchases and sales of investments or assets of the Funds between the Funds or their Portfolio Entities, on the one hand, and limited partners and/or Portfolio Entities of other Funds or Other Blackstone Clients or their respective related parties, on the other hand, are not subject to the approval of any advisory committee of a Fund or Fund investor (or independent client representative (if any)), or any board of directors, as applicable, except as expressly required under the Funds' Organizational Documents or unless otherwise required under the Advisers Act or other applicable laws or regulations. A Fund could originate or initially acquire an investment (or portfolio of related investments) in circumstances where it expects that certain portions or tranches thereof (which could be of different levels of seniority or credit quality) will be syndicated to one or more other Funds or Other Blackstone Clients or where such other Funds or Other Blackstone Clients provide equity or debt financing to the Funds or third-party purchasers in connection with the disposition of such assets (in which case Blackstone will have conflicting duties in determining the tranching thereof). Blackstone will have conflicting duties to a Fund and Other Blackstone Clients when a Fund (or its Portfolio Entity) buys or sells assets from or to other Funds or Other Blackstone Clients (and, potentially, when the Fund buys, sells, or redeems interests in other Funds or Other Blackstone Clients) or when such other Funds or Other Blackstone Clients provide equity or debt financing to a Fund or third-party purchasers in connection with the disposition of such assets, including as a result of different financial incentives Blackstone could have with respect to the Fund and such Other Blackstone Clients. These conflicts will not necessarily be resolved in favor of a Fund. In addition, certain financings between a Fund and Blackstone affiliates could involve structuring that in form is a transaction between the Funds and an affiliate, but will not be treated as the sale of an investment to the Funds from a Blackstone affiliate (or vice versa) for purposes of the Funds' Organizational Documents, as determined by the Clarus Adviser in good faith. For example, where the Funds,

in anticipation of a take-private transaction, purchase publicly traded securities of an issuer in which an Other Blackstone Client holds a de minimis interest, such take-private transaction, if structured as a merger between the issuer and one or more subsidiaries of the Funds, might not be treated as the sale of an investment in such issuer from such Other Blackstone Clients to the Funds (or vice versa) for purposes of the Funds' Organizational Documents, including in a situation where holders of the securities of the issuer automatically receive cash consideration in exchange for their interest when the merger becomes effective.

There can be no assurance that any investment or asset sold by a Fund to a limited partner, other Fund, or Other Blackstone Clients, Portfolio Entities thereof, or any of their respective related parties (or where any such related parties are providing financing to the Funds or a third-party purchaser or where any interests in other Funds or Other Blackstone Client are being sold or redeemed by the Funds) will not be valued at or allocated a sale price that is lower than might otherwise have been the case if such asset were sold to a third-party rather than to a limited partner, other Funds, or Other Blackstone Clients, Portfolio Entities thereof, or any of their respective related parties (or were sold in a transaction where the Fund or the third-party purchaser is not receiving financing from a related party, or in the case of interests in an Other Blackstone Client sold or redeemed by the Funds, if the issuer of the interests were a third-party rather than another Fund or an Other Blackstone Client). To the extent permitted under the Organizational Documents, Blackstone will not be required to solicit third-party bids or obtain a third-party valuation prior to causing a Fund or any of its Portfolio Entities to purchase or sell any asset or investment from or to a Fund's limited partner, other Funds, or Other Blackstone Clients, Portfolio Entities thereof, or any of their respective related parties as provided above (or to purchase, sell, or redeem any interests in another Fund or an Other Blackstone Client). In the event Blackstone does solicit third-party bids in a sale process of any such assets, the participation of another Fund or an Other Blackstone Client (or a related party thereof) through the financing of a third party purchase could potentially have a negative impact on the overall process. For example, a bidder that is not working with, or has otherwise chosen not to work with, another Fund or an Other Blackstone Client for such financing could perceive the process as favoring parties that are doing so. While Blackstone will seek to develop sale procedures that mitigate conflicts for a Fund, there can be no assurance that any bidding process will not be negatively impacted by the involvement of any other Funds or Other Blackstone Clients in the relevant transaction. All the foregoing transactions involve conflicts of interest, as Blackstone will receive fees and other benefits, directly or indirectly, from or otherwise have interests in both parties to the transaction, including different financial incentives Blackstone will have with respect to the parties to the transaction. These conflicts will not necessarily be resolved in favor of a Fund.

Selling Assets to Other Blackstone Clients. Blackstone will have conflicting duties to the Funds and Other Blackstone Clients when the Funds sell assets to Other Blackstone Clients, including as a result of different financial incentives Blackstone could have with respect to the Funds and such Other Blackstone Clients. There can be no assurance that any assets sold by the Funds to an Other Blackstone Client will not be valued or allocated a sale price that is lower than might otherwise have been the case if such asset were sold to a third-party rather than to an Other Blackstone Client.

Other Blackstone Clients; Allocation of Investment Opportunities. Blackstone currently manages and will continue to manage, sponsor and close a variety of existing or future Other Blackstone Clients that have investment objectives and/or guidelines that are similar to or overlapping, in whole or in part, with those of the Funds to some extent, or pursue similar returns as a Fund but have a different investment strategy or objective. Investors should expect that in certain circumstances, not all of the investment opportunities suitable for the Funds will be presented to the Funds. Investment opportunities that might otherwise fall within the Funds' investment objectives or strategy could be allocated to Other Blackstone Clients (in whole or in part). As a result, certain opportunities within the Funds' investment objective will be made by or shared with one or more of such vehicles or funds. It is expected that some activities of Blackstone, the Other Blackstone Clients and their Portfolio Entities will compete with the Funds and their Portfolio Entities for one or more investment opportunities that are consistent with the Funds' investment objectives, and as a result such investment opportunities might only be available on a limited basis, or not at all, to the Funds. Moreover, a Portfolio Entity of Other Blackstone Clients could pursue follow-on investments (using, in whole or in part, such Portfolio Entity's own balance sheet capital or with additional capital from such Other Blackstone Client) that fall within the Funds' investment objectives or strategy. Therefore, there could be instances where investments that are consistent with the Funds' investment objectives could be allocated to such Other Blackstone Client's Portfolio Entity as a follow-on investment. Blackstone or its personnel could also from time to time make and hold investments of various types with or in lieu of the Funds or Other Blackstone Clients, although such investments would be limited or restricted by the Organizational Documents or the agreements for Other Blackstone Clients. To the extent Blackstone or its personnel does make or hold such investments, many of the conflicts of interest associated with the activities of Other Blackstone Clients also apply to such investment activities of Blackstone or its personnel.

The Sponsor has conflicting loyalties in determining whether an investment opportunity should be allocated to itself, the Funds, Blackstone or an Other Blackstone Client, and these conflicts might not necessarily be resolved in favor of the Funds. Blackstone has adopted guidelines and policies, which it can be expected to update from time to time, regarding allocation of investment opportunities.

In addition, Blackstone shall not have any obligations to present any investment opportunity (or portion of any investment opportunity) to the Funds if Blackstone determines in good faith that such opportunity (or portion thereof) should not be presented to the Funds for any one or more combination of reasons specified herein, or if Blackstone is otherwise restricted from presenting such investment opportunity to the Funds.

In circumstances in which any Other Blackstone Clients (including any other investment vehicles within the BXLS Group that could be formed in the future, including any BXLS Fund whose primary focus is making equity investments in Life Sciences companies) have investment objectives or guidelines that overlap with those of the Funds, in whole or in part, Blackstone generally determines the relative allocation of investment opportunities between or among one or more of the Funds and/or such Other Blackstone Clients on a fair and reasonable basis in

good faith according to guidelines and factors determined by it. However, the application of those guidelines and factors could result in the Funds not participating, or not participating to the same extent, in investment opportunities in which they would have otherwise participated, or participated to a greater extent, had the related allocations been determined without regard to such guidelines. The Clarus Adviser could also determine not to pursue opportunities, or, alternatively, could later determine an opportunity is appropriate for the Funds after initially reviewing such opportunity for or on behalf an Other Blackstone Client. Subject to certain limitations, the Funds could invest in the securities of publicly traded companies in which Other Blackstone Clients hold existing investments. Among the factors that the Clarus Adviser considers in making investment allocations among the Funds and Other Blackstone Clients are the following: (i) any applicable investment strategies, investment mandates, objectives (including whether such objectives are considered solely in light of the specific investment under consideration or in the context of the respective portfolios' overall holdings), focus (including investment focus on a classification attributable to an investment, such as investment strategy or maturity), parameters, guidelines, regulatory (including, without limitation, requirements under the Investment Company Act and any related rules, orders, guidance or other authority applicable to the Funds and Other Blackstone Clients), investor preferences, limitations, guidelines and other contractual provisions, obligations and terms relating to the Funds and such Other Blackstone Clients and the duration of their respective investment periods and holding periods, (ii) available capital of the Funds and such Other Blackstone Clients as determined by the Clarus Adviser in good faith (which could take into account relative portfolio composition, anticipated co-investment and other considerations in addition to buying power), (iii) the Funds and such Other Blackstone Clients, including whether such Other Blackstone Clients expect to invest in or alongside other funds or across asset classes based on expected return, (iv) legal, tax, regulatory, accounting and other considerations deemed relevant by the Clarus Adviser, (v) primary and permitted investment strategies, guidelines, liquidity positions and requirements, mandates, focus and objectives of the Funds and the Other Blackstone Clients, including, without limitation, with respect to Other Blackstone Clients that expect to invest in or alongside other funds or across asset classes based on expected return, (vi) sourcing of the investment (including by a particular Blackstone business unit), (vii) the sector and geography/location of the investment, (viii) the specific nature (including size, type, amount, liquidity, holding period, remaining investment periods, anticipated maturity and minimum investment criteria) of the investment, (ix) expected investment return, (x) risk/return profile of the investment relative to the Funds' and the Other Blackstone Clients' current risk profiles, (xi) the management of any actual or potential conflict of interest, (xii) expected availability and degree of leverage on the investment, (xiii) expected cash characteristics (such as cash-on-cash yield, distribution rates or volatility of cash flows), (xiv) capital expenditure required as part of the investment, (xv) the Funds' and Other Blackstone Clients' portfolio diversification and concentration concerns (including, but not limited to, whether a particular fund already has its desired exposure to the investment, sector, industry, geographic region or markets in question), (xvi) relation to existing investments in a fund, if applicable (e.g., "follow-on" to existing investment, joint venture or other partner to existing investment, or same security as existing investment), (xvii) avoiding allocation that could result in de minimis or odd lot investments, (xviii) coinvestment agreements, (xix)

anticipated tax treatment of the investment, (xx) nature and extent of involvement in the transaction of the respective teams of investment professionals dedicated to the Funds when compared to the Other Blackstone Clients, (xxi) timing expected to be necessary to execute an investment and (xxii) other considerations deemed relevant by the Clarus Adviser in good faith.

Investment opportunities that the Clarus Adviser makes a good faith determination are not expected to yield the Funds' targeted return profile or are otherwise inappropriate for a Fund given considerations described in the Organizational Documents or as otherwise determined by the Clarus Adviser, will generally not be allocated to a Fund.

The Clarus Adviser makes good faith determinations for allocation decisions based on expectations that will, in certain circumstances, prove inaccurate and such determinations require it to make subjective judgments regarding application of the guidelines and arrangements described herein. Information unavailable to the Clarus Adviser, or circumstances not foreseen by the Clarus Adviser at the time of allocation, could cause an investment opportunity to yield a different return than expected. For example, an investment that the Clarus Adviser expects to be consistent with a Fund's return objectives will, in certain circumstances, fail to achieve or exceed them. Any such judgments and applications involve inherent conflicts and risks that assumptions regarding investment opportunities might not ultimately prove correct. As such, there can be no assurance that the subjective judgments made by Blackstone and/or the Sponsor will prove correct in hindsight. Furthermore, in certain circumstances where a Fund is participating alongside one or more Other Blackstone Clients in an investment opportunity, the Clarus Adviser is expected to be required to make initial investment allocation decisions at the time of the signing of the related purchase agreement (or equivalent) and/or funding of the deposit in respect thereof. The Clarus Adviser could change the applicable investment allocations as between a Fund and such Other Blackstone Clients between such signing and/or funding of the deposit and the closing of such investment opportunity as it determines appropriate based on factors the Clarus Adviser deems relevant in its sole discretion, including (i) changes in available capital (taking into account changes in capital commitment subscriptions, redemptions, transfers, deployment of capital and reserves for future investments, among other factors) and (ii) prevailing concentration limits in respect of sector, industry, geographic region or markets in question. In such circumstances, the Fund's and such Other Blackstone Clients' respective obligations related to any deposit and transaction costs (including broken deal fees and expenses) would be expected to change accordingly, provided that any such adjustments, particularly in respect of funded deposits, are expected to occur at the time of the closing of the investment and interest or other additional amounts will not be due or payable in respect of any such adjustments. In addition, the Clarus Adviser could determine at any point prior to the closing of an investment opportunity that any such investment opportunity that was initially allocated to a Fund based on information available to the Clarus Adviser at the time the allocation decision is made should subsequently be reallocated in whole or in part to one or more Other Blackstone Clients (and vice versa) based on subsequent information received by the Clarus Adviser in respect of such investment opportunity (e.g., an investment opportunity that the Clarus Adviser initially determines to be consistent with the return objectives of a Fund could subsequently be determined to be

consistent with the return objectives of a core+ fund). In such circumstance, the Clarus Adviser could determine to reallocate all or any portion of any such investment opportunity from a Fund to such Other Blackstone Client (or vice versa) (such fund (including the Funds) from which an investment opportunity is being reallocated, a “Reallocating Fund”), including in circumstances where such Reallocating Fund has entered into an exclusivity arrangement or other binding agreement with one or more third parties (any such reallocated investment opportunity, a “Reallocated Investment”). In such cases, if the non-Reallocating Fund agrees to pursue the investment, Blackstone will determine, in its sole discretion, whether and to what extent the non-Reallocating Fund will reimburse the Reallocating Fund for any deferred acquisition costs (including non-refundable or refundable deposits, breakage fees, due diligence costs and other fees and expenses) incurred by the Reallocating Fund relating to such Reallocated Investment, and any such reimbursement would be made without the consent of the Investor Committee (or investor representatives), the limited partners, or otherwise, as applicable.

To the extent a Fund jointly holds securities with any Other Blackstone Client that has a different expected duration or liquidity terms, conflicts of interest will arise between such Fund and such Other Blackstone Client with respect to the timing and manner of disposition of opportunities. In order to mitigate any such conflicts of interest, such Fund could recuse itself from participating in any decisions relating or with respect to the investment by such Fund or the Other Blackstone Client. If the Other Blackstone Client maintains voting rights with respect to the securities it holds, or if the Fund does not recuse itself, Blackstone could be required to take action where it will have conflicting loyalties between its duties to the Fund and such Other Blackstone Clients, which could adversely impact such Fund. (See also “—Other Blackstone Clients; Allocation of Investment Opportunities” herein.) Even if a Fund and such Other Blackstone Clients and/or co-investment or other vehicles invest in the same securities, conflicts of interest could still arise. For example, it is possible that as a result of legal, tax, regulatory, accounting or other considerations, the terms of such investment (including with respect to price and timing) for a Fund and/or such Other Blackstone Clients and vehicles might not be the same. Additionally, a Fund and/or such Other Blackstone Clients and/or vehicles will generally have different expiration dates and/or investment objectives (including return profiles) and Blackstone, as a result, could have conflicting goals with respect to the price and timing of disposition opportunities and such differences could also impact the allocation of investment opportunities. As such, a Fund and/or such Other Blackstone Clients could dispose of any such shared investment (or choose whether to invest in related investments (such as follow-on investments)) at different times and on different terms. In addition, investments alongside Other Blackstone Clients in public securities could also result in conflicts of interest that do not apply to other joint investments. Following an IPO or subsequent public offering of a Portfolio Entity in which the Funds and any Other Blackstone Client hold an investment or otherwise if at any time the Funds and an Other Blackstone Client both hold public securities in the same Portfolio Entity, the Funds and such Other Blackstone Client are generally permitted to exit such public securities at different times and on different terms through sales on the public markets. Blackstone could reach different conclusions for each such vehicle on the decision of whether, when and at what price to sell such securities based on the different

expiration dates and/or investment objectives of the Funds and such Other Blackstone Clients or for other reasons, and this could result in Other Blackstone Clients exiting earlier or at a higher price than the Funds (or vice versa). It is also possible that the Funds and one or more Other Blackstone Clients will buy certain investments or assets at or about the same time that one or more Other Blackstone Clients are selling the same or related investments or assets. Such circumstances can be expected to arise from time to time for a number of reasons and could depend on various factors including the respective amounts of available capital, expiration dates, investment objectives and/or return profiles of the Funds and/or Other Blackstone Clients. The General Partners will not be required to provide notice or disclosure of the terms or occurrence of any such transactions to the Fund investors or to obtain any consent or approval from the Fund investors or the Investor Committee, and there can be no assurance that conflicts of interest arising out of such transactions will necessarily be resolved in favor of the Funds.

In connection with the Funds' investment activities, the Investment Committees (or a sub-committee thereof consisting of one or more individuals of the Investment Committees) generally reviews and approves potential investments. The allocation of investment opportunities among the Funds and the Other Blackstone Clients is initially formulated by an allocation committee comprised of the Blackstone Life Sciences Chief Operating Officer, Chief Compliance Officer, and a representative of Institutional Client Solutions (the "Allocation Committee"). The Allocation Committee meets to review and recommend to the Investment Committees (or a sub-committee thereof) the allocation of each transaction. There is no guarantee that the Allocation Committee will recommend an allocation of any potential investment to the Funds. All or a portion of certain investments may be allocated to Blackstone and Other Blackstone Clients, and Other Blackstone Clients may have primary contractual investment mandates that grant exclusive or priority allocation rights over certain investments made by the Funds.

In addition, in certain circumstances certain other investment vehicles (including Other Blackstone Clients) will receive allocations of investments that are otherwise appropriate for a Fund, which will from time to time result in a Fund not participating (or participating to a lesser extent) in certain investment opportunities otherwise within its mandate. Under certain circumstances, Blackstone can be expected to determine not to pursue some or all of an investment opportunity within the Funds' mandates, including without limitation, as a result of business, reputational or other reasons applicable to the Funds, Other Blackstone Clients, their respective Portfolio Entities or Blackstone. In addition, the Clarus Adviser will, in certain circumstances, determine that the Funds should not pursue some or all of an investment opportunity, including, by way of example and without limitation, because (i) the Funds have insufficient capital to pursue the investment (as determined by the Clarus Adviser in its good faith discretion taking into account not only capital that is actually available but considerations such as portfolio composition, anticipated co-investment and other factors), (ii) the Funds have already invested sufficient capital in the investment, sector, industry, geographic region or markets in question, as determined by the Clarus Adviser in its sole discretion, or (iii) the investment opportunity is not appropriate for the Funds for other reasons as determined by the

Clarus Adviser in its sole discretion. In any such case Blackstone could, thereafter, offer such opportunity to other parties, including Other Blackstone Clients or Portfolio Entities or investors in the Funds or Other Blackstone Clients, joint venture partners, related parties or third parties, and such parties could pursue the opportunity.

When the Clarus Adviser determines not to pursue some or all of an investment opportunity for a Fund that would otherwise be within such Fund's objectives and strategies, and Blackstone provides the opportunity or offers the opportunity to Other Blackstone Clients, Blackstone, including its personnel, can be expected to receive compensation from the Other Blackstone Clients whether or not in respect of a particular investment, including an allocation of carried interest or referral fees, and any such compensation could be greater than amounts paid by such Fund to the Clarus Adviser. As a result, the Clarus Adviser (including Sponsor personnel who receive such compensation) could be incentivized to allocate investment opportunities away from such Fund to or source investment opportunities for Other Blackstone Clients. In addition, in some cases Blackstone can be expected to earn greater fees when Other Blackstone Clients participate alongside or instead of the Funds in an investment.

Any such Other Blackstone Clients could be advised by a different Blackstone business group with a different investment committee, which could determine an investment opportunity to be more attractive than the Clarus Adviser believes to be the case. In any event, there can be no assurance that the Clarus Adviser's assessment will prove correct or that the performance of any investments actually pursued by the Funds will be comparable to any investment opportunities that are not pursued by the Funds. Blackstone, including its personnel, will, in certain circumstances, receive compensation from any such party that makes the investment, including an allocation of carried interest or referral fees, and any such compensation could be greater than amounts paid by the Funds to the Clarus Adviser. In some cases, Blackstone earns greater fees when Other Blackstone Clients participate alongside or instead of the Funds in an investment.

The Clarus Adviser makes good faith determinations for allocation decisions based on expectations that will, in certain circumstances, prove inaccurate and such determinations require it to make subjective judgments regarding application of the guidelines and arrangements described herein. Information unavailable to the Clarus Adviser, or circumstances not foreseen by the Clarus Adviser at the time of allocation, could cause an investment opportunity to yield a different return than expected. For example, an investment opportunity that the Clarus Adviser determines to be consistent with the return objectives of a lower return fund rather than the Funds might not match the Clarus Adviser's expectations and underwriting and generate an actual return that would have been appropriate for the Funds. Conversely, an investment that the Clarus Adviser expects to be consistent with the Funds' return objectives will, in certain circumstances, fail to achieve or exceed them. Any such judgments and application involve inherent conflicts and risks that assumptions regarding investment opportunities might not ultimately prove correct. As such, there can be no assurance that the subjective judgments made by Blackstone will prove correct in hindsight.

Other Blackstone Clients might be regulated under the 1940 Act or foreign equivalent (each, a “Regulated Fund”) and could be subject to their respective exemptive orders from the SEC or equivalent from other foreign regulators (as amended or superseded from time to time, the “Exemptive Orders”). Such Exemptive Orders, if required, could include restrictions and limitations that are not currently foreseen and extend beyond those described below. As a result, it is generally expected that the Funds investing alongside the Regulated Funds will be subject to the legal, tax, regulatory, accounting, contractual and other similar considerations, including without limitation those related to the 1940 Act (including any Exemptive Orders). Certain Regulated Funds have received, and others can be expected to receive, an Exemptive Order permitting the Regulated Funds to co-invest with certain other persons, including certain affiliates of Blackstone, and certain funds managed and controlled by the Clarus Adviser or Blackstone, including the Funds, Other Blackstone Clients and their affiliates, subject to certain terms and conditions. In order to permit the Funds to co-invest alongside a Regulated Fund, it is possible the investment adviser of such Regulated Fund will be required to serve, subject to applicable law, as an investment adviser to the Funds (including as a co-adviser or sub-adviser). For so long as any privately negotiated investment opportunity falls within certain established investment criteria of one or more Regulated Funds, such investment opportunity shall also be offered to such Regulated Fund(s). In the event that the Funds co-invest alongside a Regulated Fund, the Clarus Adviser and the investment adviser to the Regulated Fund will determine a targeted amount of available capital for investment alongside the Funds, in accordance with the allocation considerations outlined herein and in the Funds’ Organizational Documents. In the event that the aggregate targeted investment sizes of the Funds, such Other Blackstone Clients and such Regulated Fund(s) that are allocated an investment opportunity exceed the amount of such investment opportunity, allocation of such investment opportunity to each of the Funds, such Other Blackstone Clients and any applicable Regulated Fund(s) will typically be reduced proportionately based on their respective “available capital” as defined in the applicable Exemptive Order, which could result in an allocation to the Funds in an amount less than what it would otherwise have been if such Regulated Fund(s) did not participate in such investment opportunity. The Exemptive Order will also, in certain circumstances, restrict the ability of the Funds and/or Other Blackstone Clients to invest in any privately negotiated investment opportunity alongside a Regulated Fund except at the same time and on the same terms, as described in the respective Exemptive Order. As a result, the Funds will be unable to make investments in different parts of the capital structure of the same issuer in which a Regulated Fund has invested or seeks to invest, and Regulated Fund will be unable to make investments in different parts of the capital structure of the same issuer in which the Funds have invested or seek to invest. The foregoing restrictions could significantly limit the investment opportunities available to the Funds, particularly with respect to Regulated Funds that pursue the investment strategy(ies) pursued by the Funds within their investment programs and invest alongside the Funds programmatically. The rules promulgated by the SEC under the 1940 Act, as well as any related guidance from the SEC and/or the terms of any Exemptive Order itself, are subject to change, and the investment adviser of the Regulated Fund(s) could undertake to amend the Exemptive Order (subject to SEC approval), obtain additional exemptive relief, or otherwise be subject to other requirements in respect of investments involving the Funds, any Other Blackstone Client and any Regulated Funds, any of which could impact the amount of any

allocation made available to Regulated Funds and thereby affect (and potentially decrease) the allocation made to the Funds.

Due to the potential requirements applicable to Regulated Funds under an Exemptive Order, in the event that a Regulated Fund participates in an investment alongside a Fund, the structuring options available for such investment are expected to be more limited than if a Regulated Fund were not participating in such investment, and such structuring could result in increased costs to the Fund that would not otherwise have resulted had a Regulated Fund not participated. The Fund could therefore incur materially higher expenses on an ongoing basis than would otherwise be the case, particularly with respect to Regulated Funds that include the Funds within their investment objective and invest alongside the Funds. In addition, the Funds are expected to structure investments in which a Regulated Fund participates differently than if a Regulated Fund were not participating, or make or refrain from making certain investments in consideration of the participation by a Regulated Fund, which can in each case give rise to conflicts of interest.

Furthermore, the Blackstone Life Sciences private investment platform (“BXLS”) was initiated with Blackstone’s acquisition in November 2018 of the Sponsor. The investment objective of the BXLS Funds is largely consistent with that of the Sponsor. It is possible that certain of the investment opportunities within the investment objectives of BXLS Funds could fit within, or overlap with, the investment objectives of the Funds and such investment opportunities could be allocated in whole or in part to such other funds and could result in the Funds participating less or not participating at all in such investment opportunities. Blackstone Life Sciences Advisors L.L.C. makes good faith determinations for allocation decisions based on expectations that could prove inaccurate and such determinations require it to make subjective judgments regarding application of the guidelines and arrangements described in its organizational documents.

Clarus IV (as defined herein) has invested alongside a BXLS Fund and the Funds could continue to invest alongside Other Blackstone Clients (including other vehicles in which Blackstone or its personnel invest) in investments that are suitable for one or more of the Funds and such Other Blackstone Clients. To the extent a Fund jointly holds securities with any Other Blackstone Client that has a different expected duration or liquidity terms, conflicts of interest will arise between such Fund and such Other Blackstone Client with respect to the timing and manner of disposition of opportunities. In order to mitigate any such conflicts of interest, such Fund could recuse itself from participating in any decisions relating or with respect to the investment by such Fund or the Other Blackstone Client. If the Other Blackstone Client maintains voting rights with respect to the securities it holds, or if such Fund does not recuse itself, Blackstone could be required to take action where it will have conflicting loyalties between its duties to such Fund and such Other Blackstone Clients, which could adversely impact such Fund. (See also “—Other Blackstone Clients; Allocation of Investment Opportunities” herein.) Even if the Funds or any such Other Blackstone Clients and/or co-investment or other vehicles invest in the same investments, conflicts of interest could still arise. For example, it is possible that as a result of legal, tax, regulatory, accounting or other considerations, the terms of such investment

(including with respect to price and timing) for the Funds and/or such Other Blackstone Clients and vehicles might not be the same. Additionally, the Funds and/or such Other Blackstone Clients and/or vehicles will generally have different expiration dates and/or investment objectives (including return profiles) and Blackstone, as a result, could have conflicting goals with respect to the price and timing of disposition opportunities and such differences could also impact the allocation of investment opportunities (including follow-on investments related to earlier investments made by the Funds and Other Blackstone Clients). Such Other Blackstone Clients could also have certain governance rights for legal, regulatory or other reasons that the Funds will not have). As such, the Funds and/or such Other Blackstone Clients could dispose of any such shared investment (or choose whether to invest in related investments (such as follow-on investments)) at different times and on different terms.

Blackstone Insurance is the business segment of the credit and insurance asset management business unit of Blackstone ("BXCI") that provides investment advisory services to insurers, including insurance companies that are owned, directly or indirectly, by Blackstone or Other Blackstone Clients, in whole or in part, among others, such as (i) Everlake Life Insurance Company and certain of its affiliates ("Everlake"), (ii) certain subsidiaries of Corebridge Financial, Inc. ("Corebridge") and (iii) certain subsidiaries of Resolution Life Group Holdings Ltd. ("Resolution Life"). Certain of the insurers for which Blackstone Insurance provides services have been, are, or could be in the future, owned, directly or indirectly, by Blackstone or Other Blackstone Clients, in whole or in part. As of the date hereof, (i) an Other Blackstone Client fully owns the parent company of Everlake, with Blackstone owning a 9.9% indirect equity interest in the parent company of Everlake through the Other Blackstone Client, (ii) Blackstone owns a 9.9% equity interest in the parent company of Corebridge and (iii) an Other Blackstone Client fully owns the parent company of Resolution Life, with Blackstone owning a 5.4% indirect equity interest in the parent company of Resolution Life through the Other Blackstone Client. The foregoing and other Blackstone insurance company investment management arrangements will involve investments by such insurance company clients across a variety of asset classes. As a result, in addition to the compensation Blackstone receives for providing investment management services to insurance companies in which Blackstone or an Other Blackstone Client owns an interest, in certain instances Blackstone receives additional compensation in its capacity as an indirect owner of such insurance companies and/or Other Blackstone Clients. In the future Blackstone will likely enter into similar arrangements with other Portfolio Entities of the Funds, Other Blackstone Clients or other insurance companies. Such arrangements could reduce the allocations of investments to the Funds, and Blackstone could be incentivized to allocate investments away from the Funds to such insurance company client under such investment management arrangements or other vehicles/accounts to the extent the economic arrangements related thereto are more favorable to Blackstone relative to the terms of the Funds.

Allocation of Portfolios. Blackstone will, in certain circumstances, have an opportunity to acquire a portfolio or pool of assets, securities and instruments that it determines should be divided and allocated among the Funds and Other Blackstone Clients. Such allocations generally would be based on Blackstone's determination of, among other things, the expected returns

and risk profile of each of the assets and in any such case the combined purchase price paid to a seller would be allocated among the multiple assets, securities or instruments based on a determination by the seller, by a third-party valuation firm and/or by the Clarus Adviser and its affiliates. For example, some of the assets in a pool could have a higher return profile, while others could have a lower return profile not appropriate for the Funds. Also, a pool could contain both debt and equity instruments that Blackstone determines should be allocated to different funds. In all of these situations, the combined purchase price paid to a seller or received from a buyer would be allocated among the multiple assets, securities and instruments in the pool and therefore among the Funds and Other Blackstone Clients acquiring or selling any of the assets, securities and instruments in accordance with the allocation of value in respect of the transaction (e.g., accounting, tax, or different manner), although Blackstone could, in certain circumstances, allocate value to a Fund and such Other Blackstone Client on a different basis than the contractual purchase price. Similarly, there will likely be circumstances in which the Funds and Other Blackstone Clients will sell assets in a single or related transactions to a buyer. In some cases, a counterparty will require an allocation of value in the purchase or sale contract, though Blackstone could determine such allocation of value is not appropriate and should not be relied upon. Blackstone will generally rely upon internal analysis to determine the ultimate allocation of value, though it could also obtain third-party valuation reports. Regardless of the methodology for allocating value, Blackstone will have conflicting duties to the Funds and Other Blackstone Clients when they buy or sell assets together in a portfolio, including as a result of different financial incentives Blackstone has with respect to different vehicles, most clearly when the fees and compensation, including performance-based compensation, earned from the different vehicles differ. There can be no assurance that an investment of the Funds will not be valued or allocated a purchase price that is higher or lower than it might otherwise have been allocated if such investment were acquired or sold independently rather than as a component of a portfolio shared with Other Blackstone Clients.

Investments in Which Other Blackstone Clients Have a Different Principal Investment Generally. A Fund can be expected to hold an interest in or invest in assets of a Portfolio Entity that is different (including with respect to relative seniority) than the interests or assets held by Other Blackstone Clients (and in certain circumstances the Clarus Adviser could be unaware, as a result of information walls or otherwise, of an Other Blackstone Client's participation, the size of the Other Blackstone Client's investment or otherwise) and/or, with the consent of the Investor Committee, that are the same interests but that are acquired at different times pursuant to different transactions (e.g., as described above in "—Other Blackstone Clients; Allocation of Investment Opportunities" herein)). Generally, there are no limitations in the Organizational Documents with respect to such investments (including with respect to terms, price, quantity, frequency, percentage interest therein or otherwise).

In these situations, conflicts of interest will arise. In order to mitigate any such conflicts of interest, such Fund could recuse itself from participating in any decisions relating or with respect to such investment by such Fund or the applicable investments by the Other Blackstone Clients (or vice versa), or by establishing groups separated by information barriers (which can be expected to be temporary and limited purpose in nature) within Blackstone to act on behalf

of each of the clients or take other mitigation measures described herein or otherwise. Despite these, and any of the actions described above or otherwise that Blackstone could take to mitigate the conflict, Blackstone will, in certain circumstances, be required to take action when it will have conflicting loyalties between its duties to such Fund and such Other Blackstone Clients, which will, in certain circumstances, adversely impact such Fund. In that regard, actions could be taken for Other Blackstone Clients that are adverse to the Funds (and vice versa). If such Fund recuses itself from decision-making, it will generally rely upon a third party to make the decisions, and the third party could have conflicts, including that such third party could have other relationships with Blackstone or hold interests in one or more of the Funds participating in such investment, or otherwise make decisions that Blackstone would not have made. These transactions involve conflicts of interest, as Blackstone will receive fees and other benefits, directly or indirectly, from, or otherwise have interests in, both parties to the transaction, including different financial incentives Blackstone could have with respect to the parties to the transaction. In addition, under certain circumstances, a Fund could be prohibited (or refrain) from decision-making or exercising other rights it would otherwise have with respect to a Portfolio Entity, as a result of such Fund's affiliation with Other Blackstone Clients that own different interests in such Portfolio Entity. While the Clarus Adviser will seek, where applicable, to have a third-party exercise rights on behalf of such Fund for purposes of exercising voting rights and/or managing any conflicts of interest related to such investments (which could include third-party co-investors or independent representatives), in certain instances such investments could be made without any such third-party participation (for example, because such Fund owns or acquires the entirety of the relevant instrument or tranche), and in such circumstances the absence of any such third party could adversely affect such Fund or its interests in such Portfolio Entity (or the applicable Other Blackstone Client(s)) or its ability to effectively mitigate such conflicts of interest. Except to the extent expressly subject to the Management Fee offset provisions of the Funds' Organizational Documents, the Fund investors will in no way receive any benefit from fees paid to the Clarus Adviser or its affiliates from a Portfolio Entity in which any Other Blackstone Client also has an interest (including, for greater certainty, any fees the Clarus Adviser or its affiliates received as a result of the provision of services by such affiliates).

In addition, the Funds could invest in products developed by companies in which Other Blackstone Clients hold equity or debt securities. In such circumstances, conflicts could arise as the Funds and the Other Blackstone Client could have competing interests regarding the nature and terms of such transaction or if the product fails its clinical trial or is otherwise commercially unsuccessful or the company experiences financial distress.

Simultaneous Transactions. There could be instances where Blackstone negotiates transactions with counterparties that involve the Funds, an Other Blackstone Client and/or Blackstone in different capacities. For example, the Funds could sell or purchase an interest in a Portfolio Entity to a counterparty (such as another sponsor's fund), while the same counterparty acquires or sells an interest in a Portfolio Entity of an Other Blackstone Client or Blackstone. While these transactions could be separate or non-contingent, due to the simultaneous or closely related timing of these transactions, there could be actual or perceived conflicts of interest in connection with such transactions due to Blackstone's duties to the Funds on one

hand, and such Other Blackstone Client or Blackstone participating in the related transaction on the other, for example with respect to ensuring each transaction is separately in the best interest of the applicable Other Blackstone Client and the Funds and that the valuations are fair and reasonable to each respective fund, among other things. To the extent Blackstone believes that such transactions rise to the level of a conflict where mitigation would be appropriate, Blackstone could, for example, negotiate each such transaction independently and ensure there is not a cross-conditioned closing of the two transactions, to ensure that the terms of each such transaction stand on their own, but is not required to do so or to engage in any other conflict mitigation techniques with respect to such transactions.

Related Financing Counterparties. A Fund can be expected to invest in companies or products developed by companies or other entities in which Other Blackstone Clients make an investment in a different part of the capital structure (subject to limitations of the 1940 Act) and different products owned by the companies (and vice versa). The Clarus Adviser requests in the ordinary course proposals from lenders and other sources to provide financing to the Funds and their Portfolio Entities. The Clarus Adviser takes into account various facts and circumstances it deems relevant in selecting financing sources, including whether a potential lender has expressed an interest in evaluating debt financing opportunities, whether a potential lender has a history of participating in debt financing opportunities generally and with Blackstone in particular, the size of the potential lender's loan amount, the timing of the relevant cash requirement, the availability of other sources of financing, the creditworthiness of the lender, whether the potential lender has demonstrated a long-term or continuing commitment to the success of Blackstone and its funds, and such other factors that Blackstone deems relevant under the circumstances. The cost of debt alone is not determinative.

Debt financing to the Funds and their Portfolio Entities is expected to be provided, from time to time, by investors in the Funds and/or their affiliates, Other Blackstone Clients (such as the BREDS Funds, BXMT Funds and Blackstone Credit and Insurance Funds) and investors therein, their Portfolio Entities and other parties with material relationships with Blackstone, such as shareholders of and lenders to Blackstone and lenders to Other Blackstone Clients and their Portfolio Entities, as well as by Blackstone itself in accordance with the terms of the Organizational Documents. Blackstone could have incentives to cause the Funds and their Portfolio Entities to accept less favorable financing terms from an investor in a Fund, Other Blackstone Clients, their Portfolio Entities, Blackstone itself, investors therein and other parties with material relationships with Blackstone than it would from a third party. The same concerns apply when any of these other parties invest in a more senior position in the capital structure of a Portfolio Entity than the Funds, even if the form of the transaction is not a financing. Although less common, subject to the limitations of the 1940 Act, the Funds or a Portfolio Entity could also occupy a different position in the capital structure than an investor in a Fund, Other Blackstone Clients, their Portfolio Entities and other parties with material relationships with Blackstone, in which case Blackstone could have an incentive to cause the Funds or their Portfolio Entities to offer more favorable terms to such parties. In the case of a related party financing between the Funds or their Portfolio Entities, on the one hand, and Blackstone, Other Blackstone Clients or their Portfolio Entities, on the other hand, the Clarus Adviser could, but is not obligated to, rely on a third-party agent to confirm the terms offered by the counterparty

are consistent with market terms, or the Clarus Adviser could instead rely on its own internal analysis, which the Clarus Adviser believes is often superior to third-party analysis given Blackstone's scale in the market. If, however, any of Blackstone, a Fund, an Other Blackstone Client or any of their Portfolio Entities delegates to a third-party, such as another member of a financing syndicate or a joint venture partner, the negotiation of the terms of the financing, the transaction will be assumed to be conducted on an arms-length basis, even though the participation of the Blackstone-related vehicle impacts the market terms and Blackstone could have influence on such third parties. For example, in the case of a loan extended to the Funds or a Portfolio Entity by a financing syndicate in which an Other Blackstone Client has agreed to participate on terms negotiated by a third-party participant in the syndicate, it could have been necessary to offer better terms to the financing provider to fully subscribe the syndicate if such Other Blackstone Client had not participated; it is also possible that the frequent participation of Other Blackstone Clients in such syndicates could dampen interest among other potential financing providers, thereby lowering demand to participate in the syndicate and increasing the financing costs to the Funds. Blackstone does not believe either of these effects is significant, but no assurance can be given to investors in the Funds that these effects will not be significant in any circumstance.

Blackstone could cause actions adverse to the Funds to be taken for the benefit of Other Blackstone Clients that have made an investment more senior in the capital structure of a Portfolio Entity than the Funds (e.g., provide financing to a Portfolio Entity, the equity of which is owned by a Fund) and, vice versa, actions will, in certain circumstances be taken for the benefit of the Funds and their Portfolio Entities that are adverse to Other Blackstone Clients. Blackstone could seek to implement procedures to mitigate conflicts of interest in these situations such as (i) a forbearance of rights, including some or all non-economic rights, by the Funds or relevant Other Blackstone Client (or their respective Portfolio Entities, as the case may be) by, for example, causing such Other Blackstone Client to decline to exercise certain control- and/or foreclosure-related rights with respect to a Portfolio Entity by agreeing to follow the vote of a third party in the same tranche of the capital structure, or otherwise deciding to recuse itself with respect to both normal course ongoing matters (such as consent rights with respect to loan modifications in intercreditor agreements) and also decisions on defaults, foreclosures, workouts, restructurings and other similar matters, (ii) causing the Funds or relevant Other Blackstone Client (or their respective Portfolio Entities, as the case may be) to hold only a non-controlling interest in any such Portfolio Entity, (iii) retaining a third-party loan servicer, administrative agent or other agent to make decisions on behalf of the Funds or relevant Other Blackstone Client (or their respective Portfolio Entities, as the case may be), or (iv) create groups of personnel within Blackstone separated by information barriers (which can be expected to be temporary and limited purpose in nature), each of which would advise one of the clients that has a conflicting position with other clients. As an example, to the extent an Other Blackstone Client holds an interest in a loan or security that is different (including with respect to relative seniority) than those held by the Funds or their Portfolio Entities, Blackstone could decline to exercise, or delegate to a third party, certain control, foreclosure and other similar governance rights of the Other Blackstone Client. In these cases, Blackstone would generally act on behalf of one of its clients, though the other client would generally retain

certain control rights, such as the right to consent to certain actions taken by the trustee or administrative or other agent of the investment, including a release, waiver, forgiveness or reduction of any claim for principal or interest; extension of maturity date or due date of any payment of any principal or interest; release or substitution of any material collateral; release, waiver, termination or modification of any material provision of any guaranty or indemnity; subordination of any lien; and release, waiver or permission with respect to any covenants. The efficacy of following the vote of third-party creditors will be limited in circumstances where an investor of the Fund acquires all or substantially all of a relevant instrument, tranche or class of securities.

In connection with negotiating loans and bank financings in respect of Blackstone-sponsored transactions, Blackstone will generally obtain the right to participate (for its own account or an Other Blackstone Client) in a portion of the financings with respect to such Blackstone-sponsored transactions on the same terms negotiated by third parties with Blackstone or other terms the Clarus Adviser determines to be consistent with the market. Although Blackstone could rely on third parties to verify market terms, Blackstone could nonetheless have influence on such third parties. No assurance can be given that negotiating with a third party, or verification of market terms by a third party, will ensure that the Funds and their Portfolio Entities receive market terms.

In certain circumstances, a Fund could be required to commit funds necessary for an investment prior to the time that all anticipated debt (senior and/or mezzanine) financing has been secured. In such circumstance, an Other Blackstone Client and/or Blackstone itself (using, in whole or in part, its own balance sheet capital), could provide bridge or other short-term financing and/or commitments, which at the time of establishment are intended to be replaced and/or syndicated with longer-term financing. Such bridge financing and/or commitment would not be considered “co-investment” under the Organizational Documents and would be sold down ahead of equity invested by such Fund. Similarly, the Funds and/or Other Blackstone Clients could seek to initially acquire Investments (including all or part of the relevant tranche of securities) for the purpose of syndicating a portion or tranche thereof to one or more Other Blackstone Clients, co-investors or third parties. The terms of any such acquisition and syndication will be determined by the Clarus Adviser in its sole discretion and could involve a client initially acquiring all or substantially all of an instrument or relevant tranche or class of securities with a view towards syndication. In any such circumstance, third parties might not be available for purposes of mitigating any potential conflicts of interest (as described above) and the Other Blackstone Client and/or Blackstone itself could receive compensation for providing such financing and/or commitment (including ticking or commitment fees), which fees will not be shared with and/or otherwise result in an offset of Management Fees payable by any limited partner. The conflicts applicable to Other Blackstone Clients who invest in different securities of Portfolio Entities will apply equally to Blackstone itself in such situations. (See also “—Securities and Lending Activities” herein.) In addition, conflicts can also be expected to arise in determining the amount of an investment, if any, to be allocated among potential investors and the respective terms thereof.

In addition, it is anticipated that in a restructuring or bankruptcy proceeding a Fund's interests could, in certain circumstances, be subordinated or otherwise adverse to the interests of Other Blackstone Clients with ownership positions that are more senior to those of such Fund. For example, an Other Blackstone Client that has provided debt financing to an investment of a Fund could take actions for its benefit, particularly if such Fund's investment is in financial distress, which adversely impact the value of the Fund's subordinated interests.

Although Other Blackstone Clients, such as the Blackstone Credit and Insurance Funds, can be expected to provide financing to the Funds and/or their Portfolio Entities, there can be no assurance that any Other Blackstone Client will indeed provide any such financing with respect to any particular investment of the Funds. Participation by Other Blackstone Clients, such as the Blackstone Credit and Insurance Funds, in some but not all financings of the Funds and their Portfolio Entities could adversely impact the ability of the Funds and their Portfolio Entities to obtain financing from third parties when Other Blackstone Clients do not participate, as it could serve as a negative signal to market participants.

Any financing provided by a Fund investor or an affiliate to the Funds or a Portfolio Entity is not a capital contribution to such Fund and does not reduce the unused capital commitment of such Fund investor. To the extent any Fund investors (or any investor in any Other Blackstone Client) or any of their affiliates provide debt financing to the Funds or their Portfolio Entities, it will not be considered a "co-investment" and any applicable covenants regarding co-investments in the Organizational Documents do not apply.

Conflicting Fiduciary Duties to Debt Funds. Other Blackstone Clients include funds and accounts that make investments in senior secured loans, distressed debt, subordinated debt, high-yield securities, CMBS and other debt instruments, including any of the investment funds or vehicles sponsored or managed by Blackstone Alternative Credit Advisors LP, an affiliate of Blackstone. As discussed above, it is expected that these Other Blackstone Clients or investors therein will be offered the opportunity to provide financing to the Funds with respect to investments made by the Funds and their Portfolio Entities. Blackstone owes a fiduciary duty to these Other Blackstone Clients and investors therein as well as to the Funds and will encounter conflicts in the exercise of these duties. For example, if an Other Blackstone Client purchases high-yield securities or other debt instruments of a Portfolio Entity of a Fund, or otherwise occupies a senior (or other different) position in the capital structure of an investment relative to a Fund, Blackstone will encounter conflicts in providing advice to such Fund and to these Other Blackstone Clients with regard to appropriate terms of such high-yield securities or other instruments, the enforcement of covenants, the terms of recapitalizations and the resolution of workouts or bankruptcies, among other matters. For example, in a bankruptcy proceeding, in circumstances where a Fund holds an equity investment in a Portfolio Entity, the holders of such Portfolio Entity's debt instruments (which could include one or more Other Blackstone Clients) could take actions for their benefit (particularly in circumstances where such Portfolio Entity faces financial difficulties or distress) that subordinate or adversely impact the value of such Fund's investment in such Portfolio Entity. In addition, subject to the limitations of the 1940 Act, the Funds could hold an investment that is senior in the capital structure, such as a

debt instrument, to an Other Blackstone Client. Although measures described above in “—Related Financing Counterparties” can mitigate these conflicts, they cannot completely eliminate them. These conflicts related to fiduciary duties to such Other Blackstone Clients will not necessarily be resolved in favor of the Funds.

Similarly, certain Other Blackstone Clients can be expected to invest in securities of publicly traded companies that are actual or potential investments of the Funds or their Portfolio Entities or that are partners with or counterparties to the Sponsor in an investment. The trading activities of Other Blackstone Clients could differ from or be inconsistent with activities that are undertaken for the account of the Funds or their Portfolio Entities in any such securities. In addition, the Funds might not pursue an investment in a Portfolio Entity otherwise within the investment mandates of the Funds as a result of such trading activities by Other Blackstone Clients.

Joint Investments. The Funds will enter into joint investments with Other Blackstone Clients and could do so where such Other Blackstone Clients have certain governance rights for legal, regulatory or other reasons. Any such Other Blackstone Client could sell any such investment to any person at any time and the Funds might or might not participate with such Other Blackstone Client in such sale.

Related Financing of Counterparties to Acquire Investments or Assets from, or Sell Investments or Assets to, the Funds and their Portfolio Entities. In certain transactions, Other Blackstone Clients will commit to and/or provide financing to third parties that bid for and/or purchase investments or assets from the Funds and their Portfolio Entities. Generally, there are no limitations in the Organizational Documents or otherwise with respect to such arrangements (including with respect to terms, price, quantity, frequency, percentage interest therein or otherwise). In addition, the Funds and their Portfolio Entities will from time to time purchase assets or portfolio entities from third parties that obtain, or currently have outstanding, debt financing from Other Blackstone Clients. See “—Related Financing Counterparties” herein. Although Blackstone believes that the participation by Other Blackstone Clients in such debt financings could be beneficial to the Funds by supporting third parties in their efforts to bid on the sale of investments or assets by, and to sell investments or assets to, the Funds and their Portfolio Entities, Blackstone will have an incentive to cause the Funds or relevant Portfolio Entity to select to sell an investment or asset to, or purchase an investment or asset from, a third party that obtains debt financing from an Other Blackstone Client to the potential detriment of the Funds. For example, although the price is often the deciding factor in selecting from whom to acquire, or to whom to sell, an investment or asset, other factors at times influence the buyer or seller, as the case may be. The Clarus Adviser could thereafter cause the Funds or a Portfolio Entity to sell an investment or asset of the Funds to, or buy an asset from, a third party that has received financing from an Other Blackstone Client, even when such third party has not offered the most attractive price. Investors in the Funds rely on the Clarus Adviser to select in its sole discretion the best overall buyer in sales of, and the best overall seller in the acquisition of, Funds’ investments or assets, despite any conflict related to the parties financing the buyer or seller, as applicable.

Related Financing Providers. The Clarus Adviser could request in the ordinary course proposals from lenders and other sources to provide financing to the Funds. The Clarus Adviser takes into account various facts and circumstances it deems relevant in selecting financing sources, including whether a potential lender has a history of participating in debt financing opportunities generally and with Blackstone in particular, the size of the potential lender's loan amount, the timing of the relevant cash requirement, the availability of other sources of financing, the creditworthiness of the lender, whether the potential lender has demonstrated a long term or continuing commitment to the success of Blackstone and its funds, and such other factors that Blackstone deems relevant under the circumstances. The cost of debt alone is not determinative.

Debt financing to the Funds and their Portfolio Entities is expected to be provided, from time to time, by Other Blackstone Clients, their Portfolio Entities and other parties with material relationships with Blackstone, such as shareholders of and lenders to Blackstone and lenders to Other Blackstone Clients and their Portfolio Entities. Blackstone could have incentives to cause the Funds and their Portfolio Entities to accept less favorable financing terms from Other Blackstone Clients, their Portfolio Entities and other parties with material relationships with Blackstone than it would from a third party.

Co-Investment Opportunities. The Funds will allocate co-investment opportunities to investors in the Funds, the Other Blackstone Clients and their investors, Blackstone affiliates and other parties with whom Blackstone has a material relationship. The Organizational Documents of certain of the Funds provide that certain investors in such Funds with commitments to the Funds above a specified amount will receive priority access to their *pro rata* share of co-investment opportunities presented to other investors in the Funds or third parties. Other than with respect to this priority right, the offering and allocation of co-investment opportunities is entirely and solely in the discretion of Blackstone and/or the Clarus Adviser, and it is expected that many investors will, in certain circumstances, have expressed an interest in co-investment opportunities (including investors in the Funds) and will not be allocated any co-investment opportunities or will receive a smaller amount of co-investment opportunities than the amount requested or expected. For example, if supplemental capital vehicles are established, Blackstone intends to prioritize any supplemental capital vehicles in the allocation of co-investment opportunities. (See also “—Other Blackstone Clients; Allocation of Investment Opportunities” herein.) Furthermore, co-investment offered by the Sponsor will be on such terms and conditions (including with respect to management fees, performance-based compensation and related arrangements and/or other fees applicable to co-investors) as the Sponsor determines to be appropriate in its sole discretion on a case-by-case basis, which can be expected to differ amongst co-investors with respect to the same co-investment. In addition, the performance of Other Blackstone Clients co-investing with a Fund is not considered for purposes of calculating the carried interest payable by such Fund to the applicable General Partner. Furthermore, the Funds and co-investors will often have different investment objectives and limitations, such as return objectives, leverage limitations and maximum hold period. The Sponsor, as a result of the foregoing, will have conflicting incentives in making decisions with respect to such opportunities. Even if the Funds and any such parties invest in

the same securities on similar terms, conflicts of interest will still arise as a result of differing investment profiles of the investors, among other items.

Blackstone has established and could in the future establish more investment vehicles managed or advised by Blackstone to facilitate the participation of third-party co-investors (who might or might not be limited partners of the Funds (whether established in connection with such limited partner's investment in the Funds or otherwise) and/or Other Blackstone Clients) in co-investments alongside the Funds and/or Other Blackstone Clients, including "standing", dedicated or committed co-investment vehicles (the "Standing Co-Invest Vehicles"), which could be subject to more favorable rights and/or terms than the Funds. Consistent with the preceding paragraph, Blackstone, in its capacity as general partner of any Standing Co-Invest Vehicle, is permitted to make capital commitments or contributions to such Standing Co-Investment Vehicle, including, without limitation, to the extent it determines that such a commitment or contribution is necessary and/or advisable in light of legal, tax regulatory, accounting, contractual and other considerations with respect to such Standing Co-Invest Vehicle for tax or regulatory purposes. Standing Co-Invest Vehicles include both "opt-out" or "opt-in" vehicles where the co-investor determines whether to participate in co-investment opportunities presented to it either through affirmative or negative consent as well as committed vehicles where Blackstone (in some or all circumstances), and not the investors therein, has discretion in determining whether the Standing Co-Invest Vehicle, or a particular investor, will participate in co-investment opportunities. Standing Co-Invest Vehicles could nevertheless only participate in co-investment opportunities after the initial acquisition of an Investment by the Funds through a syndication from the Funds. The use of such vehicles could have the impact of blending an investor's effective management fee rate (and/or carried interest rate) down and the Clarus Adviser could be incentivized to allocate co-investment opportunities to discretionary vehicles with higher effective fees, carried interest or other performance-based compensation rates. The Clarus Adviser also reserves the right to provide certain Standing Co-Invest Vehicles with priority rights to participate in co-investment opportunities alongside the Funds, or the Clarus Adviser could agree to allocate co-investment opportunities to one or more Standing Co-Invest Vehicles in a programmatic manner. The terms of any Standing Co-Invest Vehicle agreed to with a Fund investor will not be subject to any "most favored nations" rights of the other Fund investors, notwithstanding that such terms could have been agreed to simultaneously with such Fund investor's investment in a Fund and that such Standing Co-Invest Vehicle could invest alongside such Fund periodically or programmatically, effectively modifying the economic terms of such Fund investor's participation in such shared investments. The amount and frequency of co-investment by any Standing Co-Invest Vehicle will be at the discretion of the Clarus Adviser, subject to the terms of such Standing Co-Invest Vehicles. It is possible that the existence of Standing Co-Invest Vehicles established by the Clarus Adviser will result in fewer co-investment opportunities being made available to investors who do not participate therein, and allocations of co-investment opportunities to Standing Co-Invest Vehicles could result in the Funds investing less than it would have in the related investments. Furthermore, to the extent that Blackstone establishes any Standing Co-Invest Vehicles, it can be expected to result in fewer investment opportunities for the Funds and fewer co-investment opportunities being made available to the Fund

investors. The number and scale of co-investment opportunities made available to the Fund investors (if any) could be higher or lower than those made available to Standing Co-Invest Vehicles.

- General Co-Investment Considerations: There are expected to be circumstances where an amount that would have otherwise been invested by the Funds is instead allocated to co-investors (who might or might not be Other Blackstone Clients, investors in the Funds or investors of Other Blackstone Clients, and could include Blackstone affiliates and/or third parties) or supplemental capital vehicles, and, except that certain investors in certain of the Funds could have a priority right to participate in co-investment opportunities pursuant to the Organizational Documents of the applicable Fund, there is no guarantee that any investor in any Fund will be offered any particular co-investment opportunity. As a general matter, the allocation of co-investment opportunities is entirely discretionary on the part of Blackstone and/or the Clarus Adviser, and it is expected that many investors who could have expressed an interest in co-investment opportunities will not be allocated any co-investment opportunities or could receive a smaller amount of co-investment opportunities than the amount requested or expected. Blackstone and/or the Clarus Adviser will take into account various facts and circumstances deemed relevant by Blackstone and/or the Clarus Adviser in allocating co-investment opportunities, including, among others, whether a potential co-investor has expressed an interest in evaluating co-investment opportunities, Blackstone's and/or the Clarus Adviser's assessment of a potential co-investor's ability to invest an amount of capital that fits the needs of the investment (taking into account the amount of capital needed as well as the number of investors that can realistically participate in the transaction) and Blackstone's and/or the Clarus Adviser's assessment of a potential co-investor's ability to commit to a co-investment opportunity within the required timeframe of the particular transaction. Additional considerations can be expected to also include, among others and without limitation, the size of a potential co-investor's commitments to the Funds, Other Blackstone Clients and strategic third party investors; whether a potential co-investor has a history of participating in co-investment opportunities with Blackstone; whether a potential co-investor has committed to a Fund or an Other Blackstone Client; the size of the potential co-investor's interest to be held in the underlying Portfolio Entity as a result of the Funds' investment (which is likely to be based on the size of the potential co-investor's capital commitment and/or investment in the Funds); whether the potential co-investor has demonstrated a long-term and/or continuing commitment to the potential success of the Sponsor, Blackstone, the Funds, other affiliated funds and/or co-investments (including size of commitment); and/or Other Blackstone Clients (including whether a potential co-investor will help establish, recognize, strengthen or cultivate relationships that could provide indirectly longer-term benefits to the Funds or Other Blackstone Clients and their respective underlying Portfolio Entities, or whether the co-investor has significant capital under management by the Sponsor and/or Blackstone or intends to increase such amount); whether the potential co-investor has an overall strategic relationship (including Strategic Relationships) with the Sponsor and/or Blackstone that provides it

with more favorable rights with respect to co-investment opportunities; whether the potential co-investor is considered “strategic” to the investment because it is able to offer the Funds certain benefits, including, but not limited to, the ability to help consummate the investment, the ability to aid in operating or monitoring the Portfolio Entity or the possession of certain expertise; the transparency, speed and predictability of the potential co-investor’s investment process; the ability of a potential co-investor to hold investments for longer periods of time or indefinitely; whether the Sponsor and/or Blackstone has previously expressed a general intention to seek to offer co-investment opportunities to such potential co-investor, whether a potential co-investor has the financial and operational resources and other relevant wherewithal to evaluate and participate in a co-investment opportunity; the familiarity the Sponsor and/or Blackstone has with the personnel and professionals of the potential co-investor in working together in investment contexts in the Funds, its predecessor funds or Other Blackstone Clients (which can be expected to include such potential co-investor’s history of investment in the Funds or Other Blackstone Clients and/or other Blackstone co-investment opportunities); the extent to which a potential co-investor has been provided a greater amount of co-investment opportunities relative to others; the ability of a potential co-investor to invest in potential follow-on or add-on acquisitions for the Portfolio Entity or participate in defensive investments; the likelihood that the potential co-investor would require governance rights that would complicate or jeopardize the transaction (or, alternatively, whether the potential co-investor would be willing to defer to the Sponsor and Blackstone and assume a more passive role in governing the Portfolio Entity); any interests a potential co-investor could have in any competitors of the underlying Portfolio Entity; the tax profile of the potential co-investor and the tax characteristics of the investment (including whether or not the potential co-investor would require particular structuring implementation or covenants that would not otherwise be required but for its participation or whether such co-investor’s participation is beneficial to the overall structuring of the investment); whether a potential co-investor’s participation in the transaction would subject the Funds and/or any of their Portfolio Entities to additional regulatory requirements, review and/or scrutiny, including any necessary governmental approvals required to consummate the investment; the potential co-investor’s relationship with the potential management team of the Portfolio Entity; whether the potential co-investor has any existing positions in the Portfolio Entity (whether in the same security in which a Fund is investing or otherwise); whether there is any evidence to suggest that there is a heightened risk with respect to the potential co-investor maintaining confidentiality; whether the potential co-investor has demonstrated a long term and/or continuing commitment to the potential success of the Funds, other affiliated funds and/or other co-investments, including the size of such commitment; whether the potential co-investor has any known investment policies and restrictions, guidelines, limitations or investment objectives that are relevant to the transaction, including the need for distributions; whether the expected holding period and risk-return profile of the investment is consistent with the stated goals of the potential co-investor; and such other factors that the Sponsor could in good faith deem relevant and believes to be appropriate in the

circumstances. Also, the Sponsor will, in certain circumstances, agree with investors (including investors in the Funds, Blackstone strategic relationships (including Strategic Relationships) and third-party investors) to more favorable rights or pre-negotiated terms with respect to co-investment opportunities, including with respect to targeted, preferential or favorable allocation of co-investment opportunities and discounts or rebates of performance-based compensation or management fees and/or tailored underwriting toward such investors interests. Finally, under the terms of the Organizational Documents of certain of the Funds, investors in such Funds with capital commitments to such Funds or certain other Funds greater than a certain amount will have a priority right to participate in co-investments ahead of other investors. Such arrangements will result in fewer co-investment opportunities being made available to other investors in the Funds. In addition, the allocation of investments to Other Blackstone Clients, including as described under “—Other Blackstone Clients; Allocation of Investment Opportunities” herein, can be expected to result in fewer co-investment opportunities to investors in the Funds.

- Additional Potential Conflicts of Interest with respect to Co-Investment; Strategic Relationships Involving Co-Investment: Blackstone and/or the Clarus Adviser and their affiliates will in certain circumstances be incentivized to offer certain potential co-investors (including, by way of example, as a part of an overall strategic relationship (including a Strategic Relationship and supplemental capital vehicles) with Blackstone) opportunities to co-invest in priority or on more favorable terms than other potential co-investors due to the amount of performance-based compensation or management fees or other fees paid by the co-investor receiving the priority allocation or better terms (as well as any additional discounts or rebates avoided by allocating co-investments to such co-investor with respect to such co-investor’s participation in the Funds and/or any Other Blackstone Clients) or other aspects of such co-investor’s relationship with the Sponsor. The Management Fees, carried interest and other fees received by the Sponsor from and the amount of expenses charged to the Funds can be expected to be less or more than such amounts paid by or charged to co-investment vehicles pursuant to the terms of such vehicles’ organizational documents and other agreements with co-investors, and such variation in the amount of fees and expenses can be expected to create an economic incentive for the Sponsor to allocate a greater or lesser percentage of an investment opportunity to the Funds or such co-investment vehicles or co-investors, as the case may be. In addition, other terms of existing and future co-investment vehicles can be expected to differ materially, and in some circumstances can be expected to be more favorable to the Sponsor, than the terms of the Funds, and such different terms can be expected to create an incentive for the Sponsor to allocate a greater or lesser percentage of an investment opportunity to the Funds or such co-investment vehicles, as the case may be. Such incentives will, from time to time, give rise to conflicts of interest, and there can be no assurance that such conflicts of interests will be resolved in favor of the Funds and that any investment opportunities that would have otherwise been offered to the Funds or investors in the Funds through co-investment will be made available. In circumstances where the Funds

are investing alongside Other Blackstone Clients, the Clarus Adviser and its affiliates could be incentivized to cause the Funds, on the one hand, or such Other Blackstone Clients, on the other hand, to offer co-investment opportunities depending on the economic and other terms each could be permitted to offer co-investors. There could be circumstances, including in the case where there is a seller who is seeking to dispose of a pool or combination of assets, properties, securities or instruments, where a Fund and Other Blackstone Clients participate in a single or related transactions with a particular seller where certain of such assets, properties, securities or instruments are specifically allocated (in whole or in part) to any of the Funds and such Other Blackstone Clients. The allocation of such specific items generally would be based on the Clarus Adviser's determination of, among other things, the expected returns and risk profiles for such items (e.g., specific items with higher expected returns and a higher risk profile could be allocated to the Funds whereas those with lower relative expected returns and a lower risk profile could be allocated to an Other Blackstone Client), and in any such case the combined purchase price paid to a seller would be allocated among the multiple assets, properties, securities or instruments based on a determination by the seller, by a third party valuation firm and/or by the Clarus Adviser and its affiliates. Additionally, it can be expected that Blackstone will, from time to time, enter into arrangements or strategic relationships with third parties, including other asset managers, financial firms or other businesses or companies, which, among other things, provide for referral, sourcing or sharing of investment opportunities. Blackstone will, in certain circumstances, pay management fees and performance-based compensation in connection with such arrangements. Blackstone will, in certain circumstances, also provide for or receive reimbursement of certain expenses incurred or received in connection with these arrangements, including diligence expenses and general overhead, administrative, deal sourcing and related corporate expenses. The amount of such reimbursements or rebates can be expected to relate to allocations of co-investment opportunities and increase if certain co-investment allocations are not made. While it is possible that the Funds will, along with Blackstone itself, benefit from the existence of those arrangements and/or relationships, it is also possible that investment opportunities that would otherwise be presented to or made by the Funds would instead be referred (in whole or in part) to such third party, either as a contractual obligation or otherwise, resulting in fewer opportunities (or reduced allocations) being made available to the Funds and/or investors in the Funds. Certain co-investment vehicles, including certain Standing Co-Invest Vehicles, generally will not be permitted, pursuant to their governing documents, to bear broken deal expenses. Some other co-investment vehicles, including some other Standing Co-Invest Vehicles, might not bear broken deal expenses or other investment-related expenses (including in respect of financing of such investment) (in which case the Funds would, to the fullest extent permitted by the applicable law, bear such extra portion of such expenses) unless Blackstone determines otherwise in its discretion. Such determinations will be made on a case by case basis by Blackstone and could result in differing treatment of co-investment vehicles under certain circumstances. The foregoing will under certain circumstances, and where permitted by applicable law, result in the Funds bearing more than its *pro rata* share of broken deal

expenses or such other expenses. This can be expected to give rise to conflicts of interest in connection with the Funds' investment activities in certain circumstances, and, while the Clarus Adviser will seek to resolve any such conflicts in a fair and equitable manner, there is no assurance that any such conflicts will be resolved in favor of the Funds.

Liability Arising From Transactions Entered into Alongside Blackstone and/or Other Blackstone Clients. Because of the opportunistic and flexible nature of the Funds' investment strategies, the Funds will also coinvest from time to time with one or more Other Blackstone Clients (including co-investment or other vehicles in which Blackstone or its personnel invest and that co-invest with such Other Blackstone Clients) or Blackstone (including Blackstone Innovations ("BXi")) in investments that are suitable for both the Funds and such Other Blackstone Clients and/or Blackstone. Participating in investments alongside Other Blackstone Clients and/or Blackstone will subject the Funds to a number of risks and conflicts (and in certain circumstances the Clarus Adviser will be unaware of an Other Blackstone Client's and/or Blackstone's participation, as a result of information walls or otherwise). For example, it is possible that as a result of legal, tax, regulatory, accounting or other considerations, the terms of such investment (including with respect to price and timing) for a Fund, Other Blackstone Clients and Blackstone might not be the same. Additionally, the Funds and such Other Blackstone Clients will generally have different investment periods or expiration dates and/or investment objectives (including return profiles) and Blackstone, as a result, could have conflicting goals with respect to the price and timing of disposition opportunities and such differences could also impact the allocation of investment opportunities (including follow-on investments related to earlier investments made by a Fund, Blackstone and Other Blackstone Clients). Such Other Blackstone Clients and/or Blackstone could also have certain governance rights for legal, regulatory or other reasons that the Funds will not have. As such, the Funds, Blackstone and/or such Other Blackstone Clients could dispose of any such shared investment at different times and on different terms, and investors therein could receive different consideration than is offered to the Fund investors (e.g., some or all Fund investors could receive cash whereas other Fund investors and investors in BXi or Other Blackstone Clients could be provided the opportunity to receive distributions in-kind in lieu thereof).

At times, a transaction counterparty will, in certain circumstances, require facing only one fund entity, which can be expected to result in (i) if a Fund is a direct counterparty to a transaction, such Fund being solely liable with respect to its own share as well as other Funds' and Other Blackstone Clients' shares of any applicable obligations, or (ii) if a Fund is not the direct counterparty, such Fund having a contribution obligation to the relevant other Funds and Other Blackstone Clients. Alternatively, a counterparty could agree to face multiple funds, which could result in the Funds being jointly and severally liable alongside other Funds and Other Blackstone Clients for the full amount of the applicable obligations. In cases in which the Funds could be responsible for the liability of other Funds or an Other Blackstone Client, or vice versa, the applicable parties would generally enter into a back-to-back or other similar contribution or reimbursement agreement.

Likewise, for certain investment-related hedging transactions, it can be expected to be advantageous for counterparties to trade solely with a Fund (or its special purpose or other

vehicles). For these transactions, it is anticipated that the Funds would then enter into back-to-back trade confirmations with deal-specific aggregators as well as guarantees, keepwells or other similar arrangements with other relevant Funds and Other Blackstone Clients. The party owing under such an arrangement will not always have resources to pay its liability, however, in which case the other party will bear more than its *pro rata* share of the relevant loss. It is not expected that the Funds or Other Blackstone Clients will be compensated for agreeing to be primarily liable vis-à-vis a third-party counterparty. Moreover, in connection with the divestment of all or part of a Portfolio Entity (e.g., an initial public offering) and/or the wind-down of a Portfolio Entity, Blackstone will seek to track the ownership interests, liabilities and obligations of the Funds and any Other Blackstone Clients owning an interest in the Portfolio Entity comprising such operating business, but it is possible that the Funds and applicable Other Blackstone Clients will, in certain circumstances, incur shared, disproportionate or crossed liabilities. Furthermore, depending on various factors including the relative assets, expiration dates, investment objectives and return profiles of each of the Funds and such Other Blackstone Clients, it is possible that one or more of them will have greater exposure to legal claims and that they will have conflicting goals with respect to the price, timing and manner of disposition opportunities.

Conflicts Related to Secondary Transfers of Limited Partner Transactions. To the extent the Clarus Adviser has discretion over a secondary transfer of interests in a Fund pursuant to such Fund's Organizational Documents, or is asked to identify potential purchasers in a secondary transfer, the Clarus Adviser will do so in its sole discretion, taking into account the following factors, among others:

- the Clarus Adviser's evaluation of the financial resources of the potential purchaser, including its ability to meet capital contribution obligations;
- the Clarus Adviser's perception of its past experiences and relationships with the potential purchaser, including its belief that the potential purchaser would help establish, recognize, strengthen and/or cultivate relationships that could provide indirectly longer-term benefits to current or future Funds and/or the Clarus Adviser and the expected amount of negotiations required in connection with a potential purchaser's investment;
- whether the potential purchaser would subject the Clarus Adviser, the applicable Fund, or their affiliates to legal, regulatory, reporting, public relations, media or other burdens;
- a potential purchaser's investment into another Fund (including any commitment, agreement to make a commitment, into an existing or a future Other Blackstone Client);
- requirements in such Fund's Organizational Documents; and
- such other facts as it deems appropriate under the circumstances in exercising such discretion.

Conflicts Relating to Continuation Vehicles and Continuation Transactions. The Clarus Adviser could, subject to the requirements of the applicable Organizational Documents, from time to

time establish other investment vehicles for the purpose of purchasing one or more investments from a Fund (including, but not always, where the selling Fund is approaching the end of its term), in connection with, or alongside, another Fund making an investment (such vehicles, “Continuation Vehicles”, and such transactions, “Continuation Transactions”). In such circumstances, the Clarus Adviser would be acting on behalf of, and making the investment decision for, both a Fund and the applicable Continuation Vehicle. As a result, Continuation Transactions implicate the conflicts of interest described herein in “—Buying and Selling Investments or Assets from Certain Related Parties” between such Fund and the Continuation Vehicle more generally. Further, because the Clarus Adviser and/or its affiliates will have the opportunity to earn additional management fees and/or receive additional carried interest and other benefits in respect of such Continuation Transactions, and because each purchaser’s commitment to acquire interests in a Continuation Vehicle will ordinarily be conditioned upon completion of the Continuation Transaction, the Clarus Adviser will have a potential conflict of interest in determining transaction terms and participants. While certain conflicts of interest related to Continuation Transactions often require approval by the Investor Committee of a Fund, certain transactions could be able to be completed at the initiation of the Clarus Adviser without any such approval.

Broken Deal Expenses. Any expenses incurred by the Funds for actual investments as described herein or in the Organizational Documents of a Fund could also be incurred by the Funds with respect to broken deals (i.e., investments or proposed dispositions that are not actually consummated). The Clarus Adviser is not required to and, in most circumstances, will not seek reimbursement of broken deal expenses (i.e., expenses incurred in pursuit of an investment or disposition that is not consummated) from third parties, including counterparties to the potential transaction or potential co-investors. Moreover, expenses related to the organization of co-investment vehicles formed to invest in a transaction that was ultimately not consummated are expected to be borne by the Funds, and not the proposed co-investors thereof. Examples of such broken deal expenses include, but are not limited to, reverse termination fees, extraordinary expenses such as litigation costs and judgments, meal, travel and entertainment expenses incurred, deposits or down payments which are forfeited in connection with unconsummated transactions, costs of negotiating co-investment documentation (including non-disclosure agreements with counterparties), the costs from onboarding (i.e., KYC) investment entities with a financial institution, commitment fees that become payable in connection with a proposed investment, and legal, tax, accounting and consulting fees and expenses (including all expenses incurred in connection with any tax audit, investigation settlement or review of the Funds, and any expenses of the applicable Fund’s partnership representative or its designated individual), printing and publishing expenses (including news and quotation equipment and services and data collection), and other due diligence and pursuit costs and expenses (including, for the avoidance of doubt, any Consultant expenses and in certain circumstances, broken deal expenses associated with services provided by Portfolio Entities, as detailed below). Any such broken deal expenses could, in the sole discretion of the Sponsor, be allocated solely to the applicable Funds and not to Other Blackstone Clients or co-investment vehicles that could have made the investment (including any situation where an Other Blackstone Client was initially allocated an investment

opportunity and incurred such expenses before such investment opportunity was reallocated to a Fund), even when the Other Blackstone Client or co-investment vehicle commonly invests alongside the Funds in its investments or Blackstone or Other Blackstone Clients in their investments. In such cases each Fund's share of expenses would increase. The Clarus Adviser expects that until a potential investment of a Fund is formally allocated to an Other Blackstone Client (it being understood that final allocation decisions are typically made shortly prior to closing an investment), such Fund is expected to bear the broken deal expenses for such investment, which could result in substantial amounts of broken deal expenses. In the event broken deal expenses are allocated to an Other Blackstone Client or a co-investment vehicle, the Clarus Adviser or the Funds will, in certain circumstances, advance such fees and expenses without charging interest until paid by the Other Blackstone Client or co-investment vehicle, as applicable. Certain co-investment vehicles however, or certain potential co-investors who might have invested in a transaction had it been consummated will not be allocated any share of such break-up or topping fees or broken deal expenses, such as potential investors in co-investment structures relating to a specific investment where the legally binding agreements relating to such co-investment are not executed until the time of the deal closing, unless the applicable General Partner determines otherwise in its discretion or as could be set forth in the relevant operative agreements. In addition, certain Portfolio Entities will provide services (including identifying potential investments) to the Funds, Other Blackstone Clients and their respective Portfolio Entities in respect of certain investments that are not ultimately consummated. See also "—Portfolio Entity Service Providers and Vendors" herein.

Blackstone will endeavor in good faith to allocate such broken deal-related costs to the Funds and such Other Blackstone Clients as it deems appropriate under the particular circumstances, including the allocation of certain expenses equally among the vehicles that were expected to participate in an investment that was not consummated. Any methodology used to determine the allocation of such broken deal expenses to the Funds and any Other Blackstone Clients or co-investment vehicles (including the choice thereof) involves inherent conflicts and will not result in perfect attribution and allocation of such costs, and there can be no assurance that a different manner of allocation would not result in the Funds and their Portfolio Entities bearing less or more of such costs. Further, any of the foregoing costs, although allocated in a particular period, could be allocated based on activities occurring outside such period. The allocation of any of the foregoing costs can be expected to be based on any of a number of different methodologies, and therefore a Fund could, to the fullest extent permitted by applicable law and to the extent permitted under the Organizational Documents, pay more than its pro rata portion of such cost based on its actual usage of such services.

Other Blackstone Business Activities. Blackstone, Other Blackstone Clients, their Portfolio Entities, Development Companies, TPTs and personnel and related parties of the foregoing will receive fees and compensation, including performance-based and other incentive fees, which could be substantial, for products and services provided to the Funds, the Development Companies and their Portfolio Entities, such as fees for asset management (including, without limitation, management fees and carried interest/incentive arrangements), development and property management; underwriting (including, without limitation, evaluation regarding value creation opportunities and ESG risk mitigation); syndication or refinancing of a loan or

investment (including loan modification or restructuring fees); loan or other debt servicing; royalty servicing; special servicing; administrative services; advisory services on purchase or sale of an asset or company; advisory services; investment banking and capital markets services; treasury and valuation services; placement agent services; fund administration; internal legal and tax planning services; information technology products and services; insurance procurement, brokerage solutions and risk management services; data extraction and management products and services; services by BX Energy Portcos (as defined below); clinical development and other pharmaceutical trial services; and other products and services (including but not limited to restructuring, consulting, monitoring, commitment, syndication, origination, organization and financing, and divestment services). Other than as expressly set forth in the Organizational Documents, such fees shall not be applied to offset Management Fees and Fund investors will not share therein. Such parties will also provide products and services for fees to Blackstone, the Funds, Other Blackstone Clients and their Portfolio Entities, and their personnel and related parties, as applicable, as well as third parties, as applicable. Further, such parties could provide products and services for fees to the Funds, Other Blackstone Clients and their Portfolio Entities in circumstances where third-party service providers are concurrently providing similar services to the Funds, Other Blackstone Client and their Portfolio Entities. Through its Innovations group, Blackstone incubates (or otherwise invests in) businesses that are expected to be introduced to, and therefore frequently provide goods and services to the Funds and Other Blackstone Clients and their Portfolio Entities, as well as other Blackstone-related parties and third parties. By contracting for a product or service from a business related to Blackstone, the Funds and their Portfolio Entities would provide not only current income to the business and its stakeholders, but could also create significant enterprise value in them, which would not be shared with the Funds or investors in the Funds and could benefit Blackstone directly and indirectly. Also, Blackstone, Other Blackstone Clients and their Portfolio Entities, and their personnel and related parties will, in certain circumstances, receive compensation or other benefits, such as through additional ownership interests or otherwise, directly related to the consumption of products and services by the Funds and their Portfolio Entities. The Funds and their Portfolio Entities will incur expense in negotiating for any such fees and services, which will be treated as partnership expenses. In addition, a General Partner could receive fees associated with capital invested by co-investors relating to investments in which a Fund participates or otherwise, in connection with a joint venture in which a Fund participates or otherwise with respect to assets or other interests retained by a seller or other commercial counterparty with respect to which a General Partner performs services.

The Funds will, in certain circumstances, engage a third-party administrator to provide certain administrative services to them. The Funds will, as determined by the Clarus Adviser and as permitted by the Organizational Documents, bear the cost of fund administration, accounting (including, without limitation, maintenance of the Funds' books and records, preparation of net asset value and other valuation support services, as applicable (e.g., valuation model and methodology review, review of third-party due diligence conclusions and sample testing), preparation of periodic investor reporting and calculation of performance metrics, central administration and depositary oversight (e.g., periodic and ongoing due diligence and

coordination of investment reconciliation and asset verification); audit support (e.g., audit planning and review of annual financial statements)); risk management support services (e.g., calculation and review of investment and leverage exposure); ESG and sustainability support services; regulatory risk reporting, data collection and modeling and risk management matters and tax support services (e.g., annual tax and VAT returns and FATCA and CRS compliance), in-house attorneys to provide transactional legal and related tax advice, tax planning and other related services (including, without limitation, entity organization, structuring, due diligence, document drafting and negotiation, closing preparation, post-closing activities (such as compliance with contractual terms and providing advice for investment-level matters with respect to fiduciary and other obligations and issues), litigation or regulatory matters, reviewing and structuring exit opportunities provided by Blackstone personnel and related parties to the Funds and their Portfolio Entities, including the allocation of their compensation (including, without limitation, salary, bonus, and benefits), and related overhead otherwise payable by Blackstone, or pay for their services at market rates, and except in certain limited circumstances or with respect to certain Funds, such amounts will not offset Management Fees. In certain circumstances, the Funds could engage a third-party administrator and in such circumstances there could be some overlap in the services performed by the third-party administrator and Blackstone personnel and the Funds will bear all such costs. The services of in-house attorneys generally include, without limitation, services with respect to M&A, capital markets or financing transactions, tax or regulatory structuring, supervision of external counsel and service providers, attending internal and external meetings (including investment committee meetings) and communicating with relevant internal and external parties. Any determination of whether the fees and costs attributable to Blackstone personnel and related parties reflect market rates or arm's length terms will not take into account any additional fees and costs borne by the Funds with respect to third parties providing similar services (e.g., an external administrator). Such allocations or charges can be based on any of the following methodologies: (i) requiring personnel to periodically record or allocate their historical time spent with respect to the Funds or Blackstone approximating the proportion of certain personnel's time spent with respect to the Funds, and in each case allocating their compensation (including, without limitation, salary bonus and benefits) and allocable overhead based on time spent, or charging their time spent at market rates, (ii) the assessment of an overall dollar amount (based on a fixed fee or percentage of assets under management) that Blackstone believes represents a fair recoupment of expenses and a market rate for such services or (iii) any other similar methodology determined by Blackstone to be appropriate under the circumstances.

The Clarus Adviser, the Funds, Other Blackstone Clients and their Portfolio Entities, and their affiliates, personnel and related parties could continue to receive fees, including performance-based or incentive fees, for the services described in the preceding paragraph with respect to investments sold by the Funds or a Portfolio Entity to a third-party buyer after the sale is consummated. Such post-disposition involvement will give rise to potential or actual conflicts of interest, particularly in the sale process. Moreover, the Clarus Adviser, the Funds, Other Blackstone Clients and their Portfolio Entities, and their affiliates, personnel and related parties could acquire a stake in the relevant asset as part of the overall service relationship, at the time of the sale or thereafter.

The Clarus Adviser does not have any obligation to ensure that fees for products and services contracted by the Funds or their Portfolio Entities are at market rates unless the counterparty is considered an “Affiliate” of the Sponsor, as determined in accordance with the applicable Organizational Documents, and given the breadth of Blackstone’s investments and activities the Clarus Adviser might not be aware of every commercial arrangement between the Funds and their Portfolio Entities, on the one hand, and Blackstone, other Funds, Other Blackstone Clients and their Portfolio Entities, and personnel and related parties of the foregoing, on the other hand.

The Management Fees paid by the Funds and investors in the Funds will generally be offset by the amount of certain fees, including directors’ fees, commitment fees, break-up fees, monitoring fees and success fees, or other remuneration paid by the Funds to the Clarus Adviser and its affiliates (but excluding any fees or remuneration paid to any “venture partner”, “entrepreneur in residence” or other similar employee, or consultant to, the Clarus Adviser or its affiliates, or with respect to any of the foregoing persons plus executives and officers and/or any Development Company) net of expenses; however, the Funds and investors in the Funds will otherwise not receive the benefit (*e.g.*, through an offset to the Management Fee or otherwise) of any fees or other compensation or benefit received by the Clarus Adviser, its affiliates or their personnel and related parties (see also “—Service Providers, Vendors and Other Counterparties Generally” and “—Other Blackstone Business Activities” herein). The Clarus Adviser and its affiliates and their personnel and related parties will receive fees attributable to Other Blackstone Clients (including co-investment vehicles, permanent capital vehicles, accounts and/or third parties) and third parties and, without limiting the generality of the foregoing, the amount of such fees allocable to Other Blackstone Clients (including co-investment vehicles, permanent capital vehicles, accounts and/or third parties) will not result in an offset of the Management Fees payable by investors in the Funds or otherwise be shared with the Funds, their Portfolio Entities or the investors in the Funds, even if (i) such Other Blackstone Clients (including co-investment vehicles, permanent capital vehicles, accounts and/or third parties) provide for lower or no management fees for the investors or participants therein (ii) such fees result in an offset to management fees or carried interest payable by any of such Other Blackstone Clients (including co-investment vehicles, permanent capital vehicles, accounts and/or third parties). As noted in “—Co-Investment Opportunities” herein, this creates an incentive for the Sponsor and/or Blackstone to offer co-investment opportunities and can be expected to result in other fees being received more frequently (or exclusively) with investments that involve co-investment.

In addition, to the extent Blackstone receives any of the fees described above in kind, instead of in cash, in whole or in part, Blackstone would in certain circumstances elect to become a co-investor (or otherwise hold an interest) in such investments alongside the Funds and/or Other Blackstone Clients, which are expected to give rise to potential or actual conflicts of interest, including with respect to the timing and manner of sale by Blackstone, on the one hand, and other participating investing vehicles, including the Funds, on the other hand. Blackstone’s receipt of such interests in kind generally would not be at the same time or on substantially the same terms, price and conditions as the Funds and/or the Other Blackstone Clients, as

applicable. With respect to any dispositions of securities or investments held by Blackstone resulting from receiving such fees in kind, since the Funds and/or Other Blackstone Clients, as applicable, are not necessarily similarly situated and could have different terms affecting the timing of their respective dispositions, there could be certain situations where Blackstone would not dispose of its securities or interests at the same time and/or on substantially the same terms, price and conditions as such other funds, which would be evaluated by Blackstone on a case-by-case basis taking into account the circumstances at the relevant time. There can be no assurance that any actual or perceived conflicts will be resolved in favor of the Funds or investors in the Funds.

Blackstone and its employees have long-term relationships with a significant number of corporations and their senior management. In determining whether to invest in a particular transaction on the Funds' behalf involving any such corporations, the Clarus Adviser will consider those relationships (including any incentives or disincentives as part of such relationship) when evaluating the investment opportunity, which could result in the Clarus Adviser choosing not to make such an investment on the Funds' behalf due to such relationships. The Funds could also co-invest with clients of Blackstone in a particular investment, and the relationship with such clients could influence the decisions made by the Clarus Adviser with respect to such Investments. Blackstone is under no obligation to decline any engagements or investments in order to make an investment opportunity available to the Funds (e.g., investments in a competitor of a client or other person with whom Blackstone has a relationship). The Funds could be required to sell or hold existing Investments as a result of investment banking relationships or other relationships that Blackstone could have or develop, or transactions or investments Blackstone could make or have made.

Outsourcing. The Clarus Adviser is expected to outsource to third parties several of the services performed for the Funds and/or their Portfolio Entities, including services (such as administrative, legal, accounting, tax, investment diligence, modeling, and ongoing monitoring, preparing internal templates, memos, and similar materials in connection with the Clarus Adviser's analysis of investment opportunities, or other related services) that can be and/or historically have been performed in-house by the Clarus Adviser and its personnel. The fees, costs and expenses of such third party service providers will, when consistent with the Funds' Organizational Documents, be borne by the Funds as partnership expenses, even if the Clarus Adviser would have borne such amounts if such services had been performed in-house (which, for the avoidance of doubt, would be in addition to any fees borne by the Funds as partnership expenses for similar services performed by the Clarus Adviser in-house in lieu of or alongside (and/or to supplement or monitor) such third parties, subject to the terms of the Funds' Organizational Documents). Outsourced services include certain services (such as fund administration, transactional legal advice, tax planning and other related services) that will, subject to the terms of the Funds' Organizational Documents, also be provided by the Clarus Adviser in-house at the Funds' expense. From time to time, the Clarus Adviser could provide such services alongside (and/or supplement or monitor) a third party service provider on the same matter or engagement and in such cases, to the extent the Clarus Adviser's services are reimbursable under the Funds' Organizational Documents, the overall amount of Fund

expenses borne directly or indirectly by limited partners will be greater than would be the case if only the Clarus Adviser or such third party provided such services.

The decision to engage a third party service provider and the terms (including economic terms) of such engagement will be made by the Clarus Adviser in its discretion, taking into account such factors as it deems relevant under the circumstances. Certain third party service providers and/or their employees (and/or teams thereof) will dedicate substantially all of their business time to one or more Funds, Other Blackstone Clients and/or their respective Portfolio Entities, while others will have other clients. In certain cases, third party service providers and/or their employees (including part- or full-time secondees to Blackstone) could spend some or all of their time at Blackstone offices, have dedicated office space at Blackstone, have Blackstone-related e-mail addresses, receive administrative support from Blackstone personnel or participate in meetings and events for Blackstone personnel, even though they are not Blackstone employees or affiliates. This creates a conflict of interest because Blackstone will have an incentive to outsource services to third parties due to a number of factors, including because the fees, costs and expenses of such service providers will be borne by the Funds as partnership expenses (with no reduction or offset to Management Fees) and retaining third parties will reduce the Clarus Adviser's internal overhead, compensation and benefits costs for employees who would otherwise perform such services in-house. Such incentives likely exist even with respect to services where internal overhead, compensation and benefits are chargeable to the Funds.

In general, the involvement of third party service providers could present a number of risks due to the Clarus Adviser's reduced control over the functions that are outsourced. In some cases, third-party service providers are permitted to delegate all or a portion of their responsibilities relating to the Funds and/or their Portfolio Entities to other third parties (including to their affiliates). Any such delegation could further reduce the Clarus Adviser's control over the outsourced functions, and the Clarus Adviser would lack direct oversight over the party to whom the responsibilities are delegated.

A third-party service provider could face conflicts of interest in carrying out its responsibilities relating to the Clarus Adviser, the Funds and/or their Portfolio Entities, including (without limitation) in relation to the delegation of such responsibilities to other parties and the allocation of time, attention and resources to the Clarus Adviser as compared to the service provider's other clients. Third-party service providers could have incentives to carry out their responsibilities in a manner that does not advance the interests of the Funds and/or their Portfolio Entities and often have no fiduciary obligation to act in the best interest of the Clarus Adviser, the Funds and/or their Portfolio Entities. The Clarus Adviser has limited visibility into what conflicts of interest a third-party service provider might face and the extent to which any such conflicts impact the service provider's decision-making.

There can be no assurances that the Clarus Adviser will be able to identify, prevent or mitigate the risks of engaging third party service providers (including the risk that such third-party service provider or its delegates will not perform the outsourced function with the same

degree of skill, competence and efficiency as Blackstone would in the absence of an outsourcing arrangement). The Funds could suffer adverse consequences from actions, errors or failures to act by such third parties or their delegates, and will have obligations, including indemnity obligations, and limited recourse against them.

Outsourcing and the use of internal service providers will not occur uniformly for all Blackstone managed vehicles and accounts and, accordingly, certain costs could be incurred by (or allocated to) certain Funds through the use of third party (or internal) service providers that are not incurred by (or allocated to) certain other Funds or Other Blackstone Clients for similar services.

Subject to the terms of the Organizational Documents of the applicable Funds, the Clarus Adviser could similarly determine to outsource certain services to Other Blackstone Clients, Portfolio Entities of the Funds and/or Other Blackstone Clients, limited partners of Funds and/or Other Blackstone Clients and affiliates of Blackstone, or to any of their respective related parties. The risks and conflicts described above would similarly apply in such circumstances, and such circumstances would raise additional conflicts. See also “—Portfolio Entity Service Providers and Vendors” herein.

Material Non-Public Information. By reason of their responsibilities in connection with other activities of Blackstone and potentially by virtue of their activities outside of Blackstone, certain employees of Blackstone could acquire confidential or material non-public information or be restricted from initiating transactions in certain securities. The Funds will not be free to act upon any such information. Due to these restrictions, the Funds might not be able to initiate a transaction that it otherwise might have initiated and might not be able to purchase or sell an investment that it otherwise might have purchased or sold, which could negatively affect their operations.

Securities and Lending Activities. Blackstone, its affiliates and their related parties and personnel participate in underwriting and lending syndicates and otherwise act as arrangers of financing, including with respect to the public offering and private placement of debt or equity securities issued by, and loan proceeds borrowed by, the Funds and their Portfolio Entities or advising on such transactions. Underwritings and financings can be on a firm commitment basis or on an uncommitted, or “best efforts,” basis, and the underwriting or financing parties are under no duty to provide any commitment unless specifically set forth in the relevant contract. Blackstone can also be expected to provide, either alone or alongside third parties performing similar services, placement, financial advisory or other similar services to purchasers or sellers of securities (including in connection with primary offerings, secondary transactions and/or transactions involving special purpose acquisition companies), including loans or instruments issued by Portfolio Entities of the Funds and Other Blackstone Clients. Subject to the terms of the Organizational Documents of the applicable Funds, Blackstone’s compensation for such services is expected to be paid by the applicable seller (including the Funds (for example, in the case of secondary sales by the Funds) and Portfolio Entities), one or more underwriters or financing parties (including amounts paid by an issuer and reimbursed by one or more

underwriters) and/or other transaction parties. A Blackstone broker-dealer will from time to time act as the managing underwriter, a member of the underwriting syndicate or broker for the Funds or their Portfolio Entities, or as dealer, broker or advisor to a counterparty to the Funds or a Portfolio Entity, and purchase securities from or sell securities to the Funds, Other Blackstone Clients or Portfolio Entities of the Funds and Other Blackstone Clients, or advise on such transactions. Blackstone will also from time to time, on behalf of the Funds or their Portfolio Entities, or other parties to a transaction involving the Funds or their Portfolio Entities, effect transactions, including transactions in the secondary markets, that result in commissions or other compensation paid to Blackstone by the Funds or their Portfolio Entities or the counterparty to the transaction, thereby creating a potential conflict of interest. This could include, by way of example, fees and/or commissions for equity syndications to co-investment vehicles. Subject to applicable law, Blackstone will from time to time receive underwriting fees, discounts, placement commissions, loan modification or restructuring fees, servicing fees, capital markets fees, advisory fees (including capital markets advisory fees), lending arrangement fees, asset/property management fees, insurance (including title insurance) fees and consulting fees, monitoring fees, commitment fees, syndication fees, origination fees, organizational fees, operational fees, loan or other debt servicing fees, royalty servicing fees, and financing and divestment fees (or, in each case, rebates in lieu of any such fees, whether in the form of purchase price discounts or otherwise, even in cases where Blackstone, the Funds, an Other Blackstone Client or their Portfolio Entities are purchasing debt) or other compensation with respect to the foregoing activities, which are not required to be shared with the Funds or the Fund investors, and the Management Fee with respect to an investor in a Fund generally will not be reduced by such amounts. The Clarus Adviser has sole discretion to approve the foregoing arrangements if the Clarus Adviser believes in good faith that such transactions are appropriate for the Fund.

Sales of securities for the account of the Funds and their Portfolio Entities will from time to time be bunched or aggregated with orders for other accounts of Blackstone including Other Blackstone Clients. It could be impossible, as determined by the Clarus Adviser in its sole discretion, to receive the same price or execution on the entire volume of securities sold, and the various prices will, in certain circumstances, therefore be averaged which could be disadvantageous to the Funds.

When Blackstone serves as underwriter with respect to securities of the Funds or their Portfolio Entities, the Funds and such Portfolio Entities could be subject to a “lock-up” period following the offering under applicable regulations during which time the Funds or their Portfolio Entities would be unable to sell any securities subject to the “lock-up.” This could prejudice the ability of the Funds and their Portfolio Entities to dispose of such securities at an opportune time. (See also “—Related Financing Counterparties” and “—Portfolio Entity Relationships Generally” herein.)

Blackstone employees, including employees of the Clarus Adviser, are generally permitted to invest in alternative investment funds, venture capital funds, real estate funds, hedge funds or other investment vehicles, including potential competitors of the Funds. The limited partners will not receive any benefit from any such investments.

PJT. On October 1, 2015, Blackstone spun off its financial and strategic advisory services, restructuring and reorganization advisory services, and its Park Hill fund placement businesses and combined these businesses with PJT Partners Inc. (“PJT”), an independent financial advisory firm founded by Paul J. Taubman. While the combined business operates independently from Blackstone and is not an affiliate thereof, it is expected that there will be substantial overlapping ownership between Blackstone and PJT for a considerable period of time going forward. Therefore, conflicts of interest will arise in connection with transactions between or involving the Funds and their Portfolio Entities, on the one hand, and PJT, on the other. The pre-existing relationship between Blackstone and its former personnel involved in financial and strategic advisory services at PJT, the overlapping ownership and co-investment and other continuing arrangements between PJT and Blackstone can be expected to influence the Clarus Adviser to select or recommend PJT to perform services for Blackstone, the Funds or their Portfolio Entities, the cost of which will generally be borne directly or indirectly by the Funds and investors in the Funds. Given that PJT is no longer an affiliate of Blackstone, the Clarus Adviser and its affiliates are able to cause the Funds and Portfolio Entities to transact with PJT generally without restriction under the Organizational Documents of the Funds, notwithstanding the relationship between Blackstone and PJT. (see also “—Service Providers, Vendors and Other Counterparties Generally” herein.)

Equity Securities. The Funds could acquire securities issued by life sciences companies. Where the Funds could acquire equity securities, including because such companies desire that the Funds hold an equity stake in addition to participating in a product financing, the value of those securities will fluctuate, and could depreciate in value. The Funds will likely not control the companies in which they acquire securities, and as a result, the Funds could have limited ability to determine any such company’s management, operational decisions and policies. Further, while the Sponsor could seek to mitigate the risks and liabilities of such transactions through, among other things, due diligence, there could be risks and liabilities that such due diligence efforts fail to discover, that are not disclosed to the Sponsor, or that we inadequately assess. (see “—Access to Information from Counterparties” and “—Risks Relating to Due Diligence of Investments”.) In addition, as a result of the Sponsor’s activities, it could receive material non-public information about other companies from time to time. Where such information relates to a company whose equity securities the Funds hold, it could be delayed or prevented from selling such securities when it would otherwise choose to do so, and such delay or prohibition could result in a loss or reduced gain on such securities.

Access to Information from Counterparties. The Sponsor will not always receive full information from counterparties because certain of this information could be considered proprietary by a counterparty. A counterparty’s use of proprietary investment strategies that are not fully disclosed to the Sponsor could involve risks under some market conditions that are not anticipated by the Sponsor. Furthermore, this lack of access to information could make it more difficult for the Sponsor to select and evaluate counterparties.

Misconduct by General Partner Employees and Fund Service Providers. Misconduct by employees of the General Partners and service providers to the Funds and/or their respective affiliates could cause significant losses to the Funds. Misconduct could include entering into

transactions without authorization, the failure to comply with operational and risk procedures, including due diligence procedures, the improper use or disclosure of confidential or material non-public information, which could result in litigation or serious financial harm, including limiting the Funds' business prospects or future marketing activities, and non-compliance with applicable laws or regulations and the concealing of any of the foregoing. Such activities could result in reputational damage, litigation, business disruption and/or financial losses to the Funds. The Clarus Adviser has controls and procedures through which it seeks to minimize the risk of such misconduct occurring. However, no assurances can be given that the Clarus Adviser will be able to identify or prevent such misconduct.

Portfolio Entity Relationships Generally. Blackstone, Portfolio Entities of the Funds, including special purpose vehicle Portfolio Entities that could be formed in connection with investments, the Development Companies, TPTs, and Other Blackstone Clients are and will be counterparties or participants in agreements, transactions and other arrangements with the Funds, Other Blackstone Clients, and other investment funds managed by Blackstone or other Blackstone affiliates and/or any Portfolio Entities of the foregoing for the provision of goods and services, purchase and sale of assets and other matters (including information-sharing and/or consulting). In addition, certain Portfolio Entities could be counterparties or participants in agreements, transactions and other arrangements with other Funds, Other Blackstone Clients and/or Portfolio Entities or portfolio entities of other Funds and/or Other Blackstone Clients for the provision of goods and services, purchase and sale of assets and other matters (including information-sharing and/or consulting). For example, from time to time, certain Portfolio Entities of the Funds or Other Blackstone Clients will provide or recommend goods or services to Blackstone, the Funds, Other Blackstone Clients, or other Portfolio Entities (including "platform" investments of the Funds and Other Blackstone Clients). As another example, it can also be expected that the management of one or more Portfolio Entities could consult with one another or with one or more Portfolio Entities of an Other Blackstone Client in respect of seeking its expertise, industry view, or otherwise on a particular topic including but not limited to an asset and/or the purchase and /or sale thereof. Moreover, the Funds and/or an Other Blackstone Client could consult with a Portfolio Entity of the Fund or of an Other Blackstone Client as part of the investment diligence for a potential investment by the Funds or such Other Blackstone Client. As a result of or as part of such interactions or otherwise, personnel (including one or more members of the management team) at one Portfolio Entity could transfer to or become employed by another Portfolio Entity of the Funds or of an Other Blackstone Client, the Funds, Blackstone or their respective affiliates (or vice versa). Any such transfer could result in payments by the entity that such personnel is going to or to the entity such personnel is departing from, without obtaining any consent from the Investor Committee or the Fund investors. These agreements, transactions and other arrangements will involve payment of fees and other amounts and/or other benefits to Blackstone, a Blackstone affiliate and/or a Portfolio Entity, none of which will result in any offset to the Management Fees or otherwise be shared with the Funds or any Fund investors because Portfolio Entities are generally not considered to be affiliates of the Clarus Adviser, the Funds or Blackstone under the Organizational Documents of the Funds, notwithstanding that some of the services provided by a Portfolio Entity are similar in nature to the services provided by the Clarus

Adviser. Such agreements, transactions and other arrangements will generally be entered into without the consent or direct involvement of the Funds and/or such Other Blackstone Client or the consent of the applicable Investor Committee and investors in the Funds or such Other Blackstone Client (including, without limitation, in the case of minority investments by the Funds in such Portfolio Entities or the sale of assets from one Portfolio Entity to another). This is because, among other considerations, Portfolio Entities of the Funds and Portfolio Entities of Other Blackstone Clients are not considered affiliates of Blackstone, the Funds or the Clarus Adviser under the Organizational Documents and therefore are not covered by the affiliate transaction restrictions included in the Organizational Documents, such as the requirement to obtain consent from an Investor Committee in certain circumstances. There can be no assurance that the terms of any such agreement, transaction or other arrangement will be as favorable to the Funds as otherwise would be the case if the counterparty were not related to Blackstone.

In addition, it is possible that certain Portfolio Entities of the Funds or Other Blackstone Clients or entities in which Other Blackstone Clients have an interest will compete with the Funds for one or more investment opportunities. It is also possible that certain Portfolio Entities of the Other Blackstone Clients or entities in which Other Blackstone Clients have an interest will engage in activities that could have adverse consequences on the Funds and/or their Portfolio Entities (including, by way of example only, as a result of laws and regulations of certain jurisdictions (e.g., bankruptcy, environmental, consumer protection and/or labor laws) that might not recognize the segregation of assets and liabilities as between separate entities and could permit recourse against the assets of not just the entity that has incurred the liabilities, but also the other entities that are under common control with, or part of the same economic group as, such entity, which could result in the assets of the Funds and/or their Portfolio Entities being used to satisfy the obligations or liabilities of one or more Other Blackstone Clients, their Portfolio Entities and/or affiliates).

In addition, Portfolio Entities, Blackstone and affiliates of Blackstone could also establish other investment products, vehicles and platforms focusing on specific asset classes or industry sectors that fall within a Fund's investment strategy, which could compete with such Fund for investment opportunities (it being understood that such arrangements could give rise to conflicts of interest that might not necessarily be resolved in favor of the Funds).

Further, Portfolio Entities with respect to which the Funds could elect members of the board of directors will, as a result, subject the Funds and/or such directors to fiduciary obligations to make decisions that they believe to be in the best interests of any such Portfolio Entity. Although in most cases the interests of the Funds and any such Portfolio Entity will be aligned, this might not always be the case. This has the potential to create conflicts of interest between the relevant director's obligations to any such Portfolio Entity and its stakeholders, on the one hand, and the interests of the Funds, on the other hand. Although Blackstone will generally seek to minimize the impact of any such conflicts, there can be no assurance they will be resolved favorably for the Funds.

Portfolio Entity Service Providers and Vendors. To the extent permitted by the applicable Organizational Documents, the Funds, the Development Companies, TPTs, Other Blackstone

Clients, Portfolio Entities of each of the foregoing and Blackstone can be expected to engage Portfolio Entities of the Funds and Other Blackstone Clients to provide to other Portfolio Entities, the Funds and Blackstone, services including, without limitation, the following: (a) corporate administrative and support services (including, without limitation, accounts payable, accounts receivable, accounting/audit (*e.g.*, valuation support services), account management (*e.g.*, treasury, customer due diligence), insurance procurement, placement, brokerage and consulting services, cash management, accounts receivable financing, corporate secretarial and executive assistant services, domiciliation, data management, directorship services, finance/budget, human resources (*e.g.*, the onboarding and ongoing development of personnel), communication, public relations and publicity, information technology and software systems support, corporate governance and entity management (*e.g.*, liquidation, dissolution and/or otherwise end of term services), risk management and compliance, internal compliance, know-your-client reviews and refreshes, judicial processes, legal, environmental and/or sustainability due diligence support (*e.g.*, review of asset condition reports, energy consumption), ESG program management services, engineering services, capital planning services, operational coordination (*e.g.*, coordination with JV partners, third-party service providers), risk management, reporting (*e.g.*, tax, debt, portfolio or other similar topics), tax and treasury, tax analysis and compliance (*e.g.*, CIT and VAT compliance), transfer pricing, internal risk control and valuation services business intelligence and data science services legal/business/finance optimization and innovation (including legal invoice automation), and vendor selection); (b) borrowing management services (including, without limitation, monitoring, restructuring and work-out of performing, sub-performing and non-performing loans, consolidation, cash management, financing management, administrative support, lender relationship management (*e.g.*, coordinating with a lender on any ongoing obligations under any relevant borrowing, indebtedness or other credit support (including any required consultation with or reporting to such lender)); (c) operational services including personnel (*i.e.*, general management of day to day operations, including, without limitation, planning with respect to portfolio composition (including hold/sell analysis support), ESG-related planning (including data collection, review, support and execution), revenue management support and portfolio and property reporting); and (d) transaction support services (including, without limitation, acquisition support; customer due diligence and related on-boarding; liquidation; reporting; relationship management with brokers, banks and other potential sources of investments; identifying potential investments including development sites and providing diligence and negotiation support to acquire the same, coordinating with investors; assembling relevant information; conducting financial and market analyses and modelling; coordinating closing/post-closing procedures for acquisitions, dispositions and other transactions; marketing and distribution, overseeing brokers, lawyers, accountants and other advisors; working with consultants and third parties to pursue entitlements; providing in-house legal, ESG and accounting services; and assisting with due diligence, preparation of asset improvement feasibilities, site visits, transaction consulting and specification of technical analysis and review of (i) operations and maintenance manuals and (ii) statutory documents). Similarly, Blackstone, Other Blackstone Clients and their portfolio entities can be expected to engage Portfolio Entities of the Funds to provide some or all of these services. Some of the services performed by Portfolio Entity service providers could also be performed by the applicable General Partner

or its affiliates from time to time and vice versa. Fees paid by a Fund or its Portfolio Entities or value created by other Portfolio Entity service providers or vendors do not offset or reduce the Management Fee payable by the investors in the Funds and are not otherwise shared with the Funds, unless otherwise required by the Organizational Documents. In addition, see “—Development Companies” herein. Furthermore, in certain circumstances, Blackstone can be expected to play a substantial role in overseeing the personnel of Portfolio Entity service providers that provide services to the Funds, Other Blackstone Clients and/or their Portfolio Entities on an ongoing basis, including with respect to the selection, hiring, retention and compensation of such personnel.

Blackstone has multiple business lines, which could result in competition with a Portfolio Entity for high performing executive talent and presents actual and potential conflicts of interest. For example, Blackstone could “poach” a Portfolio Entity executive, or such executive could interview with Blackstone during the applicable contractual period with respect to his or her existing position and later be hired by Blackstone after such period. A Portfolio Entity could want to retain such executives or other employees, and regardless, Blackstone is under no obligation to avoid interviewing or hiring such employees. For example, Blackstone expects that certain Portfolio Entity service providers, as described above, with Blackstone’s oversight, will establish a team of personnel to provide support services exclusively to a particular Fund and/or Other Blackstone Clients and their respective Portfolio Entities.

Portfolio Entities of the Funds and Other Blackstone Clients that can be expected to provide services (including fund administration and other services currently performed in-house by the Sponsor) to the Funds, Other Blackstone Clients and their Portfolio Entities include, without limitation, the following, and could include additional Portfolio Entities that could be formed or acquired in the future:

Ontra (fka InCloudCounsel) (“Ontra”). Ontra is a Portfolio Entity of certain Other Blackstone Clients that provides a contract automation and intelligence platform that utilizes artificial intelligence and a network of attorneys to support processing of routine contracts and tracking of obligations in complex agreements. Ontra is expected to perform services for the Funds, their Portfolio Entities, Other Blackstone Clients and Blackstone.

CoreTrust (“CoreTrust”). On September 30, 2022, certain Blackstone private equity funds and related entities closed the previously announced acquisition of a majority interest in CoreTrust (the “CoreTrust Acquisition”), a group purchasing organization that provides purchasing services to member companies, which includes Portfolio Entities owned, in whole or in part, by certain Blackstone-managed funds. CoreTrust is expected to provide group purchasing services to the Funds, their Portfolio Entities, Other Blackstone Clients and Blackstone. Generally, CoreTrust generates revenue from vendors based on a percentage of the amount of products or services purchased by its member companies and benefit plans maintained by its member companies. Historically, CoreTrust has shared a portion of the revenue generated through purchases made by Blackstone Portfolio Entities and also paid Blackstone a consulting fee. Blackstone stopped accepting such revenue sharing arrangements and consulting fees upon the closing of the CoreTrust Acquisition. However, Blackstone can in its sole discretion reinstitute such or similar revenue sharing arrangements with CoreTrust in the future.

In addition, prior to the CoreTrust Acquisition, CoreTrust generated revenue in respect of certain Portfolio Entities (the “Applicable Portfolio Entities”) from certain health and welfare benefit plan-related vendors (the “Applicable Vendors”). For legal and regulatory reasons, following the CoreTrust Acquisition, CoreTrust is limited in its ability to generate revenue from the Applicable Vendors in respect of Portfolio Entities’ health benefit plans based on a percentage of the amount of products or services purchased by such plans. As a result, for Applicable Portfolio Entities and other Portfolio Entities that become CoreTrust members, CoreTrust intends to rebate all revenue received from Applicable Vendors to each such Portfolio Entity’s applicable benefit plan. CoreTrust also intends to enter into with each Applicable Portfolio Entity (and with other Portfolio Entities that become CoreTrust members) a separate agreement that will include the payment of an access fee in return for allowing such Portfolio Entities to use the goods and services provided by the Applicable Vendors through CoreTrust. The amount of the access fee will generally be determined either as a percentage of total company revenues or as a fixed fee (in each case subject to periodic review by CoreTrust and the Applicable Portfolio Entity) and it possible the access fee might not be subject to benchmarking. The access fee could be greater or less than the amount of the revenue that CoreTrust previously generated from Applicable Vendors.

In addition, in the event of the disposition of a Portfolio Entity (whether by way of transfer to the Funds, an Other Blackstone Client, a Portfolio Entity of the foregoing or Blackstone (as described above) or by way of a sale to a third party), such Portfolio Entity could continue to provide some or all of the services described herein to the Funds, Other Blackstone Clients, Portfolio Entities of the foregoing or Blackstone, as applicable, even for a substantial period of time following such disposition.

The Funds and/or Portfolio Entities are currently engaged or expected to engage in the future with relevant businesses owned by Blackstone and/or Other Blackstone Clients that will provide energy procurement, advisory, consulting and/or other services related to ESG activities (including without limitation those related to establishment, implementation, assessment, attestation, monitoring and measurement of ESG-related programs, processes, initiatives and improvements) (such businesses, collectively, “BX Energy Portcos”). The Funds could make use of BX Energy Portcos in order to support the Funds’ aim of maximizing risk-adjusted returns on investments. In particular, BX Energy Portcos are expected to provide (i) energy advisory services, including energy procurement strategy and contract support; (ii) energy brokering, procurement and power marketing, including purchases of energy on behalf of Portfolio Entities through a retail energy marketer or as a broker; (iii) renewable or other low-carbon energy procurement, including purchases of renewable energy and/or investment in renewable energy projects; (iv) bill management, including bill pay support, which could include paying of bills, checking for billing errors and tariff negotiation and (v) data and emissions inventories, including managing energy data and calculating emissions from energy purchases.

Blackstone and Other Blackstone Clients could benefit from these transactions and activities through current income and creation of enterprise value in BX Energy Portcos’s businesses. Although Blackstone believes the services provided by BX Energy Portcos are equal to or better than those of third parties, Blackstone directly benefits from the engagement of BX Energy

Portcos, and there is therefore an inherent conflict of interest. In addition, there can be no assurances that the engagement of BX Energy Portcos by the Funds and/or Portfolio Entities will positively impact the financial or ESG-related performance of the Funds or Portfolio Entities.

There could be instances where current and former employees of Other Blackstone Clients' Portfolio Entities are seconded to or temporarily hired by the Funds' Portfolio Entities or, at times, the Funds' investments directly. Such secondments or temporary hiring of current and former employees of Other Blackstone Clients' Portfolio Entities by the Funds' Portfolio Entities (or its Investments) could result in a potential conflict of interest between the Funds' Portfolio Entities and those of such Other Blackstone Clients. Subject to the Organizational Documents, the costs of such employees are expected to be borne by the Funds or their relevant Portfolio Entities, as applicable, and the fees paid by the Funds or such Portfolio Entities to, other Portfolio Entity service providers or vendors do not offset or reduce the Management Fee.

The Funds and their Portfolio Entities will compensate one or more of these service providers and vendors owned by the Funds or Other Blackstone Clients, including through incentive-based compensation payable to their management teams and other related parties. Some of these service providers and vendors owned by the Funds or Other Blackstone Clients will charge the Funds and their Portfolio Entities for goods and services at rates generally consistent with those available in the market for similar goods and services. The discussion regarding the determination of market rates herein applies equally in respect of the fees and expenses of the Portfolio Entity service providers, if charged at rates generally consistent with those available in the market.

Other service providers and vendors owned and/or controlled by the Funds or Other Blackstone Clients pass through expenses on a cost reimbursement, no-profit, revenue, purchase and sale price, capital spend or break-even basis (even if third party customers or clients are charged on a different basis), which break-even point could occur over a period of time such that such service provider or vendor could realize a profit in a given year which would be expected to be applied towards the costs in subsequent periods. In such cases costs and expenses directly associated with work performed for the benefit of the Funds and their Portfolio Entities to them, along with any related tax costs and an allocation of the service provider's overhead, including any of the following: salaries, wages, benefits and travel expenses; marketing and advertising fees and expenses; legal, compliance, accounting and other professional fees and disbursements; office space, furniture and fixtures (including, without limitation, rent and refurbishment costs) and equipment; insurance premiums; technology expenditures (including hardware and software costs and servicing costs and upgrades related thereto); costs to engage recruitment firms to hire employees; due diligence expenses; one-time costs, including costs related to building-out, expanding and winding-down a Portfolio Entity; costs that are of a limited duration or non-recurring (such as start-up or technology build-up costs, initial technology and systems implementation costs, employee on-boarding, ongoing training and severance payments, and IPO-readiness and other infrastructure costs); taxes and/or liabilities determined by Blackstone based on applicable marginal tax rates; and other operating, establishment, expansion and capital expenditures (including financing and interest thereon).

The foregoing costs, although allocated in a particular period, will, in certain circumstances, relate to activities occurring outside the period (including in prior periods, such as where any such costs are amortized over an extended period), and further will, in certain circumstances, be of a general and administrative nature that is not specifically related to particular services, and therefore the Funds could, to the fullest extent permitted by applicable law, pay more than their pro rata portion of fees for services. In addition, in certain circumstances, the Clarus Adviser also relies on the management team of a Portfolio Entity with respect to the determination of costs and expenses and allocation thereof and does not oversee or participate in such determinations or allocations. Moreover, to the extent a Portfolio Entity uses an allocated cost model with respect to fees, costs and expenses, such fees, costs and expenses are typically estimated and/or accrued quarterly (or on another regular periodic basis) but not finalized until year-end and as a result, such year-end true-up is subject to fluctuation and increases such that for a given year, the year-end cumulative amount with respect to fees, costs and expenses could be greater than the sum of the quarterly estimates and/or accruals (or other periodic estimates and/or accruals where applicable) and therefore the Funds could bear more fees, costs and expenses at year-end than had been anticipated throughout the year. The allocation of overhead among the entities and assets to which services are provided can be expected to be based on any of a number of different methodologies, including, without limitation, “cost” basis as described above, “time-allocation” basis, “per unit” basis, “per square footage” basis or “fixed percentage” basis, and the particular methodology used to allocate such overhead among the entities and assets to which services are provided is expected to vary depending on the types of services provided and the applicable asset class involved and could, in certain circumstances, change from one period to another. There can be no assurance that a different manner of allocation would result in the Funds and their Portfolio Entities bearing less or more costs and expenses. In addition, a Portfolio Entity that uses a “cost” basis methodology could, in certain circumstances, change its allocation methodology, for example, to charging a flat fee for a particular service or instance (or vice versa), with respect to one and not all of its customers or clients, including the Funds and their Portfolio Entities, or to another methodology described herein or otherwise, and such changes could increase or reduce the amounts received by such Portfolio Entities for the same services, and, subject to the Organizational Documents, Fund investors will not necessarily be entitled to receive notice or disclosure of such changes in allocation methodology. In certain instances, particularly where such service providers and vendors are located outside of the U.S., such service providers and vendors will charge the Funds and their Portfolio Entities for goods and services at cost plus a percentage of cost for transfer pricing or other tax, legal, regulatory, accounting or other reasons or even decide to amortize any costs or expenses to address accounting or operational considerations. Further, the Funds and their Portfolio Entities will compensate one or more of these service providers and vendors owned by the Funds or Other Blackstone Clients through incentive-based compensation payable to their management teams and other related parties. The incentive-based compensation paid with respect to a Portfolio Entity or asset of a Fund or Other Blackstone Clients will vary from the incentive-based compensation paid with respect to other Portfolio Entities and assets of such Fund and Other Blackstone Clients and is expected to vary from those charged to third-party customers or clients of such service provider or vendor; as a result the management team or other related parties can be expected to have greater

incentives with respect to certain assets and Portfolio Entities relative to others, and the performance of certain assets and Portfolio Entities could provide incentives to retain management that also service other assets and Portfolio Entities. Blackstone is not expected to perform or obtain any benchmarking analysis or third-party verification of expenses with respect to services provided on a cost reimbursement, no profit, revenue, purchase and sale price, capital spend or break even basis, or in respect of incentive-based compensation, and the Management Fee will not be offset by such amounts. There can be no assurances that amounts charged by Portfolio Entity service providers that are not controlled by the Funds or Other Blackstone Clients will be consistent with market rates or that any benchmarking, verification or other analysis will be performed with respect to such charges. In addition, while it is expected that the Funds or Other Blackstone Clients will engage in long-term or recurring contracts with Portfolio Entity service providers, it can be expected that the Clarus Adviser will not seek to benchmark or otherwise renegotiate the original fee arrangement for a significant period of time. If benchmarking is performed, the related benchmarking expenses will be borne by the Funds, Other Blackstone Clients and/or their respective Portfolio Entities and, subject to the terms of the applicable Organizational Documents will not offset the Management Fee.

In certain circumstances, the Funds and Other Blackstone Clients will enter into fee arrangements with Portfolio Entity service providers (including instances where the fee is a cost-plus fee, i.e., is structured as the cost of services plus a fixed percentage). Where Portfolio Entity service providers have entered into such fee arrangements, there could be situations where the Portfolio Entity service provider's tax liabilities that are associated with the income received from the Funds and/or Other Blackstone Clients could be passed along to the Funds such that the Funds would ultimately be responsible for bearing such expenses. Accordingly, the Clarus Adviser could have an incentive to structure its fee arrangements with Portfolio Entity service providers in such a manner where the Funds or an Other Blackstone Client could bear all or a portion of such Portfolio Entity service providers' tax liabilities. As further noted above, no fees charged by these service providers and vendors in the fee arrangement discussed in this paragraph will offset or reduce Management Fees, unless otherwise required by the Organizational Documents.

A Portfolio Entity service provider will, in certain circumstances, subcontract certain of its responsibilities to other Portfolio Entities of the Funds and Other Blackstone Clients. In such circumstances, the relevant subcontractor could invoice the Portfolio Entity for fees (or in the case of a cost reimbursement arrangement, for allocable costs and expenses) in respect of the services provided by the subcontractor. The Portfolio Entity, if charging on a cost reimbursement, no-profit, revenue, purchase and sale price, capital spend or break-even basis, would in turn allocate those costs and expenses as it allocates other fees and expenses as described above. Similarly, Other Blackstone Clients, their Portfolio Entities and Blackstone can be expected to engage Portfolio Entities of the Funds to provide services, and these Portfolio Entities will generally charge for services in the same manner described above, but the Funds and their Portfolio Entities generally will not be reimbursed for any costs (such as start-up costs or technology build-up costs) relating to such Portfolio Entities incurred prior to such engagement.

Portfolio Entity service providers described in this section are generally owned and/or controlled by one or more Blackstone vehicles, such as the Funds and Other Blackstone Clients. In certain instances, a similar company could be owned and controlled by Blackstone directly. Blackstone could cause a transfer of ownership of one of these service providers (or the employees, leases, contracts or office assets of one service provider to another service provider) from the Funds to an Other Blackstone Client, or from an Other Blackstone Client to the Funds.

The transfer of a Portfolio Entity service provider (or the employees, leases, contracts or office assets of such service provider) between the Funds, other Funds and/or Other Blackstone Clients (where a Fund could be, directly or indirectly, a seller or a buyer in any such transfer) could be consummated for minimal or no consideration, and without obtaining any consent from the Investor Committee or the investors in the Funds. The Clarus Adviser could, but is not required to, obtain a third party valuation confirming the same, and if it does, the Clarus Adviser could rely on such valuation. Portfolio Entities of the Funds and Other Blackstone Clients are not considered “affiliates” of Blackstone, the Clarus Adviser or the Funds under the Organizational Documents and therefore are not covered by the affiliate transaction restrictions included in the Organizational Documents, such as the requirement to obtain consent from the Investor Committees in certain circumstances.

In the case of Investments involving a “platform company,” a Fund will from time to time enter into an arrangement with one or more individuals (who could have experience or capability in sourcing and/or managing investments) to undertake a build-up strategy to acquire and develop assets and businesses in a particular sector or involving a particular strategy. The counterpart individuals could be compensated with a salary and/or equity incentive plan. Such compensation could take the form of a management fee and/or profits allocation (whether paid directly to such individuals and/or to an affiliated entity controlled by such individuals), which could be calculated as a percentage of assets under management and/or a waterfall similar to a carried interest, respectively, and which will not be subject to the management fee offset. The professionals at such platform company, which in certain circumstances could include former employees or current or former senior advisors or consultants to the Clarus Adviser, its affiliates and/or management of Portfolio Entities of Other Blackstone Clients, can be expected to undertake analysis and evaluation of potential investment and acquisition opportunities for such platform company. Although the Clarus Adviser is generally responsible under the Organizational Documents for certain overhead expenses and investment analysis associated with sourcing and managing investments, as well as compensation costs of investment professionals, the Funds would, in such circumstances, invest capital to fund some or all of the costs of such platform companies including costs related to overhead (including rent, utilities, benefits, salary or retainers for the individuals and/or their affiliated entities) and the sourcing and analysis of investments, as well as compensation for the related counterparties, for any such platform companies.

Service Providers, Vendors and Other Counterparties Generally. Certain third-party advisors and other service providers and vendors or their affiliates to the Funds and their Portfolio

Entities (including accountants, administrators, paying agents, depositaries, lenders, bankers, brokers, attorneys, consultants, title agents, property managers and investment or commercial banking firms) or their affiliates are owned by Blackstone, the Funds or Other Blackstone Clients or provide goods or services to, or have other business, personal, financial or other relationships with, Blackstone, the Funds, the Other Blackstone Clients (including co-investment vehicles, where applicable) and their respective Portfolio Entities and affiliates and personnel of the foregoing. Such advisors and service providers referred to above could be investors in the Funds or Other Blackstone Clients, affiliates of the General Partners, sources of financing and investment opportunities or co-investors or commercial counterparties or entities in which Blackstone, the Funds and/or Other Blackstone Clients have an investment, and payments by the Funds and/or such entities could indirectly benefit Blackstone, the Funds, the Other Blackstone Clients (including co-investment vehicles, where applicable) and their respective Portfolio Entities or any affiliates or personnel of the foregoing. Also, advisors, lenders, investors, commercial counterparties, vendors and service providers (including any of their affiliates or personnel) to the Funds and their Portfolio Entities could have other commercial or personal relationships with Blackstone, Other Blackstone Clients (including co-investment vehicles, where applicable) and their respective Portfolio Entities, or any affiliates, personnel or family members of personnel of the foregoing. Although Blackstone selects service providers and vendors it believes are most appropriate in the circumstances based on its knowledge of such service providers and vendors (which knowledge is generally greater in the case of service providers and vendors that have other relationships to Blackstone), the relationship of service providers and vendors to Blackstone as described above will, in certain circumstances, influence Blackstone in deciding whether to select, recommend or form such an advisor or service provider to perform services for the Funds or a Portfolio Entity, the cost of which will generally be borne directly or indirectly by the Funds and can be expected to incentivize Blackstone to engage such service provider over a third party, utilize the services of such service providers and vendors more frequently than would be the case absent the conflict, or to pay such service providers and vendors higher fees or commissions than would be the case absent the conflict. The incentive could be created by current income and/or the generation of enterprise value in a service provider or vendor; Blackstone can be expected to also have an incentive to invest in or create service providers and vendors to realize on these opportunities. Furthermore, Blackstone will from time to time encourage third-party service providers to a Fund and its Portfolio Entities to use other Blackstone-affiliated service providers and vendors in connection with the business of a Fund, Portfolio Entities, and unaffiliated entities, and Blackstone has an incentive to use third-party services providers who do so as a result of the indirect benefit to Blackstone and additional business for the related service providers and vendors. Fees paid by the Funds or their Portfolio Entities to or value created in these service providers and vendors do not offset or reduce the Management Fee payable by the investors in the Funds and are not otherwise shared with the Funds unless required by the Organizational Documents. In the case of brokers, Blackstone has a best execution policy that it updates from time to time to comply with regulatory requirements in applicable jurisdictions.

Blackstone has a practice of not entering into any arrangements with advisors, vendors or service providers that provide lower rates or discounts to Blackstone itself compared to those

available to the Funds and their Portfolio Entities for the same services. However, legal fees for unconsummated transactions are often charged at a discounted rate, such that if the Funds and their Portfolio Entities consummate a higher percentage of transactions with a particular law firm than Blackstone, the Funds, Other Blackstone Clients and their Portfolio Entities, the investors in the Funds could indirectly pay a higher net effective rate for the services of that law firm than Blackstone, the Funds or Other Blackstone Clients and/or their Portfolio Entities. Also, advisors, vendors and service providers often charge different rates or have different arrangements for different types of services. For example, advisors, vendors and service providers often charge fees based on the complexity of the matter as well as the expertise and time required to handle it. Therefore, to the extent the types of services used by the Funds or their Portfolio Entities are different from those used by Blackstone, Other Blackstone Clients and their Portfolio Entities, and their affiliates and personnel, the Funds and their Portfolio Entities can be expected to pay different amounts or rates than those paid by such other persons. Similarly, Blackstone, the Funds, the Other Blackstone Clients and their Portfolio Entities and affiliates can be expected to enter into agreements or other arrangements with vendors and other similar counterparties (whether such counterparties are affiliated or unaffiliated with Blackstone) from time to time whereby such counterparty will, in certain circumstances, charge lower rates (or no fee) or provide discounts or rebates for such counterparty's products and/or services depending on certain factors, including without limitation the volume of transactions entered into with such counterparty by the Sponsor, Blackstone, the Funds and their investments and/or Portfolio Entities.

The Funds, Other Blackstone Clients and their Portfolio Entities are expected to enter into joint ventures with third parties to which the service providers and vendors described above will, in certain circumstances, provide services. In some of these cases, the third-party joint venture partner could negotiate to not pay its pro rata share of fees, costs and expenses to be allocated as described above, in which case the Funds, Other Blackstone Clients and their Portfolio Entities that also use the services of the Portfolio Entity service provider will, directly or indirectly, pay the difference, or the Portfolio Entity service provider will bear a loss equal to the difference. Moreover, in certain circumstances, the joint venture partner could be allocated fees, costs and expenses pursuant to a different methodology than a Portfolio Entity service provider's standard allocation methodology, which could result in the Funds or their Portfolio Entities being allocated more fees, costs and expenses than they would otherwise be allocated solely pursuant to such standard allocation methodology.

Blackstone could, from time to time, encourage service providers to the Funds and their Portfolio Entities' investments to use, at market rates and/or on arm's length terms, Blackstone-affiliated service providers in connection with the business of the Funds, Portfolio Entities, and unaffiliated entities. This practice provides an indirect benefit to Blackstone in the form of added business for Blackstone-affiliated service providers.

Certain Portfolio Entities that provide services to the Funds, Other Blackstone Clients and/or Portfolio Entities or assets of the Funds and/or Other Blackstone Clients could be transferred between and among the Funds and/or Other Blackstone Clients (where a Fund could be a seller

or a buyer in any such transfer) for minimal or no consideration (based on a third-party valuation confirming the same). Such transfers could give rise to actual or potential conflicts of interest for Clarus Adviser.

With respect to transactions or agreements with Portfolio Entities (including, for the avoidance of doubt, long-term incentive plans), if unrelated officers of a Portfolio Entity have not yet been appointed, Blackstone could negotiate and execute agreements between Blackstone and/or the Funds on the one hand, and the Portfolio Entity or its affiliates, on the other hand, which could entail a conflict of interest in relation to efforts to enter into terms that are arm's length. Among the measures Blackstone could use to mitigate such conflicts is to involve outside counsel to review and advise on such agreements and provide insights into commercially reasonable terms.

Charitable and Political Contributions. To the extent permitted by applicable law, the Clarus Adviser could, from time to time, require, cause or invite the Funds and/or a Portfolio Entity to make contributions to charitable initiatives, certain communities and/or related organizations or other non-profit organizations that the Clarus Adviser believes could, directly or indirectly, enhance the value of the Funds' investments, assist in completing an acquisition of a Portfolio Entity or other transaction (whether or not documented at the time of such acquisition or transaction) or otherwise serve a business purpose for, or be beneficial to, the Funds or their Portfolio Entities. Such contributions could be designed to benefit employees of a Portfolio Entity, the community in which a Portfolio Entity operates or a charitable cause essential to, or consistent with, the business purpose of a Portfolio Entity. In certain instances, such charitable initiatives could be sponsored by, affiliated with or related to current or former employees of Blackstone, portfolio entity management teams, advisors, operating partners, service providers, vendors, joint venture partners, and/or other persons or organizations associated with Blackstone, the Funds, Other Blackstone Clients or the Portfolio Entities. These relationships could influence the Clarus Adviser's decision whether to require, cause or invite a Fund or the Portfolio Entities to make charitable contributions. Further, from time to time, such charitable contributions by the Funds or the Portfolio Entities could supplement or replace charitable contributions that Blackstone would have otherwise made. Also, in certain instances, the Clarus Adviser could, from time to time, select a service provider or other counterparty to the Funds or their investments based, in part, on the charitable initiatives of such person where the Clarus Adviser believes such charitable initiatives could, directly or indirectly, enhance the value of the Funds' investments or otherwise be beneficial to the Portfolio Entities.

A Portfolio Entity could, in the ordinary course of its business, make political contributions to elected officials, candidates for elected office or political organizations, hire lobbyists or engage in other permissible political activities in U.S. or non-U.S. jurisdictions with the intent of furthering its business interests or otherwise, subject to applicable law. Portfolio Entities are not considered affiliates of the Sponsor (and in some cases are not controlled by the Sponsor), and therefore such activities are not subject to relevant policies of the Clarus Adviser and such activities could be undertaken by a Portfolio Entity without the knowledge or direction of the Clarus Adviser. In other circumstances, there could be initiatives where such activities are

coordinated by Blackstone for the benefit of one or more Portfolio Entities. In certain circumstances, the interests of such Portfolio Entities (which such activities are designed to promote) might not align with or be adverse to the interests of other Portfolio Entities, the Funds, Other Blackstone Clients or the Fund investors. The costs of such activities could be allocated among those Portfolio Entities (and borne indirectly by the Fund investors). While the costs of such activities will typically be borne by the Portfolio Entity (and indirectly the Funds) undertaking such activities, such activities could also directly or indirectly benefit other Portfolio Entities, other investments, Other Blackstone Clients or Blackstone, which might not be required to bear a share of such costs. There can be no assurance that any such activities will be successful in advancing the interests of a Portfolio Entity or otherwise benefit such Portfolio Entity or the Funds.

Any such charitable contributions or political contributions made by the Funds or the Portfolio Entities, if material, could affect the Funds' performance in respect of the relevant investment and will not offset Management Fees payable by the Funds. There can be no assurance that any such activities will actually be beneficial to or enhance the value of the Funds or the Portfolio Entities, or that the Clarus Adviser will be able to resolve any associated conflict of interest in favor of the Funds.

Restrictive Covenants; Restrictions on Fund Activities. Blackstone, the Funds, Other Blackstone Clients, joint venture partners and/or their respective Portfolio Entities and affiliates can be expected to enter into covenants that restrict or otherwise limit the ability of Blackstone, the Funds, Other Blackstone Clients, joint venture partners and/or their respective Portfolio Entities and affiliates to make investments in, or otherwise engage in, certain businesses or activities. For example, Other Blackstone Clients could have granted exclusivity to a joint venture partner that limits the Funds and Other Blackstone Clients from owning assets within a certain distance of any of the joint venture's assets. Blackstone, the Funds, an Other Blackstone Client, a joint venture partner and/or their respective Portfolio Entities and affiliates could have entered into a non-compete or other undertaking in connection with a purchase, sale or other transaction, including, without limitation, that Blackstone, the Funds, Other Blackstone Clients, joint venture partners and/or their respective Portfolio Entities and affiliates will not make investments or otherwise engage in any business or activity if such investment, business or activity could adversely affect or materially delay obtaining regulatory or other approvals in connection with any such purchase, sale or other transaction. These types of restrictions could negatively impact the ability of a Fund to implement its investment program. (See also "—Multiple Blackstone Business Lines.")

Transactions with Clients of Blackstone Insurance. Blackstone Insurance is the business segment of the credit and insurance asset management business unit of Blackstone ("BXCI") that provides investment advisory services to insurers, including insurance companies that are owned, directly or indirectly, by Blackstone or Other Blackstone Clients, in whole or in part, among others, such as (i) Everlake, (ii) certain subsidiaries of Corebridge and (iii) certain subsidiaries of Resolution Life. Certain of the insurers for which Blackstone Insurance provides services have been, are, or could be in the future, owned, directly or indirectly, by Blackstone or Other Blackstone Clients in whole or in part.

Actual or potential conflicts of interest will likely arise in relation to the funds, vehicles or accounts Blackstone Insurance advises or sub-advises, including accounts where an insurer participates in investments directly and there is no separate vehicle controlled by Blackstone (collectively, “Blackstone Insurance Clients”). Blackstone Insurance Clients will engage in a variety of activities, including participating in transactions related to the Funds and/or their Portfolio Entities (e.g., as originators, co-originators, counterparties or otherwise). Moreover, under certain circumstances (e.g., where a Blackstone Insurance Client participates in a transaction directly (and not through a vehicle controlled by Blackstone) and independently consents to participating in a transaction), a Blackstone Insurance Client (or any Other Blackstone Clients participating via a similar arrangement) will not be an “Affiliate” or a “Blackstone Credit and Insurance Fund” under the Organizational Documents of a Fund, in which case any limitations or obligations pursuant to such Organizational Documents with respect to transactions with affiliates, including any required consents of the Funds’ investors or any Investor Committee, will not apply. Blackstone Insurance Clients have invested and are expected to continue investing in Other Blackstone Clients and/or the Funds. For greater certainty, any references herein or in the Organizational Documents to Blackstone Credit or Blackstone Credit and Insurance Funds do not include Blackstone Insurance or Blackstone Insurance Clients. Certain Blackstone Insurance Clients could have investment objectives that overlap with those of the Funds or their Portfolio Entities, and such Blackstone Insurance Clients could invest alongside the Funds or such Portfolio Entities in certain investments, which will reduce the investment opportunities otherwise available to the Funds or such Portfolio Entities. Other transactions in which Blackstone Insurance Clients will participate include, without limitation, investments in debt or other securities issued by Other Blackstone Clients or Portfolio Entities or other forms of financing to Other Blackstone Clients or Portfolio Entities (including special purpose vehicles established by the Funds, Other Blackstone Clients or such Portfolio Entities) (see “—Conflicting Fiduciary Duties to Debt Funds” and “—Investments in Which Other Blackstone Clients Have a Different Principal Investment Generally” herein). When investing alongside the Funds or their Portfolio Entities or in other transactions related to the Funds or their Portfolio Entities, Blackstone Insurance Clients might not invest or divest at the same time or on the same terms as the Funds or the applicable Portfolio Entities. Blackstone Insurance Clients will also from time to time acquire investments and Portfolio Entities directly or indirectly from the Funds, including one or more cash-flow assets (e.g., royalty streams), which could be securitized along with other cash-flow assets. In circumstances where the General Partners determine in good faith that the conflict of interest is mitigated in whole or in part through various measures that Blackstone or the General Partners implement, the General Partners are not required and do not intend to seek approval of any Investor Committee or the investors in the Funds. In order to seek to mitigate any potential conflicts of interest with respect to such transactions (or other transactions involving Blackstone Insurance Clients), Blackstone could, in its discretion, involve independent members of the board of a Portfolio Entity or a third party stakeholder in the transaction to negotiate price and terms on behalf of the Blackstone Insurance Clients or otherwise cause the Blackstone Insurance Clients to “follow the vote” thereof, and/or cause an Independent Client Representative or other third party to approve the investment or otherwise represent the interests of one or more of the parties to the transaction. In addition, Blackstone or the Clarus Adviser could limit the percentage interest

of the Blackstone Insurance Clients participating in such transaction, or obtain appropriate price quotes or other benchmarks, or, alternatively, a third-party price opinion or other document to support the reasonableness of the price and terms of the transaction. Blackstone Insurance could, but is not required to, from time to time require the applicable Blackstone Insurance Clients participating in a transaction to consent thereto (including in circumstances where the Clarus Adviser does not seek the consent of an Investor Committee or the investors in the Funds). There can be no assurance that any such measures or other measures that could be implemented by Blackstone will be effective at mitigating any actual or potential conflicts of interest.

Transactions with Portfolio Entities. Blackstone and Portfolio Entities of the Funds and Other Blackstone Clients operate in multiple industries and provide products and services to or otherwise contract with the Funds and their Portfolio Entities, among others. In connection with any such investment, Blackstone, the Funds and Other Blackstone Clients and their respective Portfolio Entities and personnel and related parties of the foregoing can be expected to make referrals or introductions to the Funds or Portfolio Entities of the Funds or Other Blackstone Clients in an effort, in part, to increase the customer base of such companies or businesses or because such referrals or introductions will, in certain circumstances, result in financial benefits, such as cash payments, additional equity ownership, or participation in revenue share, accruing to the party making the introduction. Furthermore, such introductions or referrals could involve the transfer of certain personnel or employees among Blackstone and Portfolio Entities of the Funds and Other Blackstone Clients which could result in a termination fee or similar payments being due and payable from one such entity to another. In the alternative, Blackstone could form a joint venture (or other business relationship) with such a Portfolio Entity to implement such arrangements, pursuant to which the joint venture or business provides services (including, without limitation, corporate support services, loan management services, management services, operational services, ongoing account services (e.g., interacting and coordinating with banks generally and with regard to any related “know-your-client” requirements), risk management services, data management services, consulting services, brokerage services, sustainability and clean energy consulting services, insurance procurement, placement, brokerage and consulting services, and other services) to such portfolio entities that are referred to the joint venture or business by Blackstone. Such referrals could be made by Blackstone in an effort, in part, to increase the customer base of such companies or businesses (and therefore the value of the investment held by the Funds or Other Blackstone Client) or because such referrals or introductions will, in certain circumstances, result in financial benefits, such as cash payments, additional equity ownership, or participation in revenue share and/or milestones benefitting the referring or introducing party and/or to Blackstone or its affiliates in the case of a joint venture that are tied or related to participation by the Portfolio Entities of the Funds and/or of Other Blackstone Clients, accruing to the party making the introduction. Such joint venture or business could use data obtained from such Portfolio Entities (see “—Data” and “—Data Services” herein). The Funds and the investors in the Funds typically will not share in any fees, economics, equity or other benefits accruing to Blackstone, Other Blackstone Clients and their Portfolio Entities as a result of the introduction

of the Funds and their Portfolio Entities. There could, however, be instances in which the applicable arrangements provide that the Funds or their Portfolio Entities share in some or all of any resulting financial incentives (including, in some cases, cash payments, additional equity ownership, participation in revenue share and/or milestones) based on structures and allocation methodologies determined in the sole discretion of Blackstone. Conversely, where the Funds or one of their Portfolio Entities is the referring or introducing party, rather than receiving all of the financial incentives (including, in some cases, cash payments, additional equity ownership, participation in revenue share and/or milestones) for similar types of referrals and/or introductions, such financial incentives (including, in some cases, cash payments, additional equity ownership, participation in revenue share and/or milestones) could be similarly shared with the participating Other Blackstone Clients or their respective Portfolio Entities.

With respect to transactions or agreements with Portfolio Entities (including, for the avoidance of doubt, long term incentive plans) occurring at times when unrelated officers of a Portfolio Entity are not appointed, Blackstone can be expected to negotiate and execute agreements on behalf of the Portfolio Entity with Blackstone, the Funds, Other Blackstone Clients and their Portfolio Entities and affiliates and other related parties. These negotiations would not be arm's length and would entail conflicts of interest. Among the measures Blackstone can be expected to use to mitigate such conflicts is to involve outside counsel to review and advise on such agreements and provide insights into commercially reasonable terms, or establish separate groups with information barriers within Blackstone to advise on each side of the negotiation.

Related Party Leasing. The Funds and their Portfolio Entities will, in certain circumstances, lease property to or from Blackstone, other Funds, Other Blackstone Clients and their Portfolio Entities and affiliates and other related parties. The leases are generally expected to, but might not always, be at market rates. Blackstone can be expected to confirm market rates by reference to other leases it is aware of in the market, which Blackstone expects to be generally indicative of the market given the scale of Blackstone's real estate business. Blackstone can be expected to, but might not always, nonetheless have conflicts of interest in making these determinations, and with regard to other decisions related to such assets and investments. There can be no assurance that the Funds and their Portfolio Entities will lease to or from any such related parties on terms as favorable to the Funds and their Portfolio Entities as would apply if the counterparties were unrelated.

Asset Pooling. A Fund could in the future pool certain or all investments with one or more other Funds or Other Blackstone Clients (any such pool, an "Asset Pool"), including for the purposes of obtaining leverage or other financing, or seeking a full or partial exit from one or more Investments including through securitization. In such circumstances an Asset Pool could be managed or controlled by the Clarus Adviser or any of its affiliates and securities or other interests in the Asset Pool will be owned by such Fund, other Funds and other affiliated funds. The consummation of any such transaction will generally not require the consent of such Fund's Investor Committee or the Fund investors unless required by the applicable Organizational Documents and will involve the exercise of the Clarus Adviser's and its affiliates' discretion with respect to a number of material matters, which could give rise to actual or potential conflicts.

For example, in connection with such transactions, the Clarus Adviser will have broad discretion to determine whether and to what extent such a transaction constitutes a disposition of the contributed assets under the terms of the applicable Organizational Documents, to determine the proportionate interest of such Fund, the other Funds and the Other Blackstone Clients (as applicable) in the Asset Pool (or particular classes or tranches of securities or others interests in the Asset Pool), which will require the Clarus Adviser and its affiliates to determine the relative value of assets contributed to the Asset Pool and value of securities or interests (or particular classes or tranches thereof) issued by the Asset Pool, and to determine how interests in or proceeds from the Asset Pool are attributed to investors in the Funds or the Funds, that participated in such contributed assets, each of which could have a material impact on Fund investors' returns in respect of such investments or the Funds more generally. In making these determinations the Clarus Adviser and its affiliates could, but are not required to, engage or seek the advice of any third-party independent expert, however even if such advice were sought, valuing such assets and interests and, therefore, the value of a Fund's interest in, or proceeds received from, any Asset Pool, will be subjective. A Fund will generally be exposed to the performance of all assets in an Asset Pool and those investments contributed to the Asset Pool by the other Funds or Other Blackstone Clients (as applicable) are not guaranteed to perform as well as those investments contributed by such Fund. Accordingly, the returns of such Fund of in respect of investments contributed by it could be lower than if they had not been contributed to the Asset Pool. The receipt, use and recontribution by such Asset Pools of any such proceeds shall not be considered distributions received by, or contributions made by, a Fund or its investors for purposes of the applicable Organizational Documents (including, for example, that such proceeds would not reduce or increase, as the case may be, the unpaid capital commitment of the limited partners, will not be subject to the investment limitations applicable to such Fund's investments, will not be subject to the carried interest waterfall, will not be subject to any preferred return and will not be subject to any requirements under the Organizational Documents with respect to the timing of distribution of proceeds) and could result in higher or lower reported returns than if such proceeds had otherwise been distributed (or deemed distributed) to the Funds or the investor.

Leverage; Subscription Lines of Credit. The Funds intend to utilize leverage to finance the operations of the Funds and their Portfolio Entities and make investments. The use of leverage involves a high degree of financial risk and will increase the Funds' exposure to adverse economic factors such as rising interest rates, downturns in the economy or deteriorations in the condition of the Funds' investments. Although borrowings by the Funds and their Portfolio Entities have the potential to enhance overall returns, they will further diminish returns (or increase losses on capital) to the extent overall returns on investments are less than a Fund's cost of funds. This leverage also could subject a Fund's investments to restrictive financial and operating covenants, which have the potential to limit flexibility in responding to changing business and economic conditions. For example, leveraged entities could be subject to restrictions on making interest payments and other distributions. Leverage at a Portfolio Entity level could impair Portfolio Entities' ability to finance their future operations and capital needs. Although the Sponsor will seek to use leverage in a manner that it believes is appropriate, the leveraged capital structure of such investments will increase the exposure of the Portfolio

Entities to adverse economic factors such as rising interest rates, downturns in the economy, or deteriorations in the condition of the Portfolio Entity or its industry. Moreover, any rise in interest rates could significantly increase a Portfolio Entity's interest expense, causing losses and/or the inability to service its debt obligations. If a Portfolio Entity cannot generate adequate cash flow to meet debt obligations, a Fund could suffer a partial or total loss of capital invested in the Portfolio Entity. In addition, the amount of leverage used to finance an Investment could fluctuate over the life of an investment.

In addition, such subscription credit facilities can be expected to have a fixed term for the negotiated interest rate, and after which the interest rate (to the extent the credit facility is extended) can be expected to increase (in some cases, double or more). To the extent a Fund began using a subscription facility prior to its investment period, this can be expected to result in the Fund having a shorter period of time during its investment period to benefit from the negotiated interest rate in connection with its investment activities, which can be expected to reduce returns and increase interest expenses over time, and/or result in more frequent capital calls to Fund investors. Furthermore, credit facilities can be expected to charge additional fees based on usage once turned on, including substantial fees for not utilizing the available capacity. Therefore, the Sponsor has to use considerable judgment in determining when to turn on the facility based on estimates of operations and the assumptions made at the time regarding the amount and terms of available financing and the Funds' expected investment activities, all of which are subject to significant uncertainty and general economic conditions and other events that can have a material adverse impact on the reliability of these estimates that result in significant expenses for the Funds.

The Sponsor could be incentivized to borrow (whether from a Fund's subscription credit facility or otherwise) for distributions as it will result in the Sponsor receiving carried interest earlier than it would otherwise. Such borrowings also increase the Funds' leverage without any corresponding acquisition of assets. The Funds could also be obligated in some circumstances to reimburse co-investors for their losses resulting from cross-collateralization of their investments with assets of the Funds that are in default. Although the Sponsor will seek to use leverage at the Fund level in a manner it believes to be appropriate, the use of leverage involves a high degree of financial risk.

Borrowings by the Funds will generally be secured by the Fund investors' aggregate unused capital commitments. The aggregate amount of borrowings by a Fund (or guarantees by a Fund of cash borrowings by an entity in which an investment is held) will not in the aggregate exceed certain limits, as set forth in the applicable Fund's Organizational Documents. There can be no assurance that the limits described above are appropriate in all circumstances and would not expose the Funds to financial risks.

Cross-Guarantees and Cross-Collateralization. In certain circumstances the Funds and their Portfolio Entities can be expected to enter into cross-collateralization or cross-guarantee or any similar arrangements (including with respect to Asset Pools) with Other Blackstone Clients and co-investment vehicles and their Portfolio Entities, particularly in circumstances in which better

financing terms are available through such arrangements and/or in circumstances where the assets of each Portfolio Entity are similar in nature. It is often better (or commercially required) for a counterparty to view the various entities as one single “Blackstone” party and therefore appropriate for these obligations to be addressed among Other Blackstone Clients by way of a back-to-back or reimbursement type agreement. Also, it is expected that cross-collateralization will generally occur at Portfolio Entities rather than the Funds for obligations that are not recourse to the Funds except in limited circumstances such as “bad boy” events. While cross-collateralization of Investments could enable the Funds to obtain more favorable terms in respect of certain indebtedness across certain Investments (for example, such as where Investments of different but overlapping classes are located in the same region) on a modest scale, any cross-collateralization arrangements with Other Blackstone Clients could result in the Funds losing their interests in otherwise performing investments or other assets of the Funds due to poorly performing or non-performing investments or other assets of other Funds or of Other Blackstone Clients in the collateral pool, or such persons otherwise defaulting on their obligations under the terms of such arrangements (and for the avoidance of doubt, the Funds’ obligations under such cross-collateralization arrangements are expected to apply to investments in which the Funds have not participated). The Fund investors could also be required to fund capital contributions to cover the Funds’ obligations under such a default. A Fund can, in certain circumstances, be exposed to risks associated with borrowings or other indebtedness of other Funds and/or Other Blackstone Clients when such other entities are not in turn exposed to risks associated with such Fund’s borrowing for a similar purpose if, for example, the such other entities or the partners thereof are excused from cross-collateralizing certain partnership expenses, management fees or other obligations of such Fund and Other Blackstone Clients. Through cross-collateralization, cross guarantees or other similar arrangements, the Funds could nevertheless be indirectly exposed to risks associated with leverage on fees, expenses and/or other obligations of the Funds. (See also “—Liability Arising from Transactions Entered into Alongside Blackstone and/or Other Blackstone Clients” and “Asset Pooling” herein.)

Similarly, a lender could require that it face only one Portfolio Entity of the Funds and Other Blackstone Clients, even though multiple Portfolio Entities of the Funds and Other Blackstone Clients benefit from the lending, which will typically result in (i) the Portfolio Entity facing the lender being solely liable with respect to the entire obligation, and therefore being required to contribute amounts in respect of the shortfall attributable to other Portfolio Entities, and (ii) Portfolio Entities of the Funds and Other Blackstone Clients being jointly and severally liable for the full amount of the obligation, liable on a cross-collateralized basis or liable for an equity cushion (which cushion amount could vary depending upon the type of financing or refinancing (e.g., cushions for refinancings could be smaller)). The Portfolio Entities of the Funds and Other Blackstone Clients benefiting from a financing can be expected to enter into a back-to-back or other similar reimbursement agreements whereby each agrees that no Portfolio Entity bears more than its *pro rata* portion of the debt and related obligations. It is not expected that the Portfolio Entities would be compensated (or provide compensation to other Portfolio Entities) for being primarily liable, or jointly liable, for other Portfolio Entities *pro rata* share of any financing.

Joint Venture Partners. The Funds are also expected to co-invest with Other Blackstone Clients, other affiliates of Blackstone and/or third parties (or affiliated managers or other persons) as partners, consortium sponsors or co-venturers ("Joint Venture Partners") with respect to specified investments or categories of investments through partnerships, joint ventures, consortiums, investment platforms, or other similar arrangements ("JV Arrangements"), thereby acquiring jointly-controlled or non-controlling interests in certain investments. JV Arrangements could be designed to share risk in the underlying investments with Joint Venture Partners or involve the Funds taking on greater risk with an expected greater return or reducing its risk with a corresponding reduction in the expected rate of return. Such JV Arrangements could involve risks in connection with such third-party involvement, including the possibility that such other Joint Venture Partner could have financial difficulties, resulting in a negative impact on such JV Arrangements, could have economic or business interests or goals which are inconsistent with those of the Funds, or could be in a position to take (or block) action in a manner contrary to the Funds' investment objectives (including the timing and nature of any exit) or the increased possibility of default (which the Funds could be required to make up) by, diminished liquidity or insolvency of, the third party due to a sustained or general economic downturn. In addition, the Funds could in certain circumstances be liable for the actions of its Joint Venture Partners. In those circumstances where such Joint Venture Partners involve a management group, such third parties could receive compensation arrangements relating to such JV Arrangements, including incentive compensation arrangements and/or other fees, in each case which compensation will not offset Management Fees. Furthermore, such Joint Venture Partners to JV Arrangements could provide services (such as asset management oversight services) similar to, and overlapping with, services provided by Blackstone to the Funds, Other Blackstone Clients or their respective Portfolio Entities, and, notwithstanding the foregoing, fees attributable to such services will not offset Management Fees or otherwise be allocated to, or shared with, the Fund investors.

Valuation Matters. The fair value of all investments (including any asset received in exchange for any investments or interests in the Funds, as applicable) will ultimately be determined by the Clarus Adviser in accordance with the procedures set forth in the Organizational Documents and the Funds' valuation policy and will generally be valued on a quarterly basis. It will, in certain circumstances, be the case that the carrying value of an investment does not reflect the price at which the investment is ultimately sold in the market, and the difference between carrying value from time to time and the ultimate sales price could be material. The valuation of such investments will be determined by the Clarus Adviser in accordance with procedures set forth in the Funds' Organizational Documents and the Clarus Adviser's valuation policy for the applicable Fund, and will generally be valued on a quarterly basis. A Fund could, from time to time, rely on the analysis of third parties to determine such valuations. The valuation methodologies used to value any investment (including determining whether to write off an investment) will involve subjective judgments and estimates and will, in certain circumstances, not be accurate. In making its determination in respect of an Investment's valuation, the Clarus Adviser is entitled to take into account all facts and circumstances it deems relevant, subject to the provisions of the Organizational Documents, and there can be no assurance that a third party or limited partner would agree with the one or more of the factors, assumptions or inputs

used by the Clarus Adviser in making any such determination. Valuation methodologies could permit reliance on a prior period valuation of particular investments. Ultimate realization of the value of an asset depends to a great extent on economic, market and other conditions beyond Blackstone's and the Sponsor's control. In addition, the valuation of certain types of investments such as early-stage Life Sciences companies, including those pursuing regulatory approvals, could be less predictable than later-stage companies or companies in other sectors with more observable valuation inputs or readily available market pricing. Moreover, certain financial and scientific challenges specific to these types of investments, such as the inherent uncertainty in the evaluation of the cost, risk and time of research and development, the outcomes of clinical testing, receipt of regulatory approvals, and achievement of key milestones, could further adversely affect the reliability of the Clarus Adviser's valuations of the Funds' Investments due to the material effects of a binary approval/no approval on an investment dependent on such approvals for its viability. Additionally, where a Fund has invested in a Portfolio Entity alongside one or more Other Blackstone Clients, personnel of the Clarus Adviser will often consult with personnel related to such Other Blackstone Clients in determining the valuation of a Portfolio Entity. To the extent there are different views on valuation, the value ascribed by the Clarus Adviser could be impacted by the views of the other personnel and could differ from the valuation that could have been ascribed if the Clarus Adviser acted independently. Alternatively, despite such consultation, Clarus Adviser could ascribe a value to a Portfolio Entity that is different than the value that is ascribed in respect of the Other Blackstone Client's investment in such Portfolio Entity.

The valuation of investments will affect the amount and timing of the Clarus Adviser's performance-based compensation and, under certain circumstances, the amount of Management Fees and servicing fees (if any) payable to the Clarus Adviser. The valuation of investments of Other Blackstone Clients will, in certain circumstances, affect the decision of potential investors to subscribe for interests in a Fund. Similarly, the valuation of investments of a Fund will, in certain circumstances, affect the ability of Blackstone to form and attract capital to Other Blackstone Clients. As a result, there can be expected to be circumstances in which Blackstone is incentivized to defer realization of Investments, make more speculative Investments, seek to deploy the capital commitments in Investments at an accelerated pace, hold investments longer and/or determine valuations that are higher (or lower) than the actual fair value of investments, which generally remains in the sole discretion of Blackstone. There will be no retroactive adjustment in the valuation of any Investment or the carried interest distributions or Management Fees paid to the Clarus Adviser to the extent any valuation proves to not accurately reflect the realizable value of an Investment in a Fund. In addition, in the event that a Fund makes any distribution in-kind to Fund investors, the fair market value of such securities distributed in kind is expected to be determined by the applicable General Partner (who at times could, but is not required to, receive input from a third-party valuation expert), subject to the terms and conditions of the applicable Organizational Document. As there is no guarantee that such valuations will reflect the value for such assets that would be achieved if such assets were sold to a third party rather than distributed in-kind, Fund investors might not receive the price for such assets that they could otherwise have received if such assets were sold in a third party sale. If the valuations made by the applicable General Partner

in connection with the distribution-in-kind and used to calculate performance and carried interest distributions are higher than what could have been received if such investments were instead disposed of to third parties, held to maturity, or otherwise disposed of in another manner, the amount of carried interest distributions received by the applicable General Partner, or the timing of receipt of carried interest distributions, could be higher and earlier in time than it would have been if such assets were sold in a third-party sale. Additionally, because the amount of proceeds Fund investors are deemed to receive in connection with potential distributions in kind of marketable securities utilizes an average of the trading prices both prior to and after the date of distribution (as more fully described in the applicable Organizational Document), the General Partner's carried interest distributions could be based on a valuation that is higher than the price of the securities actually distributed to the applicable Fund or that the applicable General Partner would have received had such securities been sold for cash, in each case at the time of distribution.

Group Procurement; Discounts. The Funds and their Portfolio Entities will enter into agreements regarding group procurement (including, but not limited to, CoreTrust, a group purchasing organization described more fully above), benefits management, purchase of title and/or other insurance policies (which can be expected to include brokerage and/or placement thereof), and will from time to time be discounted due to scale or pooled across Portfolio Entities, including through sharing of deductibles and other forms of shared risk retention from a third party or a Blackstone affiliate, and other operational, administrative or management related initiatives. Blackstone will allocate the cost of these various services and products purchased on a group basis among the Funds, Other Blackstone Clients and their Portfolio Entities. Some of these arrangements result in commissions, discounts, rebates or similar payments to Blackstone, its personnel, or other Funds and Other Blackstone Clients and their Portfolio Entities, including as a result of transactions entered into by the Funds and their Portfolio Entities, and such commissions or payment will not be subject to the Management Fee offset provisions. Blackstone can be expected to also receive consulting, usage or other fees from the parties to these group procurement arrangements. To the extent that a Portfolio Entity of an Other Blackstone Client is providing such a service, such Portfolio Entity and such Other Blackstone Client will benefit. Further, the benefits received by the particular Portfolio Entity providing the service will, in certain circumstances, be greater than those received by the Funds and their Portfolio Entities receiving the service. Conflicts exist in the allocation of the costs and benefits of these arrangements, and the Fund investors rely on the Clarus Adviser to handle them in their sole discretion.

Diverse Investor Group. The investors in the Funds could have conflicting investment, tax and other interests with respect to their investments in the Funds and with respect to the interests of investors in other investment vehicles managed or advised by Blackstone that participate in the same investments as the Funds, and investor personnel could have incentives or conflicts with respect to their investments in the Funds or Other Blackstone Clients, including matters Blackstone is not aware of, such as shares of Blackstone Inc. The conflicting interests of investors in the Funds and/or investors in other investment vehicles would generally relate to or arise from, among other things, the nature, structuring, financing, tax profile and timing of disposition of investments of the Funds. The Clarus Adviser will, in certain circumstances, as a

result have conflicts in making these decisions, which can be expected to be more beneficial for one or more (but not all) investors in the Funds than for other investors in the Funds or *vice versa*. In addition, the Funds can be expected to make investments that will, in certain circumstances, have a negative impact on related investments made by the investors in the Funds in separate transactions. In selecting and structuring investments appropriate for the Funds and the Sponsor will consider the investment and tax objectives of the Funds and their partners as a whole (and those of investors in Other Blackstone Clients that participate in the same investments as the Funds), not the investment, tax or other objectives of any investor in a Fund individually. As a result of disparate tax considerations applicable to certain investors in the Funds and Other Blackstone Clients, but not other investors therein, not all such investors will participate in investments through the same investment structures and vehicles, and the securities indirectly held by such investors (or consideration ultimately distributed to such investors) could differ as a result of the foregoing, and there can be no assurance that the foregoing considerations will not impact (positively or negatively) the returns achieved by any investor, as compared to other investors. Additionally, the Clarus Adviser will, in certain circumstances, elect to exclude certain investors in the Funds from particular investments (in whole or in part), including, for the avoidance of doubt, follow-on investments (or such investors in the Funds will benefit from excuse rights or investment limitations with respect to particular investments or follow-on investments), for legal, tax, regulatory or other reasons applicable to any such investment in which case non-excluded investors in the Funds shall generally be allocated a greater proportionate interest in such investment (or a follow-on investment related thereto, notwithstanding the initial or existing ownership proportions thereof). In addition, certain investors in the Funds could also be limited partners in Other Blackstone Clients, including supplemental capital vehicles and co-investment vehicles that could invest alongside the Funds in one or more investments of the Funds, which could create conflicts for the Clarus Adviser in the treatment of different investors in the Funds. Investors in the Funds can be expected to also include affiliates of the Clarus Adviser. All Sponsor-related investors in the Funds will have equivalent rights to vote and withhold consents as nonrelated investors in the Funds, unless otherwise provided by the terms of the Organizational Documents of the Funds. Nonetheless, Blackstone could have the ability to influence, directly or indirectly, these Sponsor related investors in the Funds. It is also possible that the Funds or the Funds' Portfolio Entities will, in certain circumstances be counterparties (such counterparties dealt with on an arm's length basis) or participants in agreements, transactions or other arrangements with an investor in a Fund or its affiliates (which could occur in connection with such investor or its affiliates making a capital commitment to a Fund or Other Blackstone Client), including with respect to one or more investments (or types of investments). Such transactions could include agreements to pay performance fees to a management team and other related persons in connection with the Funds' investment therein, which will reduce the Funds' returns and will not necessarily be subordinated to the return of the capital contributions made by the investors in the Funds. Such investors in the Funds described in the previous sentences can be expected to therefore have different information about Blackstone and the Funds than investors in the Funds not similarly positioned. In addition, conflicts of interest will, in certain circumstances, arise in dealings with any such investors in the Funds, and the Clarus Adviser might not be motivated to act solely in accordance with its interests

relating to the Funds. (See also “—Other Blackstone Business Activities” herein.) Similarly, not all investors in the Funds monitor their investments in vehicles such as the Funds in the same manner. For example, certain investors in the Funds can be expected to periodically request from the Clarus Adviser information regarding the Funds and/or their Portfolio Entities and investments that is not otherwise included in the reporting and other information delivered to all investors in the Funds—for instance, pre-quarterly reporting valuation. In such circumstances, the Clarus Adviser could provide such information to such Fund investor and not to other investors in the Funds and the Clarus Adviser will not be obligated to affirmatively provide such information to all Fund investors because they have provided such information upon request by certain Fund investors. As a result, certain investors in the Funds can be expected to receive more information from the Clarus Adviser about the Funds and their Portfolio Entities or could receive information about the Funds and their Portfolio Entities at an earlier time than other investors in the Funds, and the Clarus Adviser will have no duty to ensure all investors in the Funds receive the same information regarding the Funds and their Portfolio Entities. Therefore, certain investors in the Funds can be expected to be able to take actions on the basis of such information which, in the absence of such information, other investors in the Funds do not take. Furthermore, at certain times Blackstone will, in certain circumstances be restricted from disclosing to the investors in the Funds material non-public information regarding any assets in which the Funds invests, particularly those investments in which an Other Blackstone Client or Portfolio Entity that is publicly registered co-invests with the Funds. In addition, investment banks or other financial institutions, as well as Blackstone personnel, can be expected to also be investors in the Funds or limited partners of Other Blackstone Clients. These institutions and personnel are a potential source of information and ideas that could benefit the Funds and can be expected to receive information about the Funds and their Portfolio Entities in their capacity as a service provider or vendor to the Funds and their Portfolio Entities.

Further, Fund investors with different domiciles or tax categorizations could receive different investment returns or amounts of tax basis and/or pay different levels of expenses, e.g., based on tax savings or ownership of alternative investment vehicle, “blocker” or other structures used to facilitate their investments in, through or below the Funds.

Investors in the Funds’ Outside Activities. An investor in a Fund shall be entitled to and can be expected to have business interests and engage in activities in addition to those relating to the Funds, including business interests and activities in direct competition with the Funds and their Portfolio Entities, and could engage in transactions with, and provide services to, the Funds or their Portfolio Entities (which will, in certain circumstances, include providing leverage or other financing to the Funds or their Portfolio Entities as determined by the Clarus Adviser in its sole discretion). None of the Funds, the Fund investors or any other Person shall have any rights by virtue of the Organizational Documents of the Funds or any related agreements in any business ventures of the Fund investors. The Fund investors, and in certain cases the Clarus Adviser, will have conflicting loyalties in these situations.

Subscription Credit Facilities. Certain of the Funds have entered into, or are expected to enter into and utilize one or more subscription credit facilities, which involve potential conflicts of

interest. Subject to the limitations in the Organizational Documents, the use of a subscription credit facility by the Funds is within the Clarus Adviser's discretion. Subject to the limitations set forth in the Organizational Documents and the availability and the terms of any such credit facility for the Funds, the Clarus Adviser has adopted a policy relating to the use of fund-level credit facilities for the Funds and could update or adopt from time to time policies or guidelines relating to the use of such credit facilities. Generally and without limiting the foregoing, the Funds can be expected to seek to utilize a subscription credit facility in lieu of capital calls for the purpose of, among other things, funding all new investments, partnership expenses and other Fund obligations, making distributions to partners (to the extent permitted under the Organizational Documents), and providing permanent financing or refinancing or providing interim financing to consummate the purchase of investments of the Funds. The Funds will generally call capital from the Funds' investors within 120 calendar days from any borrowing incurred under such credit facility and the Funds' contractual restrictions. If permitted under the applicable Organizational Documents, the General Partners could be incentivized to cause the Funds or their Portfolio Entities to borrow (whether from the Funds' subscription credit facility or otherwise) for distributions as it will result in the General Partners receiving carried interest earlier than it would otherwise. Such borrowings by the Funds and/or Other Blackstone Clients or Portfolio Entities under any subscription credit facility also increases their leverage without any corresponding acquisition of assets. The amount of credit available to the Funds and Other Blackstone Clients under any subscription credit facility could be determined by the credit quality of the Fund investors and the investors of the Other Blackstone Clients (including co-investment vehicles) party thereto (collectively, "Credit Party LPs") as determined by the lender (and the lender could determine that certain investors or Other Blackstone Clients have little or no credit quality). Moreover, the credit quality of the Credit Party LPs could be negatively impacted (or disregarded completely by a lender) as a result of contractual agreements between the Credit Party LPs and Blackstone (in a side letter for example). For this reason, Credit Party LPs with a higher credit quality, as determined by the lender, generate more credit for the Funds or the Other Blackstone Clients, as applicable, than Credit Party LPs with a lower credit quality, which results in an indirect benefit conferred by the higher credit quality Credit Party LPs to the others. While the Clarus Adviser expects to generally utilize credit facilities for the Funds in a consistent manner, the use of such credit facilities could differ based on available credit facility capacity and the contractual terms applicable to each Fund, among other factors and the subscription credit facility used by the Funds could differ. Therefore, as the subscription credit facilities utilized by the Funds have different terms, such as with respect to hedging, currency limitations and interest rates, while the Funds could be invested in the same investment, and while the valuation of such investment would be consistently determined pursuant to the relevant Organizational Documents, the investment return can, in certain circumstances, differ among the Funds as a result.

Marketing materials and investor reporting materials used by the Clarus Adviser typically include certain internal rate of return ("IRR") figures that are calculated based, in part, on the due date and amount of capital contributions received from Fund investors, not the timing or amount of fund-level borrowings (such as a subscription line of credit). Similarly, calculations of preferred returns under the Organizational Documents are based on the date capital

contributions are received from Fund investors, and the preferred return does not accrue on borrowings or guarantees by the Funds. This treatment also applies in instances where a Fund utilizes borrowings under a Fund's subscription-based credit facility in lieu of, or in advance of receiving capital contributions from Fund investors to repay any such borrowings. Additionally, use of a subscription-based credit facility could present conflicts of interest, and the General Partners could make distributions prior to the repayment of outstanding borrowings. Use of a subscription credit facility (or other long-term leverage) will impact calculations of returns and will result in a higher or lower reported IRR than if the amounts borrowed had instead been funded through capital contributions made by the Fund investors to the Funds. If the use increases the IRR, as it normally does where an investment increased in value, the Sponsor will have various incentives to use the subscription credit facility. For example, in the event the interest rate on borrowings is lower than the hurdle rate, use of leverage arrangements can be expected to accelerate or increase distributions of carried interest to the Sponsor, providing an economic incentive to fund investments of the Funds through long-term borrowings in lieu of capital contributions. In addition, the Clarus Adviser can be expected to receive a greater amount of Management Fees if borrowings under the facility are utilized in lieu of a combination of Fund investors' capital and non-recourse financing for investments of the Funds that remain outstanding. Moreover, the costs and expenses of any such borrowings will generally be allocated among the Funds and any parallel funds *pro rata* or, subject to applicable law, on such other basis that the General Partners determines to be more equitable under the circumstances, which will increase the expenses borne by the Fund investors and would be expected to diminish net cash on cash returns. In addition, for investments in U.S. corporations by U.S. tax-exempt Fund investors, there could be incremental tax costs related to so-called unrelated business taxable income (UBTI). Further, there could be instances where the credit facility line has been drawn in anticipation of an intended new or follow on investment but for which planned investment is cancelled. In these instances, the Funds will continue to be allocated the expense incurred related to the use of the credit facility with regard to that cancelled investment.

The Funds' use of credit facilities will be used and managed in the manner described above independently from any Other Blackstone Client's use of credit facilities (and the contractual restrictions applicable to such Other Blackstone Clients and other credit facilities could be more or less favorable than those of the Funds), even when the same credit facility is being utilized and/or investments are shared between the Funds and an Other Blackstone Client, which could result in different expenses related to borrowings and investment IRRs reported by multiple Blackstone funds for the same investment.

ICAV. As described further under "*Certain Investment Structures*," certain Funds expect to structure Investments (or portions thereof) through investment vehicles, including Irish vehicles such as an ICAV. The assets of each sub-fund will be segregated from one another, and the assets in the sub-fund will be invested in accordance with the investment objectives and policies of the Funds. The liabilities of any sub-fund shall be binding on the ICAV, but only to the extent of the particular sub-fund's assets and if another sub-fund's liabilities exceed its assets, the holders of other sub-funds will not have recourse against the Funds' assets held in another sub-fund.

The ICAV is expected to be authorized by the Central Bank of Ireland as a Qualifying Investor Alternative Investment Fund pursuant to the European Union Alternative Investment Fund Managers Directive (the “AIFMD”), which requires the appointment of an alternative investment fund manager (an “AIFM”). Blackstone Europe Fund Management S.à r.l. is a Luxembourg entity that has been appointed as the AIFM of the ICAV. The AIFM is in charge inter alia of the risk management function of the ICAV, though it has delegated its portfolio management function including the discretionary investment of the assets of the ICAV to the Clarus Adviser. The AIFM is required to monitor and supervise the Clarus Adviser’s provision of portfolio management services on an ongoing basis.

The ICAV will also be required to maintain a separate board of directors that is responsible for the overall management and control of the ICAV (“ICAV Directors”). The ICAV Directors review the operations of the ICAV at regular meetings (which will be originated in and chaired from Ireland) and receive periodic reports from the AIFM and/or the Clarus Adviser detailing the performance of each sub-fund and providing an analysis of the portfolios of each sub-fund. The ICAV Directors have the power to impose restrictions on the direct or indirect holding of shares by, and the transfer of shares to, any person or entity and to compulsorily redeem shares held by such persons or entities. Subject to the Organizational Documents, the costs to establish and maintain this board of directors will be borne by the Funds and their Investors, even if the relevant Investors do not participate in the ICAV.

Certain Investment Structures. Subject to the terms of the applicable Organizational Document, certain Funds expect to structure Investments (or portions thereof) through investment vehicles, including Irish vehicles such as an ICAV, with the expectation of relying on an income tax treaty. However, no assurances can be made regarding the applicability of income tax treaties to any given investment structure (or that the applicable tax treaty or tax laws will not change). In addition, tax treaties are complex, and (among other requirements) will often impose a number of restrictions on the composition of the Funds’ underlying beneficial owners as a prerequisite for qualifying for the benefits of the treaty. In considering whether to consent to a Fund investor’s request to transfer its interest in a Fund, the applicable General Partner expects to consider these requirements, and depending on facts and circumstances (including the ultimate composition of the investors in the Funds and any other previous or expected transfers of interests) the applicable General Partner is not required to consent to a Fund investor’s request to transfer its interests in the Funds and/or an applicable alternative investment vehicle. In addition, in certain circumstances, a General Partner could structure certain Fund investors’ interest in all or a portion of Investments through other investment vehicles, including in light of relevant tax, legal, regulatory and other considerations applicable to such Fund investors and/or to the Investment. Because the applicable General Partner could take into account a Fund investor’s specific characteristics in structuring such investments, a Fund investor’s ability to transfer its Interest could be restricted. Given the anticipated small base of Fund investors in certain Funds, a Fund investor should not expect to be able to transfer its Interest in certain Funds. As discussed below, Fund investors must be prepared to bear the risks of owning Interests for an extended period of time.

The General Partners expect to structure Fund investors' interests in certain Funds in a manner that allows such Fund investors to preserve their ability to rely on the benefits of applicable income tax treaties between the United States and a Fund investor's country of residence with respect to the income of the applicable Fund. However, there can be no assurances that Investment income of certain Funds will be so eligible. In addition, because certain Funds are being formed exclusively for certain Fund investors resident in certain countries, a Fund investor's ability to transfer its interest in such Funds could be restricted. A Fund investor in such Fund should not expect to be able to transfer its Interest in such Fund.

Failure to Make Payments. If a Fund investor fails to make capital contributions or other payments owed under the Organizational Documents when due, and the contributions and / or payments made by non-defaulting Fund investors and borrowings by such Fund are inadequate to cover the defaulted capital contributions or other payments, such Fund could be unable to pay its obligations when due. As a result, such Fund could be subjected to significant penalties that could materially adversely affect the returns to the Fund investors (including non-defaulting Fund investors). If a Fund investor defaults, such Fund investor could be subject to various remedies as provided in the Organizational Documents, including, without limitation, reductions in its capital account balance and percentage interest, a forced sale of its interest in a Fund and preclusion from participation in any further investments made by such Fund. A General Partner could, subject to certain limitations, require an additional funding of capital contributions from the non-defaulting Fund investors to fund the shortfall caused by the defaulting Fund investor(s). A default by a Fund investor could also limit a Fund's availability to incur borrowings and avail itself of what would otherwise have been available credit.

Electronic Delivery of Certain Documents. Subject to the applicable Organizational Documents, each Fund investor will consent to electronic delivery (including email or posting on the applicable Fund's intranet website or other internet service in accordance with the applicable Organizational Documents) of (i) any notices or communications required or contemplated to be delivered to the Fund investor by the Sponsor, pursuant to applicable law or regulation (including, without limitation, the 1940 Act (as defined below) and the U.S. Gramm-Leach-Bliley Act of 1999, as amended), at the option of the person making such delivery and (ii) capital demand notices and other notices, requests, demands or consents or other communications and any financial statements, reports, schedules, certificates or opinions required to be provided to the Fund investors under the applicable Organizational Documents or under any other agreement that could be applicable to a Fund investor's investment in a Fund. There are certain risks (e.g., slow downloading time and system outages) associated with electronic delivery. Moreover, Blackstone cannot provide any assurance that these communication methods are secure and will not be responsible for any computer viruses, problems or malfunctions resulting from any computer viruses or related problems that could be associated with the use of an internet based system.

Insurance. The Funds will purchase or bear premiums, fees, costs and expenses (including any expenses or fees of insurance brokers) to insure the Funds, Portfolio Entities, the Clarus Adviser, Blackstone and their respective directors, officers, employees, agents and representatives, and members of the Investor Committee and other indemnified parties (and in

certain circumstances, such person's agents and representatives), against liability in connection with the activities of the Funds. This includes a portion of any premiums, fees, costs and expenses for one or more "umbrella," group or other insurance policies maintained by Blackstone that cover one or more of the Funds and Other Blackstone Clients, the Clarus Adviser and/or Blackstone (including their respective directors, officers, employees, agents, representatives and members of the Investor Committee and other indemnified parties). The Clarus Adviser will make judgments about the allocation of premiums, fees, costs and expenses for such "umbrella," group or other insurance policies among one or more of the Funds and Other Blackstone Clients, the Clarus Adviser and/or Blackstone on a fair and reasonable basis, in its sole discretion, and could make corrective allocations should it determine subsequently that such corrections are necessary or advisable.

Similarly, the Funds and their Portfolio Entities could enter into arrangements with Other Blackstone Clients and their respective Portfolio Entities whereby insurance is procured as a group where the insurance provider could charge lower premiums to the group than it would on an individual basis. In such event, the obligation to pay the premiums on such group policies could be allocated in accordance with the relative values of the respective entities that are insured by such policies (or other factors that Blackstone could reasonably determine). Additionally, the Funds and Other Blackstone Clients (and their respective Portfolio Entities) will, in certain circumstances, jointly contribute to a pool of funds that can be expected to be used to pay losses that are subject to the deductibles on any group insurance policies, which contributions can be expected to similarly be allocated in accordance with the relative values of the respective assets that are insured by such policies (or other factors that Blackstone could reasonably determine). (see also "—Service Providers, Vendors and Other Counterparties Generally" herein.)

In respect of such insurance arrangement, Blackstone can be expected to make corrective allocations from time to time should it determine subsequently that such adjustments are necessary or advisable. There can be no assurance that different allocations or arrangements than those implemented by Blackstone as provided above would not result in the Funds and their Portfolio Entities bearing less (or more) premiums, deductibles, fees, costs and expenses for insurance policies.

Legal Interpretation. The Organizational Documents and the governing agreements of the Funds are detailed agreements that establish complex arrangements among the Sponsor, its affiliates, the Funds and the Fund investors therein. Questions are expected to arise under the Organizational Documents and governing agreements of the Funds regarding the parties' rights and obligations in certain situations, some of which will not have been contemplated and are not specifically addressed or could have been articulated more precisely at the time of the Organizational Documents' and the governing agreements of the Funds' drafting and execution. In these instances, the operative provisions of the Organizational Documents and the governing agreements of the Funds can be broad, general, ambiguous or conflicting, and could permit more than one reasonable interpretation, including in circumstances where one reasonable interpretation is most favorable to the Sponsor and/or its affiliates while another reasonable interpretation is most favorable to the Fund and where the Sponsor therefore has an incentive to prefer the former interpretation over the latter one. While the Sponsor will construe the

relevant agreements in good faith and in a manner consistent with its legal obligations (and, when appropriate, in consultation with external legal counsel), the interpretations the Sponsor adopts will not necessarily be, and need not be, the interpretations that are the most favorable to the Funds or the Fund investors therein and could be the interpretations that are most favorable to Sponsor and/or its affiliates.

Other Conflicts. In addition, other present and future activities of the Sponsor, Blackstone, the Funds, Other Blackstone Clients and their Portfolio Entities, the Development Companies, affiliates (including the Clarus Adviser) and related parties will from time to time give rise to additional conflicts of interest relating to the Funds and its investment activities. The Clarus Adviser generally attempts to resolve conflicts in a fair and equitable manner, but conflicts will not necessarily be resolved in favor of the Funds' interests. In addition, pursuant to the Organizational Documents, an Investor Committee has been established and authorized to give consent on behalf of the Funds with respect to certain matters. A General Partner could allow one or more investors in the Funds to appoint a non-voting observer to the Investor Committee, to attend meetings of the Investor Committee and to receive information and materials provided to the members of the Investor Committee (subject to certain limitations). If Fund investors or the Investor Committee of a Fund consents to a particular matter as to which it is consulted and the applicable General Partner acts in a manner, or pursuant to the standards and procedures, approved by, such Investor Committee or otherwise as provided in the Organizational Documents of such Fund, then such General Partner and its affiliates will not have any liability to such Fund or the investors in the Funds for such actions taken in good faith by them. However, such Investor Committee will not represent the interests of all the Fund investors, each member of such Investor Committee could act in the interests of the Fund investor with which it is associated, and the members of such Investor Committee could themselves be subject to various conflicts of interest. In general, the Fund investors will not be entitled to control the selection of members of such Investor Committee or to review the actions or deliberations of such Investor Committee. Furthermore, some or all of the members of a Fund's Investor Committee could also be on the advisory committee of other Funds or Other Blackstone Clients with which there is a potential conflict or could represent investors that have an interest in both such other Funds or Other Blackstone Clients. Such Investor Committee members will generally not be precluded from participating in discussions with respect to, or from voting on, such transactions that involve actual or potential conflict of interests.

Additional Potential Conflicts of Interest. The officers, directors, members, managers and personnel of the Clarus Adviser can be expected to trade in securities, including the securities of the Funds' Portfolio Entities and Portfolio Entities of Other Blackstone Clients, and make personal investments for their own accounts, subject to restrictions and reporting requirements as could be required by law and Blackstone policies or as otherwise determined from time to time by the Clarus Adviser. Such personal securities transactions and investments will, in certain circumstances, result in conflicts of interest, including to the extent they relate to (i) a company in which the Funds hold or acquire an interest (either directly through a privately negotiated investment or indirectly through the purchase of securities or other traded instruments related thereto) and (ii) entities that have interests which are adverse to those of the Funds or pursue

similar investment opportunities as the Funds. In addition, as a consequence of Blackstone's status as a public company, the officers, directors, members, managers and personnel of the Clarus Adviser can be expected to take into account certain considerations and other factors in connection with the management of the business and affairs of the Funds and their affiliates that would not necessarily be taken into account if Blackstone were not a public company. The directors of Blackstone have fiduciary duties to shareholders of the public company that could conflict with their duties to the Funds. Finally, although Blackstone believes its positive reputation in the marketplace provides benefit to the Funds and Other Blackstone Clients, the Clarus Adviser could decline to undertake investment activity or transact with a counterparty on behalf of the Funds for reputational reasons, and this decision could result in the Funds foregoing a profit or suffering a loss.

Side Letters and Agreements. The General Partners will enter into side letters or other similar agreements with certain Fund investors in connection with their admission to the Funds without the approval of any other Fund investor, which will have the effect of establishing rights under or altering or supplementing the terms of the Organizational Documents with respect to such Fund investors in a manner more favorable to such Fund investors than those applicable to other Fund investors. Notwithstanding the fact that a Fund investor could have a most favored nations provision in its side letter, such Fund investor will not have the right to elect certain rights or benefits. It is also expected that Blackstone will from time to time confirm factual matters to incoming Fund investors, make statements of intent or expectation to such Fund investors or acknowledge statements by such incoming Fund investors that relate to a Fund and/or Blackstone's activities pertaining thereto in one or more respects. In addition, Blackstone could from time to time agree to certain matters relating to knowledge transfer and/or secondments with one or more Fund investors as part of an overall firm relationship. Additionally, it is expected that Fund investors who designate representatives to participate on the applicable Fund's Investor Committee could, by virtue of such participation, have more information about the Funds and investments in certain circumstances than other Fund investors generally and could be provided information in advance of communication to other Fund investors generally. Any such statements, confirmations, agreements or acknowledgements, including those made in response to an investor's due diligence requests, will not involve the granting of any legal right or benefit, and therefore will not be subject to the "most favored nations" process or election by the Fund investors, and as a result Fund investors will not typically receive notice thereof or copies of the documentation (if any) in which they are contained, except where required by applicable law. There can be no assurance that any such arrangements will not have an adverse effect on the Funds or that such arrangements will not influence Blackstone's activities or the operation of the Funds.

Possibility of Different Information Rights. Certain Fund investors could request information from the Clarus Adviser relating to the Funds, and, where permitted by applicable law, the Clarus Adviser can in its discretion provide such Funds' investors with the information requested. Fund investors that request and receive such information from the Clarus Adviser relating to the Funds, or otherwise receive additional information with respect to a Portfolio Entity, including as a result of any rights obtained as a co-investor or joint venture partner in an investment, will consequently possess information regarding the business and affairs of the

Funds that is not generally known to other Fund investors. Any such statements, confirmations, agreements or acknowledgements, including those made in response to a Fund investor's request, will not involve the granting of any legal right or benefit, and the Fund investors generally will as a result not typically receive notice of any such confirmation, statements or acknowledgements or copies of the documentation (if any) in which they are contained. As a result, certain Fund investors could take or not take actions on the basis of such information which, in the absence of such information, other Fund investors do or do not take. Furthermore, at certain times Blackstone could be restricted from disclosing to the Fund investors non-public information regarding any assets in which the Funds invests, particularly those investments in which an Other Blackstone Client or Portfolio Entity that is publicly registered co-invests with the Funds.

Other Financial Industry Affiliations

The Clarus Adviser is an affiliate of each of the following entities:

Bank Entity	
Luminor Bank AS*	A Baltic bank purchased by Blackstone Capital Partners
Broker-Dealer Entities	
Assetpoint Financial, LLC*	Operates a service that facilitates the entry by banks and other financial institutions into repurchase agreement transactions for themselves or as agent for their customers
Blackstone Securities Partners L.P.	Provides a variety of limited investment banking services
Currencies Direct Ltd.**	Provides money transfer services to individuals and businesses on a global basis
Everlake Distributors, L.L.C.*	Provides underwriting and distribution of variable life insurance or annuities to other broker-dealers and registered investment advisers
FEF Distributors LLC*	Serves as distributor and principal underwriter to the First Eagle mutual funds and private investment funds
Finance of America Securities LLC**	Provides a variety of limited investment banking services

Investment Advisor Entities	
Blackstone Alternative Asset Management L.P.	Manages a series of private funds predominantly engaged in multi-manager investment programs (<i>i.e.</i> , fund of hedge funds)
Blackstone Alternative Credit Advisors LP	Provides investment advisory services to a number of debt-focused private investment funds and closed-end funds
Blackstone Alternative Investment Advisors LLC	Provides investment advisory services to open end mutual funds and pooled investment vehicles
Blackstone Alternative Solutions L.L.C.	Provides investment advisory services to private investment funds which predominantly participate in a broad range of direct investment opportunities
Blackstone Asset Based Finance Advisors LP	Provides investment advisory services to a number of separately managed accounts and vehicles that primarily engage in asset backed securities and whole loan investments
Blackstone CLO Management LLC (Management Series)	Provides investment advisory services to U.S. CLOs
Blackstone Communications Advisors I L.L.C.	Provides investment advisory services to a private investment fund specializing in communications-related private equity investments
Blackstone Core Equity Advisors L.L.C.	Provides investment advisory services to various private equity funds
Blackstone Credit BDC Advisors LLC	Provides investment advisory services to a debt-focused investment company electing to do business as a business development company
Blackstone Credit Systematic Strategies LLC	Provides investment advisory services to debt-focused separately managed accounts, private investment funds, closed-end funds and UCITS funds
Blackstone Growth Advisors L.L.C.	Provides investment advisory services to private growth investment funds
Blackstone Infrastructure Advisors L.L.C.	Provides investment advisory services to one or more infrastructure-focused investment funds
Blackstone ISG-I Advisors L.L.C.	Provides investment advisory services to one or more private investment funds and managed accounts focusing on fixed income investments and investments across Blackstone's private equity, real asset, credit, hedge fund and opportunistic asset management strategies

Blackstone ISG-II Advisors L.L.C.	Provides investment advisory services to various private investment funds focusing on investments across Blackstone's private equity, real asset, credit, hedge fund and opportunistic asset management strategies
Blackstone Life Sciences Advisors L.L.C.	Provides investment advisory services to various private investment funds specializing in the life sciences industry
Blackstone Liquid Credit Advisors I LLC	Provides investment advisory services to a number of debt-focused private investment funds and separately managed accounts
Blackstone Liquid Credit Strategies LLC	Provides investment advisory services to a number of debt-focused private investment funds, closed-end funds and separately managed accounts
Blackstone Management Partners L.L.C.	Provides investment advisory services to various private equity funds
Blackstone Management Partners IV L.L.C.	Provides investment advisory services to various private equity funds
Blackstone Multi-Asset Advisors L.L.C.	Provides investment advisory services to various private investment funds focusing on investments across Blackstone's private equity, real asset, credit, hedge fund and opportunistic alternative asset management strategies
Blackstone Private Credit Strategies LLC	Provides investment advisory services to a number of debt-focused private investment funds
Blackstone Private Investments Advisors L.L.C.	Provides investment advisory services to multi-strategy private equity funds
Blackstone Property Advisors L.P.	Provides investment advisory services to various private real estate investment funds and pooled investment vehicles
Blackstone Real Estate Advisors Europe L.P.	Provides investment advisory services to various private real estate investment funds
Blackstone Real Estate Advisors L.P.	Provides investment advisory services to various private real estate investment funds
Blackstone Real Estate Advisors IV L.L.C.	Provides investment advisory services to various private real estate investment funds
Blackstone Real Estate Advisors V L.P.	Provides investment advisory services to various private real estate investment funds
Blackstone Real Estate Special Situations Advisors L.L.C.	Provides investment advisory services to private investment funds and accounts which invest primarily in public and private real estate and real estate-related debt investments

Blackstone Strategic Alliance Advisors L.L.C.	Provides investment advisory services to private investment funds primarily engaged in a hedge fund “seeding” program
Blackstone Strategic Capital Advisors L.L.C.	Provides investment advisory services to private funds engaged primarily in acquisitions of minority interests in alternative asset managers
Blackstone Tactical Opportunities Advisors L.L.C.	Provides investment advisory services to multi-discipline, multi-asset class private funds and separately managed accounts
BSCA Advisors L.L.C. (Relying Adviser)	Provides investment advisory services to certain co-investment vehicles relating to funds managed by Blackstone Strategic Capital Advisors L.L.C.
BXMT Advisors L.L.C.	Provides investment advisory services to a publicly traded REIT and its related entities
BX REIT Advisors L.L.C.	Provides investment advisory services to a non-traded REIT and its operating subsidiary
Clover Credit Management, LLC	Provides investment advisory services to CLOs
Clover CLO Advisors, LLC (Relying Adviser)	Provides investment advisory services to CLOs
CT High Grade Mezzanine Manager, LLC (Relying Adviser)	Provides investment advisory services to assets owned by a third-party insurance company
CT High Grade Partners II Manager, LLC (Relying Adviser)	Provides investment advisory services to a private real estate debt fund
CT Investment Management Co., LLC	Provides investment advisory services to publicly traded CDOs and private fund and account clients that predominantly engage in investments in the commercial real estate debt sector
Finance of America Capital Management LLC **	Provides investment advisory services to mortgage related asset private funds and managed accounts
First Eagle Alternative Credit EU, LLC*	Provides investment advisory services to various private investment funds specializing in the European direct lending industry

First Eagle Alternative Credit EU MOA, Ltd.*	Sponsor of limited partnerships for First Eagle's European Alternative Credit business
First Eagle Alternative Credit Funding, LLC*	Sponsor of limited partnerships for First Eagle's Alternative Credit business
First Eagle Alternative Credit, LLC*	Provides investment advisory services for both direct lending and broadly syndicated investments, through public and private vehicles, collateralized loan obligations, separately managed accounts, and co-mingled funds
First Eagle Investment Management, LLC*	Provides investment advisory services to mutual funds, private investment funds, institutional accounts and high net worth individuals
First Eagle Separate Account Management, LLC*	Provides investment advisory services to a business development company
First Eagle Direct Lending Manager III, LLC*	Serves as the manager of a private direct lending fund
Harvest Fund Advisors LLC	Provides investment advisory services to various categories of institutions and high net worth individuals via private pooled investment vehicles and separate accounts investing principally in publicly-traded energy infrastructure, renewables and Master Limited Partnerships holding midstream energy assets in North America
Strategic Partners Fund Solutions Advisors L.P.	Provides investment advisory services to a number of pooled investment and custom vehicles operating as private investment funds
Napier Park Global Capital (US) LP*	Provides investment advisory services to credit and private investing private investment funds and institutional accounts and collateral management services to securitized asset funds
NIBC Bank N.V.***	Advisory/banking affiliate of NIBC, a PE and BTO portfolio company
NIBC Credit Management, Inc.***	Advisory affiliate of NIBC, a PE and BTO portfolio company
Regatta Loan Management LLC* (Relying Adviser)	Provides collateral management services to securitized asset funds
ASK Investment Managers Ltd.*	Provides investment advisory services to funds and high net worth individuals in India

Blackstone Europe Fund Management S.à r.l.	Provides services to various alternative investment funds with branch offices in other locations
Blackstone Ireland Fund Management Limited	Provides investment advisory services (management/distribution) to debt-focused private investment funds and alternative investment funds
Blackstone Ireland Limited	Provides investment advisory services to debt-focused private investment funds, separately managed accounts and acts as an investment fund manager
Blackstone Administrative Services Canada ULC	Canadian exempt investment adviser, which serves as a sub-advisor to the registrant and/or its affiliates
Blackstone Advisors India Private Limited	India investment advisory firm, which serves as a sub-advisor to affiliates of the registrant
Blackstone Advisors Korea Limited	Korean investment advisory firm, which serves as a sub-advisor to affiliates of the registrant
Blackstone Capital Israel Ltd.	Israel investment advisory firm, which serves as a sub-advisor to affiliates of the registrant
Blackstone Real Estate Australia Pty Limited	Australian investment advisory firm, which serves as a sub-advisor to affiliates of the registrant and provides investment management services to trustees and in respect of trusts indirectly controlled by the registrant
Blackstone (Shanghai) Equity Investment Management Co. Ltd.	Chinese investment advisory firm, which serves as a sub-advisor to affiliates of the registrant
Blackstone Singapore Pte Ltd	Singapore investment advisory firm, which serves as a sub-advisor to affiliates of the registrant and provides investment advisory services to funds controlled by the registrant
BX Mexico Advisors S.A. de C.V.	Mexican advisory entity which provides services to certain publicly registered trusts
Napier Park Global Capital Ltd*	Provides investment advisory services to credit and private investing private investment funds and institutional accounts and collateral management services to securitized asset funds
The Blackstone Group (Australia) Pty Limited	Australian investment advisory firm, which serves as a sub-advisor to affiliates of the registrant
The Blackstone Group Germany GmbH	German investment advisory firm, which serves as a sub-advisor to affiliates of the registrant and acts as an investment fund manager
The Blackstone Group (HK) Limited	Hong Kong investment advisory firm holding licenses of dealing in securities and advising on securities, which serves as a sub-advisor to affiliates of the registrant

Blackstone Europe LLP	U.K. investment advisory firm, which serves as a sub-advisor to affiliates of the registrant, with branch offices in other locations
The Blackstone Group Japan K.K.	Japanese investment advisory firm, which serves as a sub-advisor to affiliates of the registrant and has a broker-dealer license for fund marketing
The Blackstone Group Spain SLU	Spain investment advisory firm, which serves as a sub-advisor to the registrant
Registered Commodity Trading Advisor and/or Registered Commodity Pool Operator Entities	
Blackstone Alternative Asset Management L.P. (CTA/CPO)	Manages a series of private and closed-end funds engaged in multi-manager investment programs (<i>i.e.</i> , fund of hedge funds)
Blackstone Alternative Investment Advisors LLC (CTA/CPO)	Provides investment advisory services to open end mutual funds and UCITS
Blackstone Alternative Solutions L.L.C. (CTA/CPO)	Provides investment advisory services to private investment funds which participate in a broad range of direct investment opportunities
Blackstone Strategic Alliance Advisors L.L.C. (CTA/CPO)	Manages a series of private funds engaged in a hedge fund “seeding” program
Napier Park Global Capital (US) LP* (CTA/CPO)	Provides investment advisory services to credit and private investing private investment funds and institutional accounts and collateral management services to securitized asset funds
Insurance Entities	
ELIC Reinsurance Company*	A captive insurance company and wholly-owned subsidiary of Everlake Life Insurance Company
Everlake Assurance Company*	A life insurance company domiciled in the State of Illinois
Everlake Life Insurance Company*	A life insurance company domiciled in the State of Illinois specializing in life insurance and annuities
Everlake Reinsurance Limited*	An exempted reinsurance company organized under the laws of the Cayman Islands
Resolution Life Group Holdings Ltd.*	An insurance company organized under the laws of Bermuda
Resolution Life Colorado, Inc.*	An insurance company domiciled in the State of Colorado
Security Life of Denver Insurance Company*	An insurance company domiciled in the State of Colorado

Midwestern United Life Insurance Company*	An insurance company domiciled in the State of Indiana
Roaring River II, Inc.*	A captive insurance company and wholly-owned subsidiary of Resolution Life Group Holdings L.P., domiciled in the State of Arizona
Security Life of Denver International Limited*	A captive insurance company and wholly-owned subsidiary of Resolution Life Group Holdings L.P., domiciled in the State of Arizona
Resolution Re Ltd.*	A reinsurance company organized under the laws of Bermuda
Resolution Life Australasia Limited*	An insurance company organized under the laws of Australia
RLNM Limited*	An insurance company organized under the laws of Australia
Resolution Life New Zealand Ltd.*	An insurance company organized under the laws of New Zealand
Gryphon Mutual Insurance Company****	A captive property insurance company
Ki Financial Limited**	A digitally driven Lloyd's of London syndicate insurance company
Lexington National Land Services	A wholly owned title and escrow agent
Prima Assicurazioni S.p.A.**	An Italian tech-enabled insurance company
Westland Insurance Group Ltd. *****	A property and casualty insurance broker

*Portfolio company of affiliated private equity fund

**Portfolio company of affiliated tactical opportunities funds

***Portfolio company of affiliated private equity and tactical opportunities funds

****Captive property insurance company owned by its participants (which are Blackstone real estate fund investments) and managed by an affiliate of Blackstone

*****Portfolio company of Blackstone Credit and Insurance Funds

The Blackstone Group (HK) Limited is registered in Hong Kong, Blackstone Advisors India Private Limited is registered in India, Blackstone Singapore Pte Ltd is registered in Singapore, Blackstone Europe LLP is registered in the United Kingdom and The Blackstone Group (Australia) Pty Limited is registered in Australia. They provide certain advisory services to Blackstone Management Partners L.L.C., Blackstone Core Equity Advisors L.L.C. and certain of their affiliates in Hong Kong, India, Singapore, the United Kingdom, Shanghai, and Australia, respectively. Blackstone Europe LLP also provides certain advisory services to Blackstone Capital Partners IV L.P. and certain of its affiliates in the United Kingdom.

Various management and marketing personnel are registered with our broker-dealer, Blackstone Securities Partners L.P., which serves as placement agent to the Funds in the U.S. but is not compensated for such services. We do not believe these registrations, in and of themselves, create conflicts for the Fund's investors.

A more detailed description of applicable conflicts of interest is set forth in the Organizational Documents of the Funds.

Item 11 – Code of Ethics

The Clarus Adviser recognizes and believes that (i) high ethical standards are essential for its success and to maintain the confidence of its investors; (ii) its long-term business interests are best served by adherence to the principle that the interests of investors come first; and (iii) it has a fiduciary duty to its investors to act in the best interests of the Funds it manages. All Clarus Adviser personnel are required to act in accordance with the implied contractual covenants of good faith and fair dealing in respect of their dealings with investors and are required to comply with applicable law.

The Clarus Adviser is governed by the Blackstone Code of Ethics (the “Code”). The Code governs a number of potential conflicts of interest which exist in connection with the Funds it manages. The Code is reasonably designed to ensure that the Clarus Adviser meets its fiduciary obligations to Fund investors (or prospective investors) and to instill a culture of compliance within the Clarus Adviser. An additional benefit of the Code is to detect and prevent violations of securities laws.

The Code is distributed to each employee at the time of hire and annually thereafter, and it is available on Blackstone’s intranet website. The Clarus Adviser also supplements the Code with ongoing monitoring of employee activity.

The Code includes, among other items, the following:

- Requirements related to confidentiality;
- Limitations on, and reporting of, gifts and entertainment;
- Pre-clearance of political contributions;
- Pre-clearance and reporting of employee personal securities transactions;
- Pre-clearance of outside business activities; and
- Protection of persons who engage in “whistle blowing” activities from retaliation.

On an annual basis, Blackstone requires all employees to certify that they are in compliance with the Code.

Blackstone offers many different products and services across its many businesses and there are several potential conflicts of interest which will from time to time arise. Please see Item 10 – Other Financial Industry Activities and Affiliations for a list of investment related potential conflicts, including, in particular, “Other Blackstone Clients; Allocation of Investment Opportunities” describing conflicts related to allocation of investment opportunities among

investment funds sponsored by Blackstone and co-investors. The Clarus Adviser has adopted policies and procedures reasonably designed to address such potential conflicts of interest.

The Clarus Adviser and its related personnel are subject to guidelines governing the ability to trade in personal accounts. The guidelines generally require that such trading be conducted for investment rather than speculative purposes (including by having minimum holding periods) and that all such personal securities transactions receive pre-clearance from the Blackstone Legal and Compliance Department. As a policy matter, Blackstone personnel are generally prohibited from purchasing single-name public securities in their self-directed personal securities brokerage accounts. These guidelines are reasonably designed to comply with SEC requirements that registered investment advisors have a Code of Ethics, and are intended to assist Blackstone with identifying and mitigating actual or potential conflicts of interest with Blackstone's clients that could arise as a result of such transactions. In addition, Blackstone has implemented certain policies and procedures (e.g., information walls) to restrict access to material non-public information. The Blackstone Legal and Compliance Department is responsible for overseeing compliance with the requirements of the Code, which requirements include, but are not limited to, reporting of personal investment activities, accounts, pre-clearance of personal securities transactions, reporting of certain investment transactions and periodic compliance certifications. The Code is available for review upon request.

You may request a copy of the Code by contacting Julie Constable – Chief Compliance Officer; 617-949-2205; Julie.Constable@blackstone.com.

The Clarus Adviser does not participate in principal trading generally; however, the Clarus Adviser would be permitted to if the Clarus Adviser obtained appropriate Fund investor approvals, to the extent permitted under applicable Organizational Documents. The Clarus Adviser addresses attendant conflicts as described in the applicable Organizational Documents.

Item 12 – Brokerage Practices

The Clarus Adviser will, in certain circumstances, trade in public securities. In the event the Clarus Adviser executes a brokerage transaction for one or more Funds (e.g., trades in public securities as a direct investment, as part of or following an initial public offering of a Portfolio Entity) or enters into hedging transactions, the Clarus Adviser will generally consider qualitative factors including, but not limited to, the broker's reliability and execution capabilities for the transaction, the commissions charged by the broker, and the broker's reputation and responsiveness to requests for trade data and other financial information.

Item 13 – Review of Accounts

REVIEW OF ACCOUNTS

Currently, the only accounts under the supervision of the Clarus Adviser are the relevant Funds' accounts. The Funds' accounts and investment positions are monitored by the Clarus Adviser's personnel on a regular and current basis. The Clarus Adviser's Investment Committees meet as necessary to review general portfolio composition, investment opportunities, market conditions, potential conflicts, and recent trading activities. The Clarus Adviser's Investment Committees consist of a minimum of 4 persons, some of whom are Senior Managing Directors of the Blackstone Life Sciences business. The Clarus Adviser might periodically review on an expedited basis the assets of the Funds following a unique occurrence in the financial industry or market generally. The Investment Committees could also draw on regional experts within Blackstone as appropriate given the specific profile of each investment opportunity.

REPORTS TO INVESTORS

Investors in the Funds generally will receive written quarterly reports which will include capital balance and Fund performance statistics. Investors also will receive written annual audited financial statements for the Fund in which they are invested. The Clarus Adviser makes use of Blackstone's online portal, BX Access, available at www.bxaccess.com for the distribution of reports and other information to investors in Clarus IV-A, L.P., Clarus IV-B, L.P., Clarus IV-C, L.P., and Clarus IV-D, L.P. and to any parallel or alternative investment vehicle formed in connection therewith (together, "Clarus IV"). The Clarus Adviser makes use of extranet.clarusfunds.com for the distribution of reports and other information to investors in Clarus Lifesciences I, L.P.; Clarus Lifesciences II, L.P.; Clarus Lifesciences III, L.P.; Clarus Defined Exit I, L.P.; Clarus Defined Exit II, L.P.

Certain investors in the Funds could request additional information relating to the Funds and/or Portfolio Entities, to the extent such information is readily available or is able to be obtained without unreasonable effort or expense, the Clarus Adviser generally will provide such investors with the information requested. Investors that request and receive such information will consequently possess information regarding the business and affairs of the Funds that might not be known to other investors. As a result, certain investors can be expected to be able to take actions on the basis of such information which, in the absence of such information, other investors do not take. Furthermore, at certain times the Clarus Adviser could be restricted from disclosing to investors material non-public information regarding any assets in which a Fund invests, particularly those investments in which an Other Blackstone Client or Portfolio Entity that is publicly registered co-invests with a Fund.

Item 14 – Client Referrals and Other Compensation

The Funds are no longer being actively marketed and there are no remaining placement arrangements in place with affiliated and non-affiliated third party solicitors pursuant to which on-going payments could still be due and owing.

Item 15 – Custody

Rule 206(4)-2, as amended (the “Custody Rule”), of the Advisers Act defines custody as holding client securities or funds or having any authority to obtain possession of them. The Funds have a Clarus Adviser affiliate acting as general partner and, as such, the Clarus Adviser is generally deemed to have custody of the Funds’ securities and cash. The Clarus Adviser generally complies with the Custody Rule by, among other things, providing all investors in the Funds with audited financial statements on an annual basis.

Item 16 – Investment Discretion

The Clarus Adviser maintains the authority to manage or advise the relevant Funds on a discretionary basis, subject to the overall supervision of the applicable General Partner, in accordance with the investment guidelines, objectives, limitations, other provisions and terms set forth in the Funds' Organizational Documents.

Item 17 – Voting Client Securities (i.e., Proxy Voting)

Proxy Policy

Rule 206(4)-6 under the Advisers Act (the “Proxy Rule”) requires registered investment advisers that exercise voting authority over client securities to implement proxy voting policies. Because the Clarus Adviser will generally be deemed to have authority to vote proxies relating to the companies in which its clients invest, the Clarus Adviser has adopted a set of policies and procedures (together, the “Policy”) in compliance with the Proxy Rule. To the extent that the Clarus Adviser exercises or is deemed to be exercising voting authority over its clients’ securities, the Policy is designed and implemented in a manner reasonably expected to ensure that voting with respect to proxy proposals, amendments, consents or resolutions (collectively, “proxies”) is exercised in a manner that serves the best interest of the Funds, as determined by the Clarus Adviser in its sole discretion. Notwithstanding the foregoing, because proxy proposals and individual company facts and circumstances could vary, the Clarus Adviser might not always vote proxies in accordance with the Policy. In addition, many possible proxy matters are not covered in the Policy. Generally, the Clarus Adviser will vote proxies in favor of management’s recommendations, including, but not limited to, the following matters: (i) the election of the board of directors; (ii) the approval of financial statements as presented by management; and (iii) will generally vote in favor of the selection of independent auditors even if the proposed auditor is currently the auditor of Blackstone. In certain cases where an investment is made with Blackstone-affiliated or unaffiliated sponsors, proxy voting could be delegated to such other sponsors (each such sponsor a “Voting Sponsor”) provided that Blackstone reasonably believes that such Voting Sponsor’s policies regarding proxy voting are consistent with the Policy.

From time to time, conflicts can be expected to arise between the interests of the investor, on the one hand, and the interests of the Clarus Adviser or its affiliates, on the other hand. If the Clarus Adviser determines that it has, or could be perceived to have, a conflict of interest when voting a proxy, the Clarus Adviser will address matters involving such conflicts of interest on a case-by-case basis by consulting with the Chief Compliance Officer or her designee, subject to legal, regulatory, contractual or other applicable considerations. The analysis will be documented. The Clarus Adviser in its sole discretion, could elect not to vote certain routine proxies if unduly burdensome.

Investors may request a copy of the Policy and the voting records relating to proxies as provided by the Proxy Rule by contacting Julie Constable – Chief Compliance Officer; 617-949-2205; Julie.Constable@blackstone.com.

Item 18 – Financial Information

The Clarus Adviser has never been the subject of a bankruptcy petition and is not aware of any financial condition reasonably likely to impair its ability to meet contractual commitments to its clients.

Item 19 – Requirements for State Registered Advisers

This item is not applicable as the Clarus Adviser is not registered in any state.