

**Item 1 – Cover Page**

**Blackstone Infrastructure Advisors L.L.C.**

345 Park Avenue

New York, NY 10154

(212) 583-5000

[www.blackstone.com](http://www.blackstone.com)

as of March 28, 2024

Form ADV, Part 2A; the “Brochure” provides information about the qualifications and business practices of Blackstone Infrastructure Advisors L.L.C. (the “Advisor”) and any relying advisers.

If you have any questions about the contents of this Brochure, please contact us at (212) 583-5000. 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 Advisor is registered with the SEC as an investment advisor. The Advisor’s registration as an investment advisor does not imply any level of skill or training. The oral and written communications the Advisor provides to you, including this Brochure, serve as information for you to use to evaluate the Advisor and should be considered in your decision whether to invest in an investment vehicle advised by the Advisor.

Additional information about the Advisor and any relying advisers is also available at the SEC’s website [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) (click on the link “Investment Adviser Search”, select “Investment Adviser” and type in “Blackstone Infrastructure Advisors”). 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 last 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 Advisor, 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 (212) 583-5000.

## **Item 3 – Table of Contents**

<b>Item 1 – Cover Page</b>	<b>i</b>
<b>Item 2 – Material Changes</b>	<b>ii</b>
<b>Item 3 – Table of Contents</b>	<b>iii</b>
<b>Item 4 – Advisory Business</b>	<b>1</b>
<b>Item 5 – Fees and Compensation</b>	<b>3</b>
<b>Item 6 – Performance-Based Fees and Side-By-Side Management</b>	<b>18</b>
<b>Item 7 – Types of Clients</b>	<b>19</b>
<b>Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss</b>	<b>20</b>
<b>Item 9 – Disciplinary Information</b>	<b>45</b>
<b>Item 10 – Other Financial Industry Activities and Affiliations</b>	<b>46</b>
<b>Item 11 – Code of Ethics</b>	<b>160</b>
<b>Item 12 – Brokerage Practices</b>	<b>162</b>
<b>Item 13 – Review of Accounts</b>	<b>163</b>
<b>Item 14 – Client Referrals and Other Compensation</b>	<b>164</b>
<b>Item 15 – Custody</b>	<b>165</b>
<b>Item 16 – Investment Discretion</b>	<b>166</b>
<b>Item 17 – Voting Client Securities (i.e., Proxy Voting)</b>	<b>167</b>
<b>Item 18 – Financial Information</b>	<b>168</b>
<b>Item 19 – Requirements for State Registered Advisers</b>	<b>169</b>

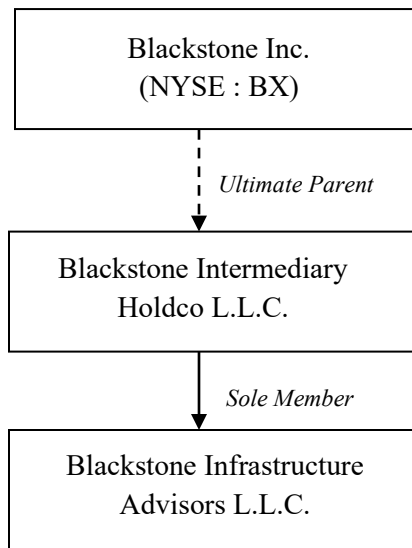
## Item 4 – Advisory Business

Blackstone Infrastructure Advisors L.L.C. (the “Advisor”) is a Delaware limited liability company. The Advisor provides investment advisory services to an open-ended private investment fund that has as its primary investment objective the making of control and control-oriented infrastructure investments, as well as in public-private partnership infrastructure projects, in each case within the “Core+” and “Core” space on a global basis but primarily in North America and its parallel funds (“BIP”), its related parallel account (“BIP-P” or the “Parallel Account”) and other managed accounts (the “Other Parallel Accounts”), certain closed-end private funds and other single investor and pooled vehicles that have or may make separate investments in the infrastructure space or co-invest alongside BIP (the “Other Infrastructure Vehicles”) and anticipates providing investment advisory services to an open-ended private investment fund that has as its primary investment objective the making of control and control-oriented infrastructure investments, as well as in public-private partnership infrastructure projects, in each case within the “Core+” and “Core” space primarily in Europe and its parallel funds (collectively, “BIP Europe”) once BIP Europe holds its initial closing (and, together with BIP, BIP-P, and the Other Infrastructure Vehicles, the “Funds”). Affiliates of the Advisor serve as the general partner (the “General Partner,” and, collectively, the “General Partners”) of each of the Funds.

The Advisor was established in 2017. The ultimate parent of the Advisor 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”. Please see the structure chart below. Blackstone is a leading global alternative investment manager with investment vehicles focused on private equity, real estate, hedge fund solutions, credit, secondary funds, tactical opportunities, infrastructure, insurance solutions and life sciences.

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

Blackstone Infrastructure Advisors L.L.C.  
Item 4 – Advisory Business



As of December 31, 2023, the Advisor has regulatory assets under management (“RAUM”) of \$ 48,609,675,685.

### **Description of Advisory Services**

The Advisor 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 investments for the Funds’.

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

Through a series of delegation agreements, the Advisor also provides specific portfolio management services to certain private investment funds managed by an affiliated alternative investment fund manager for the purposes of the European Union Alternative Investment Fund Managers Directive (“AIFMD”).

## Item 5 – Fees and Compensation

### *Management Fees and Performance Fees*

Pursuant to the Advisory Agreements with each of the Funds, the Advisor is entitled to compensation from each Fund for its services in the form of an annual management fee (the “Management Fee”), payable quarterly in arrears consisting of the sum of (i) up to 1.00% per annum (which varies among the Funds) of the applicable Fund’s (i) total invested capital, in the case of certain Funds that are structured as “closed-end funds”, or (ii) net asset value, in the case of a Fund that is structured as a “open-end fund” (and certain Funds that are structured as “closed-end funds”) plus (ii) up to 0.50% per annum (which varies among the Funds) of undrawn capital commitments with respect to certain investors of certain Funds.

The Management Fee is prorated for any partial periods. In certain cases, the Management Fee payable by an investor in a Fund may be waived or reduced for certain investors that have certain characteristics, such as if a Fund investor participates in an early closing of a Fund or makes a commitment to a Fund above a certain threshold.

As set forth in **Item 6** below, each of the General Partners receives performance-based compensation in respect of either realized or unrealized (dependent upon the Fund) appreciation, subject to certain conditions, and, in addition, certain Funds distribute current income from investments.

The offering materials (including the applicable private placement memoranda, as amended, restated or supplemented from time to time) (the “Offering Materials”), the organizational documents (including any applicable limited partnership agreements, limited liability company agreements and other formation documents, as amended or restated from time to time) (the “Organizational Documents”) and Advisory Agreement of each Fund include further details on fees, compensation and related matters.

Management Fees and performance-based compensation are either called from investors in the form of cash or units of the relevant Fund, if applicable, or drawn down from the relevant Fund’s subscription or other credit facility.

Certain investors in the Funds, including current and/or former senior advisors, officers, directors, personnel and/or other key advisors/relationships (including operating partners, executives, founders and entrepreneurs) of Blackstone, Portfolio Entities (as defined herein) of the Funds and other Funds or Blackstone’s other investment funds, investment vehicles, permanent capital vehicles, accounts, related entities and/or other similar arrangements (including those in existence as of the date hereof and those that may be formed in the future, collectively, “Other Blackstone Clients”) personnel of PJT Partners Inc. (“PJT”) and/or 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

Item 5 – Fees and Compensation

to Blackstone (“Blackstone Investors”) will not pay Management Fees or performance-based allocations in connection with their investment in or alongside the Funds. For the avoidance of doubt, in the case of an affiliated Fund limited partner that is an Other Blackstone Client with its own underlying investors, such underlying investors are generally subject to carried interest and/or management fees in connection with their investment in such Other Blackstone Client. Notwithstanding the foregoing, such investors will either directly pay for their *pro rata* share of certain Fund expenses, or the *pro rata* amount of such expenses will be allocated to the Advisor 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 Advisor 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 (any trusts, family members, family investment vehicles, estate planning vehicles, descendants, trusts and other related persons and entities) and related entities, make capital commitments and/or otherwise invest in or alongside the Funds, any such amounts may, in Blackstone’s sole discretion, be treated as satisfying the applicable portion of any required capital commitment of Blackstone and/or its affiliates to the Funds (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 **Item 5** below.

*Blackstone Strategic Relationships & Multi-Fund Arrangements*

In addition, Blackstone has entered, and it can be expected that Blackstone in the future will enter, into both (i) 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 geographical focus within the same or a different Blackstone business unit) in addition to the Funds’ strategies and (ii) arrangements that involve an agreement or understanding to subscribe for a capital commitment to the Funds and one or more Other Blackstone Clients (which may include a commitment already made recently to another Blackstone fund) (any such overall relationship and/or multi-fund arrangement in the foregoing (i) and (ii), a “Strategic Relationship”). A Strategic Relationship often involves (but is not required to involve) an investor agreeing to make a capital commitment to two or more Blackstone funds, one of which may be a Fund. Investors 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 the terms of, existence of or other information about any Strategic Relationship will be shared with the fund investors). Specific examples of such additional rights and benefits have included and can be expected to include, among others, specialized reporting, discounts or reductions on and/or

Item 5 – Fees and Compensation

reimbursements or rebates of management fees or incentive allocation, secondment of personnel from the investor to Blackstone (or *vice versa*), targeted amounts for co-investments and/or co-underwriting alongside Blackstone vehicles (including, without limitation, preferential or favorable allocation of co-investment and/or co-underwriting opportunities, and preferential terms and conditions related to co-investment and/or co-underwriting or other participation in Blackstone vehicles (including any incentive allocation 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 and/or co-underwriting that is part of a Strategic Relationship can be expected include co-investment and/or co-underwriting in investments made by the Funds. To the extent an investor receives any such discounts or reductions on management fees with respect to an investor due to a Strategic Relationship, such investor will have fewer interests in certain of the Funds reduced as a result of such discounts or reductions on management fees as compared to any other Fund investor without such discount or reduction (and the same consequences will result from the different Management Fee terms amongst investors in the Funds as indicated in the Organizational Documents). Blackstone, including its personnel (including Blackstone Infrastructure 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, result in fewer co-investment opportunities (or reduced allocations) being made available to other investors in the Funds. In addition, from time to time, Blackstone may enter into economic and/or fee sharing arrangements with respect to one or more Funds, Other Blackstone Clients or certain limited partners thereof, which rights will not generally be made available to other limited partners. (See “Additional Potential Conflicts of Interest with respect to Co-Investment; Strategic Relationships Involving Co-Investment” in item 10 below).

*Other Fees Payable to the Advisor and its Affiliates*

In addition, pursuant to the Advisory Agreements with certain Funds, the Advisor may charge investors with capital commitments below a certain threshold a servicing fee (the “Servicing Fee”), subject to the right of the applicable General Partner, in its sole discretion, to reduce or waive such fee. The Servicing Fee is generally equal to a percentage based on the investor’s share of net asset value (“NAV”) and payable quarterly in arrears.

In addition to the Advisor’s Management Fee, any Servicing Fee and performance-based allocations (see **Item 6** below), the Advisor and its affiliates from time to time receive a variety of other fees as part of the investment activities of the Funds, including from or with respect to Portfolio Entities of the Funds and other persons (including co-investors and joint venture partners). Such fees include, without limitation, fees for asset and property management; underwriting, syndication or refinancing of a loan or investment; energy procurement / brokerage fees, fees for environmental, social, and governance (“ESG”) services; loan servicing; special servicing; administrative services; advisory services on purchase or sale of an asset or



Item 5 – Fees and Compensation

company; treasury and valuation services; advisory services; investment banking and capital markets 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; BX Energy Services (as defined herein); other products and services (including but not limited to restructuring, consulting, monitoring, commitment, syndication, origination, organization and financing, and divestment services); other servicing fees; healthcare consulting / brokerage fees; fees relating to group purchasing; financial advisory fees and similar fees for arranging acquisitions, other major financial restructurings and other similar operational and financial matters; operations fees; title insurance fees; fees associated with aviation management including origination fees, servicer fees (e.g., services relating to lease collections/disbursements, maintenance, insurance, lease marketing and sale of aircraft/parts), asset and property management fees (including, for example, services relating to the preparation of monthly cash flow models and industry research reports and sourcing, diligence and underwriting and other similar services provided pursuant to investment management arrangements) and aircraft disposition fees; data management and services fees or payments; aviation asset management fees; incentive fees and other similar fees; and annual retainers (whether in cash or in kind). Such fees, including in the form of management fees, incentive fees, incentive allocations, carried interest or other form of management promote or performance-based compensation or other incentive fees, including in the form of management fees, incentive fees, incentive allocations, carried interest or other form of management promote or performance-based compensation and other incentive fees, will not be required to be shared with the Funds or the limited partners and will not result in any offset to the Management Fee payable by the limited partners.

The Management Fee offset provisions for the Funds vary based on the terms of the Funds' respective Organizational Documents, but generally 100% of each Fund's *pro rata* share of certain specified fees set forth in the Organizational Documents of such Funds (net of reasonable out of pocket expenses incurred by the Advisor or its affiliates) will be applied to reduce Management Fees (not below zero). Any other fees received by the Advisor would not offset the Management Fee or performance-based allocations except as specifically provided in the Funds' Organizational Documents. Any fees that result in an offset of the Management Fee only apply to the extent the fees giving rise to such offset are paid as part of and during the course 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 Blackstone after a Fund has exited an investment. For example, a Portfolio Entity may retain or continue to retain the Blackstone Capital Markets Group (including with respect to fees for services described herein) or continue to work with Blackstone in connection with group purchasing arrangements when and after a Fund exited its investment therein. Following an exit of a Fund's investment in a Portfolio Entity, Other Blackstone Clients may continue to hold interests (debt, and/or equity) in such Portfolio Entity, and Blackstone may begin to earn fees or continue to earn fees from such Portfolio Entity for providing services to such Portfolio Entity, including, but not limited to, capital markets advice, group purchasing and health care brokerage, insurance and other similar services, which in each case will not offset or reduce the

Item 5 – Fees and Compensation

Management Fee. Also, in the case of fees for services as a director of a Portfolio Entity, the Management Fee will not be reduced or offset to the extent any Blackstone personnel continues to serve as a director after the Fund(s) has exited (or is in the process of exiting) the applicable Portfolio Entities and/or following the termination of such employee's employment with Blackstone. Conflicts of interest are expected to arise when a Portfolio Entity enters into arrangements with Blackstone on or about the time a Fund exits its Investment in such Portfolio Entity.

Certain of the Funds bear the cost of fund administration and 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 (and other legal professionals) 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 (including, without limitation, in connection with any governmental and/or regulatory inquiries, investigations, proceedings and/or litigation, private litigation, arbitration or audits involving the Funds and/or Portfolio Entities or any threat to initiate any of the foregoing, and researching and gathering information in respect of any discovery requests or potential litigation, defending against claims by third parties and paying any amounts pursuant to settlements or judgments), reviewing and structuring exit opportunities) provided by Blackstone personnel and related parties (including, without limitation, Blackstone Europe Fund Management S.à r.l. ("BEFM"), including all services provided by BEFM to a Luxembourg parallel fund that would be considered costs of fund administration if provided by Blackstone to the Funds (notwithstanding the customary scope of such services by third-party service providers)), 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 will engage a third-party administrator (e.g., as required for a Luxembourg parallel fund) and, in such circumstances, there may be some overlap in the services performed by the third-party administrator and Blackstone personnel, and the Funds will generally bear all such costs. The services of in-house attorneys (and other legal professionals) generally include, without limitation, services with respect to M&A, capital markets or financing transactions, tax or regulatory structuring, supervision of external counsel

Item 5 – Fees and Compensation

and service providers, attending internal and external meetings (including investment committee meetings) and/or communicating with relevant internal and external parties. Any determination of whether 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 such Fund with respect to third parties providing similar services (e.g., an external administrator). Fund investors should carefully consult the applicable Fund's Offering Materials and Organizational Documents to determine the fees, if any, that can be offset and the Management Fee offset percentage, if any, applicable to the Funds in which they are invested (See "Other Blackstone Business Activities" in **Item 10** below). In addition, from time to time, the Advisor can be expected to also engage and retain on behalf of its Funds and/or their Portfolio Entities strategic advisors, consultants, senior advisors, operating 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 Advisor, its affiliates or Portfolio Entities of a Fund 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, Servicing Fee and performance-based compensation, are established by the Advisor through negotiations with investors in each Fund, and the Offering Materials, the Organizational Documents and the Advisory Agreement of each Fund include further details on such fees, compensation and related matters.

*Expenses*

To the extent permitted by applicable law, the following is a list of expenses that are typically borne by the Funds (and indirectly by the limited partners of 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. Subject to the limitations set forth in the Organizational Documents, costs, expenses and charges specifically attributed or allocated by the Advisor and its affiliates to the Funds may exceed what would be paid to an unaffiliated third-party for substantially similar services.

- Legal fees (including, for certain funds, compensation and benefits costs) specifically allocated or attributed by the Advisor or its affiliates with respect to in-house attorneys to provide transactional legal and related tax advice and/or services to the Funds and their Portfolio Entities on matters related to potential or actual investments.
- Placement fees and due diligence of placement agents.
- Regulatory filing fees and expenses of the Funds, including, but not limited to, compliance with U.S. federal and state securities laws and international laws, such as the AIFMD (including any costs associated with the AIFMD marketing passport), including amounts required to be paid to the managing general partner of any Funds

Item 5 – Fees and Compensation

domiciled in Luxembourg pursuant to local tax law requirements, the European Union Sustainable Finance Disclosure Regulation and any other applicable legislation or regulations related to the European Commission’s Action Plan on Financing Sustainable Growth (“SFDR”) or the Cayman Islands Private Funds Law.

- Expenses related to the Advisor’s ongoing compliance related matters, and reporting obligations, such as diligencing placement agents, monitoring their activities for compliance with placement agent agreements, and administering and monitoring compliance with side letters entered into with Fund investors (including the process of distributing and implementing applicable elections pursuant to any “most-favored-nations” clauses in side letters), and disclosure and reporting obligations to the extent they relate to the Funds’ activities (e.g., Form PF, U.S. Commodity Futures Trading Commission (“CFTC”) filings, AIFMD filings, SFDR disclosures, Annex IV, the Cayman Islands Private Funds Law 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)) and any related regulations, including costs and expenses of collecting and calculating data and preparation of regular reports to be filed with EEA member states.
- Expenses relating to Freedom of Information Act (“FOIA”) and similar requests, any governmental public records access law, any state or other jurisdiction’s laws similar in intent or effect to FOIA or any other similar statutory or regulatory requirement.
- Administrative and accounting expenses and related costs including in-house administration/accounting fees, costs, expenses and/or charges and in-house technology and/or technology-related costs, expenses and/or charges (including, without limitation, data science-related services (e.g., data analytics and statistical modeling)), including overhead related thereto (see “Other Fees Received by the Advisor and their Affiliates” in **Item 10** below).
- Organizational expenses associated with operating the Funds, such as filing fees, legal costs and expenses (including expenses of preparing, reviewing and negotiating the partnership agreement, side letters, placement agent arrangements, documentation of third-party sponsored feeders, and other related organizational documents).
- Operating expenses.
- Costs, fees and expenses of fund administrators, custodians, trustees and other third-party professionals.
- Costs, fees and expenses of third-party directors and officers.
- Consultant and senior advisor expenses (including ESG and/or sustainability consultants and other individuals consulted through expert network consulting firms), banks, investment banks, brokerage commissions, fees for acquisition and/or transaction services to brokers, consultants or other finders, the cost of trading (including trading

Item 5 – Fees and Compensation

errors), the cost of borrowings, guarantees and other financing or derivative transactions (including interest, fees and related legal expenses) (See “Advisors, Consultants and Partners” in **Item 10** below) and the expenses of investment bankers.

- Technology expenses (including internal expenses, charges and / or related costs incurred in connection with such provision of services thereby, including, without limitation, costs and expenses of technology consultants and service providers and related software/hardware/SaaS and server infrastructure and hosting, including those that analyze operational improvements as a part of due diligence or are otherwise utilized in connection with the Funds’ investments or utilized in connection with reporting and communication to the limited partners) (including, for example, investor reporting, HedgeHog, HedgeSphere, iLevel, Niagara/HRM and Investran) and market data and research (including technology-related services and news and quotation equipment and services and data collection).
- Expenses associated with the sourcing, development, investigation, negotiation, structuring, acquisition, settling, holding, monitoring and disposition of investments.
- Accounting fees.
- Sourcing fees.
- Taxes, tax-related interest, tax penalties and expenses related to the preparation and delivery of any entity-level taxes, penalties and governmental charges; and expenses related to the preparation and costs of obtaining non-U.S. tax receipts.
- Tax advisor fees, including all expenses in connection with any tax audit, examination or investigation.
- Audit fees.
- Banks and brokerage commissions.
- Transaction fees.
- The cost of trading (including trading errors).
- Clearing costs.
- Fees and expenses associated with borrowings, guarantees and other financing or derivative transactions (including interest, fees and related legal expenses).
- Expenses of loan servicers and other service providers (including, for the avoidance of doubt, the costs and charges allocable with respect to the provision of fund administration or other services and professionals related thereto (including secondees and temporary personnel or consultants) as deemed appropriate by the General Partner).

Item 5 – Fees and Compensation

- Asset/property management fees, including, without limitations, fees associated with affiliated aviation management companies including origination fees, servicer fees (e.g., services relating to lease collections/disbursements, maintenance, insurance, lease marketing and sale of aircraft/parts etc.), asset management fees (e.g., services relating to the preparation of monthly cash flow models and industry research reports), and aircraft disposition fees.
- Asset and property management fees associated with investment management for insurance accounts.
- Expenses associated with the development, negotiation, acquisition, holding, monitoring and disposition of investments, including, without limitation, any due diligence-related expenses (including all fees, costs and expenses (including fees, costs and expenses of third parties) incurred in connection with the diligencing, establishment, implementation, assessment, attestation, monitoring and/or measurement of the ESG-related programs and initiatives with respect to a Fund (including all fees, costs and expenses incurred in connection with tracking and procurement tools, engineering, energy, land, seismic, geographical or geological reporting tools, climate risk and resiliency assessments, greenhouse gas emissions assessments (including financed emissions), inventories and reduction evaluations, ESG metrics assessments, diversity and inclusion assessments, ESG materiality assessment, strategy and guidance, reporting and research, and any other such assessments, measurements, advice, verification, assurance or reports prepared on, conducted as part of implementing, monitoring, standardizing, disclosing and maintaining such programs, to the extent implemented).
- Fees, costs and expenses related to the organization or maintenance of any entity (including intermediate entities or other vehicles) used to acquire, hold, provide financing with respect to, or dispose of any one or more investments or entities otherwise facilitating a Fund's investment activities, including without limitation any travel, accommodation and related expenses related to such entity, fees paid to any service providers of such entities (including BEFM, BX Fund Services Luxembourg and any other affiliates of Blackstone) 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, or other overhead expenses in connection therewith (including the salary and compensation of personnel of any Luxembourg, Irish or Cayman Islands entities formed in connection with the Funds' activities and the meetings of officers or directors of such entities or their general partners), and costs and expenses (including airfare and lodging) of the meetings of officers, managers, directors, general partners or managing members of such entities, and costs 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 Luxembourg, Ireland or the Cayman Islands (which may be made with one or more affiliates of the Advisor as lessor), and the costs and expenses of insurance (including title, brokerage and placement thereof);

Item 5 – Fees and Compensation

the Funds' portion of fees paid to Blackstone Infrastructure Associates (Lux) S.à r.l. in respect of the services provided by Blackstone Infrastructure Associates (Lux) S.à r.l. to the certain Funds in its capacity as managing general partner.

- Custodial, depositary, representative and paying agent and other third-party professional fees.
- Research-related expenses, including news and quotation equipment and services and data collection such as market data and research utilized in connection with the Funds' investment and operational activities, which may be allocated based on assets under management, usage rates, proportionate holdings, or a combination thereof, and including costs allocated by Blackstone's internal research and third-party groups (which are generally based on time spent), internal and third-party printing (including a flat service fee) and publishing (including time spent performing such internal printing and publishing services).
- Broken-deal expenses (See "Broken Deal Expenses" in **Item 10** below).
- Expenses associated with investments structured with one or more "master" vehicles that are formed for co-investors (including Consultants) to participate in such investments through (including organizational and audit expenses).
- Expenses associated with the preparation, printing and delivery of the Funds' periodic reports and related financial and other statements and investor notices and communications (including preparation and delivery of tax returns (including any tax returns or filings required to be made by the Funds in any jurisdictions in which any limited partner is resident or established (including, for example, German tax filings, to the extent a Fund has two or more German investors)), K-1s, Form 200s and other communications or notices relating to the Funds).
- Expenses of the L.P. Advisory Committees (as defined in the Organizational Documents) or board of directors, including director fees, costs, fees and/or expenses associated with responding to information requests from the investors and other persons, as applicable or any independent client representative (including meeting with the limited partners and/or their representatives, travel, accommodation, meal, event entertainment and other similar expenses in connection with any meetings of the L.P. Advisory Committee and any legal counsel or other service providers of the L.P. Advisory Committee).
- Expenses associated with a Fund's compliance with applicable laws and regulations.
- Expenses associated with any governmental and/or regulatory inquiry, investigation, proceeding and/or litigation, private litigation (including discovery requests), arbitration, or audit involving the Funds, or entities in which the Funds have investments or with any threat to initiate any of the foregoing, including the amount of any judgments, fines, other governmental fees or charges, remediation or settlements paid in connection

Item 5 – Fees and Compensation

therewith and expenses associated with researching and gathering information in respect of any discovery requests or potential litigation and defending against claims by third parties.

- Expenses incurred in connection with complying with provisions in investor side letter agreements, including “most favored nations” provisions.
- Travel, accommodation, entertainment and related expenses in connection with the Funds’ organization, fundraising and investment activities (including first class and/or business class airfare (and/or private charter, where appropriate)), first class lodging, ground transportation, travel and premium meals (including closing dinners and mementos, cars and meals, social and entertainment events with actual or potential portfolio entity management, and/or employees, customers, clients, borrowers, brokers and service providers)), including any expenses related to attending trade association and/or industry meetings, conferences or similar meetings. Travel and entertainment expenses in connection with a trip taken by employees of the Advisor and/or a General Partner for purposes of multiple matters will generally be allocated to each such matter based on the time spent for each matter and then the resulting expenses will be allocated among the Funds, Other Blackstone Clients and/or the Advisor as otherwise set forth herein.
- Expenses of investor meetings (including any annual meetings of the Funds) regardless of whether all Fund investors are invited to such meetings (including reasonable accommodation, meal, travel, entertainment and other similar expenses of the Funds investors in connection with such meetings).
- Expenses related to hedging arrangements and currency conversion and associated with the acquisition, settling, holding, monitoring, and disposition of investments (including without limitation, any brokerage, custody, hedging costs, or currency conversions).
- Insurance (including expenses related to procurement, brokerage and placement thereof and solutions and risk management services, and cost of title insurance, general partnership liability or other insurance for the benefit of the Advisor, its affiliates and related persons).
- Indemnification expenses (including advancement of any fees, costs or expenses to persons entitled to such indemnification).
- Expenses of starting-up, winding-down and liquidating the Funds and any portfolio entity service providers owned by the Funds.
- Expenses associated with investor admission/subscription, including any services related to current or prospective investors such as marketing, advertising, printing, wholesaling and other capital raising expenses (including travel, accommodation and other related expenses) associated with investor admission/subscription and investor-related services and other similar costs (including the cost of (i) space to hold meetings with prospective



Item 5 – Fees and Compensation

investors relating to capital raising and marketing and (ii) appearing or speaking at events sponsored by financial advisers or other intermediaries (which in each case may be prorated among multiple Blackstone products to the extent they are covered at those meetings or events) and conducting diligence on any prospective investor).

- Expenses associated with investor redemptions and conversions of interests between the Funds, including any services related to obtaining additional investors in the Funds to facilitate such redemptions, such as marketing, advertising, printing, wholesaling and other capital raising expenses (including travel, accommodation and other related expenses) associated with investor admission/subscription and investor-related services and other similar costs (including the cost of space to hold meetings with prospective investors related to capital raising and marketing) and conducting diligence on any prospective investor and costs, fees and/or expenses associated with responding to information requests from limited partners and other persons.
- Arbitration expenses.
- Valuation costs (including expenses incurred in connection with services performed by any independent valuation advisor).
- Expenses of third-party advisors (including senior advisors, operating advisors, founders, executives and entrepreneurs) and advisory committees of the Funds as well as of other goods and services provided by third parties and other third-party professionals.
- Expenses and fees (including compensation and benefits costs) charged or specifically attributed or allocated by the Advisor or its affiliates for data management and data-related services (e.g., data analytics and statistical modeling) provided to the Portfolio Entities or the Funds (including in connection with prospective investments).
- The costs of secondees, including personnel of Portfolio Entities, vendors, service providers (including law firms and accounting firms) and investors of the Funds and Other Blackstone Clients providing services to Blackstone and/or Portfolio Entities.
- Expenses related to certain personnel of Blackstone and its affiliates, including fees for acquisition and/or transaction services to brokers, consultants (including ESG consultants) or other finders, seconded to Portfolio Entities, vendors, service providers and vendors or limited partners 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).
- The costs (including attorneys’ fees) with respect to actual or proposed transfers of interests in the Funds, and potential transfers of interests that are not ultimately consummated, that are not borne by the parties thereto.
- Expenses relating to developing and maintaining AI Technologies (including but not limited to costs of professional service providers, subscriptions and related software and

Item 5 – Fees and Compensation

hardware, server infrastructure and hosting, internal Blackstone expenses, fees, charges and/or related costs incurred, charged or specifically attributed or allocated (based on methodologies determined by Blackstone) to the Funds, other Funds or the Advisor in connection with AI Technologies.

- The costs in connection with the diligencing, establishment, implementation, assessment, attestation, monitoring and/or measurement of the ESG-related programs and initiatives with respect to the Funds including all fees, costs and expenses incurred in connection with tracking and procurement tools, engineering, energy, land, seismic, geographical or geological reporting tools, climate risk and resiliency assessments, inventories and reduction evaluations, greenhouse gas emissions assessments (including financed emissions), ESG metrics assessments, diversity and inclusion assessments, emissions reduction analysis, ESG materiality assessment, ESG reporting strategy and guidance, ESG fund report, ESG capital targeting research, and any other such assessments, measurements, advice, verification, assurance or reports prepared on, conducted as part of implementing, monitoring, standardizing, disclosing and maintaining such programs, to the extent implemented; all fees, costs and expenses (including fees, costs and expenses of third parties) incurred in connection with the diligencing, establishment, implementation, assessment, attestation, monitoring and/or measurement of the ESG-related programs and initiatives with respect to the Funds (including all fees, costs and expenses incurred in connection with tracking and procurement tools, engineering, energy, land, seismic, geographical or geological reporting tools, climate risk and resiliency assessments, greenhouse gas emissions assessments (including financed emissions), inventories and reduction evaluations, ESG metrics assessments, diversity and inclusion assessments, ESG materiality assessment, strategy and guidance, reporting and research, and any other such assessments, measurements, advice, verification, assurance or reports prepared on, conducted as part of implementing, monitoring, standardizing, disclosing and maintaining such programs, to the extent implemented).

Additionally, as a result of a public health emergency like the COVID-19 pandemic, the Advisor has determined in the past, and may 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 may be increased due to an epidemic, will be an expense of the Funds subject to and in accordance with Blackstone's policies.

From time to time, the General Partners will be required to decide whether costs and expenses are to be borne by the Funds, on the one hand, or the relevant General Partner and the Advisor, on the other, and whether certain costs and expenses should be allocated between or among a Fund, on the one hand, and Other Blackstone Clients, on the other hand. Certain expenses may be suitable for only a particular Fund, feeder entity or participating Other Blackstone Client and borne only by such vehicle, or, as is more often the case, expenses may

be allocated *pro rata* among the Funds or Other Blackstone Clients participating in the relevant investment(s) (or in such other allocation as the applicable General Partners decide in good faith is more equitable or appropriate) 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 or some of all Funds in the case of expenses applicable to such Funds generally). 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). For example, certain expenses may be incurred by or on behalf of such Fund and Other Blackstone Clients and will be allocated among such Fund and such Other Blackstone Clients by the Advisor in its good faith reasonable discretion, including, in the case of travel, based on estimated time spent with respect to the business of such Fund and Other Blackstone Clients. The Advisor 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 to the fullest extent permitted by applicable law, invested capital or available capital, as applicable, but may in certain circumstances allocate such expenses in a different manner if the Advisor 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 (including, but not limited to, those expenses for AIFMD, SFDR, the Taxonomy Regulation and other ESG related rules and applicable EEA regulations). Likewise, while the aggregate amount of partnership expenses to be borne by investors in the Funds will generally be allocated among such investors based upon the relative net asset value of each such Fund or other vehicle incurring such expenses, or, with respect to partnership expenses directly and solely attributable to an investment, the Funds’ relative interests in the underlying deal, and such investors’ relative units or interests in each Fund being charged such expenses, the Advisor may in certain circumstances allocate such expenses in a different manner if the Advisor 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 may 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 Advisor 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

Item 5 – Fees and Compensation

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. Each General Partner will make such judgments in a manner that it determines to be fair and reasonable in good faith, notwithstanding its interest in the outcome, and may make corrective allocations should it determine that such corrections are necessary or advisable. However, such determination is inherently subjective and may give rise to conflicts of interest in light of the inherent biases in the process. There can be no assurance that a different manner of allocation would not result in a Fund bearing less (or more) expenses. The Funds may incur fees, costs and/or expenses that will not always be directly related to a specific potential investment and may 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 a partnership expense, 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 Advisor 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 instead of the Funds by a determination of the investment committee, as the case may be, 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 “Broken Deal Expenses” in item 10 herein). The formal allocation decision is typically made shortly prior to signing or committing to an Investment and may 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 Fund investors rely on the Advisor to handle them in its sole discretion, and there can be no assurance that the Advisor will resolve such conflicts of interest in a manner that is favorable to the Fund investors 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 Advisor, the General Partners of BIP, BIP Europe and BIP-P each receive performance-based compensation equal to 12.5%, 12.5% and 10%, respectively, of any appreciation (including unrealized appreciation) of the Fund's investment portfolio, taking into account any distributions made to investors over the applicable period, following BIP, BIP-P, or BIP Europe as applicable, achieving a certain hurdle amount during such period (as set forth in the applicable Fund's Organizational Documents). The General Partners of Other Infrastructure Vehicles generally receive a percentage of the profits of current disposition proceeds from each such Other Infrastructure Vehicle with respect to each investor (other than those that are affiliates of the Advisor), typically analogous to the performance-based compensation received with respect to BIP, BIP-P and BIP Europe.

BIP and BIP Europe can be expected to distribute available cash to their Investors, as determined by the applicable General Partner in its sole discretion, on a periodic basis. However, Investors in BIP and BIP Europe may elect to reinvest such cash distribution back into the applicable Fund. In addition, BIP and BIP Europe generally expect to reinvest proceeds received by BIP or BIP Europe, as applicable, in connection with a disposition or use such proceeds for any other purpose permitted under the Organizational Documents (including satisfying redemption requests).

The fact that the Advisor's affiliates are in part compensated based on the performance of the Funds creates a greater incentive for a 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 Blackstone personnel than if such performance based compensation did not exist. However, the significant commitment by Blackstone to invest in the Funds, loss carryforward provisions (which are provisions in certain of the Organizational Documents that require a General Partner to make up any depreciation over a certain period of time prior to taking incentive compensation), and that the preferred return is calculated on an aggregate basis, in each case, where applicable, should tend to reduce the incentives to make more speculative investments or otherwise time the sale of investments based on considerations related to carried interest.

As described in **Item 5**, Blackstone Investors are not subject to Management Fees or performance-based compensation allocations.

## Item 7 – Types of Clients

The Advisor manages the Funds. The Funds' investors may consist of some or all of the following:

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

Investors also include other funds, vehicles and/or accounts managed by affiliates of Blackstone (including the BTAS Funds, BIS Funds and Strategic Partners Funds (each as defined herein)). All investors are subject to applicable suitability requirements. The Advisor 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**

The Advisor offers advice to the Funds generally to invest in control and control-oriented infrastructure investments, as well as in public-private partnership infrastructure projects, in each case within the “Core+” and “Core” space (including (i) preferred stock, debt and other securities relating to common equity investments and (ii) preferred stock, debt and other securities that are expected to produce equity-like returns) in conjunction with privately negotiated transactions. These investments are generally made in connection with acquisitions, dispositions, restructurings, workouts, management acquisitions and other similar situations and utilize some degree of leverage.

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

The Advisor personnel generally meet each Monday to discuss potential and pending transactions. At that meeting such transactions are discussed (unless there are no new developments or activities to report). If the Advisor’s consideration of a transaction has advanced beyond the preliminary evaluation stage, a brief memorandum to a review committee (the “Review Committee”) may be prepared to discuss the transaction at a meeting of the Review Committee. If the transaction reaches the stage where the transaction 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 investment committee (“Investment Committee”) and convene a meeting of the Investment Committee to discuss the transaction in depth with the transaction team and decide whether to authorize such a definitive bid and what the bid should be. In addition to an in-depth discussion of the target company or business and the investment thesis, deal tactics and potential exit strategies will usually be discussed by the Investment Committee and the transaction team. The Investment Committee will often conduct one or, in certain circumstances, multiple meetings on a particular deal. The sole investor of BIP-P is entitled to a non-voting observer seat on the Investment Committee.

The Advisor also seeks to integrate Environmental, Social, and Governance (“ESG”) principles into its investment process and operating philosophy. Blackstone has adopted a firm-wide ESG policy, which outlines its approach to integrating ESG in its business and investment activities (the “ESG Policy”).

### **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 may not apply to a particular Fund):

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

1. No established market for potential investments exists
2. Illiquidity and long-term of investments by the Funds
3. Changes in legal, fiscal, and regulatory regimes
4. Nature of equity or equity-related investments
5. Non-U.S. investments, including currency fluctuation and political factors
6. Financial market fluctuations and the availability of financing
7. Economic, political and social uncertainty in the U.S. and globally
8. United Kingdom relations with the European Union and related volatility
9. Dependence on the Advisor, the Advisor's key personnel and portfolio entity management
10. Portfolio and geographic concentration
11. Broad investment mandate
12. Limited ability to protect the Fund's interest when making non-controlling investments
13. Distressed investments
14. Investment environment and market risk
15. Environmental risks and potential liabilities
16. Risk of loss of entire investment
17. Due diligence may not reveal all factors affecting an investment
18. Highly competitive market for investment opportunities
19. Policy risks in emerging markets
20. Ability to deploy capital in conjunction with finding suitable investments
21. Currency fluctuations
22. Leverage risk, including joint liability and cross-collateralization with other funds
23. Hedging risks
24. Additional risk of venture investments
25. Industry-specific risks
26. Enhanced scrutiny and regulation of the private investment fund industry and the financial services industry (including SEC proposals and new final rules to impose new regulatory restrictions and obligations on private fund advisers)
27. Directives; CFTC registration requirements and maintenance of exemptions therefrom
28. Compliance with the AIFMD, Cayman Islands Private Fund Law and other international law
29. Compliance with pay-to-play laws, regulations and policies
30. Compliance with U.S. and other jurisdictions' economic and trade sanctions
31. Compliance with anti-corruption laws and regulations
32. Compliance with tax law (including FATCA and partnership audit rules)



33. General tax considerations
34. Cybersecurity and data protection, identity theft (including software code protection), denial of service attacks, ransomware attacks and social engineering attempts
35. Technological, scientific and other innovations
36. Investments in less established companies
37. Platform investments
38. Real estate investments
39. Debt investments
40. Unspecified investments
41. Risks arising from ERISA including potential control group liability
42. Litigation risk
43. Investments managed by third parties
44. Ability to implement a Fund's investment strategy
45. Sharing and use of "big data" and other information
46. Contingent liabilities incurred on dispositions or financings of investments
47. Limited availability of investment opportunities
48. Operating and financial risks of portfolio entities
49. Risks associated with distributions in-kind
50. Risk of fraud
51. Risk of distressed securities being subject to workouts, restructurings or bankruptcy
52. Risk of investing in publicly traded securities
53. Risk of default by limited partners
54. Risk of higher than normal inflation rates and governmental efforts to curb inflation
55. Regional risk; interdependence of markets
56. Trade policy
57. Social and political unrest/terrorist activities/war
58. Natural disasters
59. Corruption risks
60. Privatization risks
61. Foreign investment controls
62. Foreign capital controls
63. Legal framework and corporate governance
64. Accounting, disclosure and regulatory standards
65. Investments in emerging markets and the Asia Pacific region
66. Potential collapse of the Euro
67. Chinese growth slowdown, economy and COVID-19 response
68. Bankruptcy

69. Convertible securities
70. Future investment techniques and instruments
71. Governmental action risks
72. Force majeure
73. Availability of insurance against certain catastrophic losses
74. Volatility of commodity prices
75. Catastrophe risks
76. Regulatory approvals
77. Adequacy of reserves; participation in follow-on investments
78. Failure to make payments
79. Risks in effecting operating improvements
80. Expedited transactions
81. Volatility of credit markets affecting ability to finance and consummate investments
82. Volatility of global banking markets affecting ability to finance and consummate investments
83. Risks related to bridge financings
84. Leverage and subscription line of credit
85. Securitizations; back leverage; holding vehicles
86. Preferred financing; margin loans
87. Documentation and legal risks
88. Permits, approvals and licenses
89. Antitrust risk
90. Investments in the digital infrastructure sector
91. Compliance with CFIUS and other foreign investment regimes
92. Uncertainty regarding the future utilization of LIBOR and other “IBORs” rates
93. Subscription credit facility
94. GDPR/Privacy
95. Growth investments
96. Investments in junior securities
97. Placement agents
98. Certain healthcare reform measures
99. Technical risk
100. Renewable energy policy risk
101. Sovereign risk
102. Dependence on patents, trademarks and other intellectual property
103. Charitable and political contributions
104. Intermediate entities
105. European Commission Action Plan on Financing Sustainable Growth/SFDR

106. Climate change and sustainability risks
107. Coronavirus and public health emergencies; legislative & regulatory enactments
108. Weather and climatological risks
109. Outsourcing
110. Participation arrangements for subsequent closers (and dilution)
111. Electronic delivery of certain documents
112. European market infrastructure regulation
113. MiFID II obligations; access to research
114. EU/UK risk retention requirements
115. Base erosion, profit shifting and related measures
116. Anti-tax avoidance directives
117. ATAD 3
118. DAC6
119. U.S. tax reform
120. Hong Kong national security law
121. Investments in portfolio entities of Blackstone and Other Blackstone Clients
122. Aftermath and responses to October 7<sup>th</sup> Attacks
123. Russian Invasion of Ukraine/Sanctions
124. Risks related to preferred financing or margin loans
125. Antitrust risk
126. Possibility of different information rights
127. Recent Developments in the Banking Sector
128. Custody and Banking Risks
129. Implementation of New Regulations with Respect to Private Funds and Investment Advisers
130. Risks relating to environmental, social, and governance
131. Energy and natural resources regulation
132. Potential regulation and compliance costs related to AI Technologies
133. Demand for and return profile of digital infrastructure
134. Investments in the energy sector
135. Risks associated with aircraft leases
136. Drilling, exploration, development and mining risks
137. Effects of ongoing changes in the utility industry
138. Power purchase or other long-term agreement risk
139. Waste management risk
140. Shipping investments
141. Hydrologic events risk
142. Logistics investments

143. Role of infrastructure professionals

**Investors are advised to review the applicable Fund Offering Materials for a more extensive and detailed description of the applicable investment strategies and the risks of investing in such Fund.**

Stock markets, bond markets and real estate markets 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 Advisor manages that is not in the Advisor's control. The Advisor 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 such investment will depend upon many factors beyond the control of the Funds. The expenses of the Funds may 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 if the investor can withstand a total loss of its investment. The past investment performance of the Funds cannot be taken to guarantee 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 Funds' returns.

***Regulation with Respect to Private Funds and Advisers.***

The Advisor 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 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 meet 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 Advisor 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 Advisor'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. 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 Advisor or the Fund 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 Advisor 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 Advisor to limit or discontinue its use of certain covered technologies (even in cases where such technologies benefit the Funds or investors, including in connection with the Advisor'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 their 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 assets such as real estate, artwork and rights to music catalogs); 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 Advisor to additional regulatory liability, increase compliance costs and costs related to custodying the Funds' assets (including costs of identifying and negotiating with new and existing QCs), 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) and impose limitations or requirements on certain assets, which could result in the Advisor avoiding making certain types of investments on behalf of the Funds.

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 Advisor 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 Advisor's reputation, result in litigation or regulatory actions, and adversely impact the Advisor'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 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 Advisor operate their business and/or the Funds, as well as the Advisor's implementation of the Funds' investment strategy, to significantly increase compliance burdens and associated costs

(which, to the extent permitted under the Funds’ organizational documents, and consistent with applicable law, including the Private Funds Rules (once they become effective), will be treated as Fund expenses), and to possibly restrict the ability of the Advisor 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 Advisor and the Funds and/or limit the number of service providers in a manner detrimental to the Advisor or the Funds. In addition, these amendments could increase the risk of exposure of the Funds, the Advisor, 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 Advisor, Blackstone, 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 the Advisor, Blackstone, the Funds, their investments, and/or the Funds’ investors or that such rules or amendments will not materially reduce returns to Fund investors.

***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 could 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, the 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 the Fund, which in turn would result in fewer investment opportunities being made available to the Fund, result in shortfalls or defaults under existing investments, or impact the 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 the 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. 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 the Fund, its Portfolio Entities or their respective financial performance.

***Custody and Banking Risk.***

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 Advisor 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 investors or the Advisor could also be similarly affected and unable to fund capital calls, further delaying or deferring new investments. In addition, the Advisor 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 custody rule generally prohibits the Advisor from transferring Fund funds to an account of the Advisor 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 Advisor or its related persons in potential violation of the Advisers Act custody rule (thereby exposing the Funds or 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 the Funds or 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 Advisor, 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 Advisor 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 Advisor, 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 Advisor 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 Advisor, 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 Advisor, 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 Advisor, and the Funds.

AI Technologies can also be misused or misappropriated by third parties and/or employees of the Advisor 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 Advisor, the Funds, and their Portfolio Entities. Moreover, the Advisor, 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 Advisor, Funds, or Portfolio Entities, could also lead to legal and regulatory investigations and enforcement actions. Relatedly, the Advisor, 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.

The Advisor expects to be involved in the collection of such data and/or development of proprietary AI Technologies in the ordinary course. To this end, the Funds will pay and bear all expenses and fees associated with developing and maintaining such technology, including the costs of any professional service providers, subscriptions and related software and hardware, server infrastructure and hosting, internal Blackstone expenses, fees, charges and/or related costs incurred, charged or specifically attributed or allocated (based on methodologies determined by Blackstone) to the Funds, the Advisor or their affiliates in connection with such AI Technologies. See "Expenses" herein.

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 Advisor, 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 Advisor, 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.

***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.

***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 Advisor’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 addition, it

can be expected that tenants leasing real estate properties owned by Funds will not be able to pay rents in a timely manner or at all, 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. In liquid and semi-liquid Funds, such a contraction could cause investors to seek liquidity in the form of redemptions or repurchase of interests from such Funds, which, to the extent appropriate and permissible under the Funds' governing documents, could cause Blackstone to limit or prorate redemptions or repurchases in such Fund for a period of time.

A pandemic or global health crisis can be expected to also pose enhanced operational risks. For example, the Advisor'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 Advisor'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 Advisor 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 Advisor's personnel are currently living (even if different than where the Advisor 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 Advisor's policies and the Funds' organizational documents.

### ***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 the Funds invest), and therefore could adversely affect the performance of the Funds’ 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 Funds, the performance of their investments, Portfolio Entity operations, and the ability of the Funds to achieve their investment objectives. Similar risks exist to the extent that any Portfolio Entities, service providers and vendors of Blackstone, 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 Funds and their Portfolio Entities.

Furthermore, if after subscribing to a Fund, any 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 OFAC, 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 Fund 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 the 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, Blackstone 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 Blackstone expends 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 such Fund.

***Energy and Natural Resources Regulation.*** The energy and natural resource sectors are subject to comprehensive United States and non-U.S. federal, state and local laws and regulations, including: the Clean Air Act, which imposes obligations related to air emissions; the Clean Water Act and Oil Pollution Act, which impose obligations related to discharges of pollutants into regulated bodies of water; the Safe Drinking Water Act; the Resource Conservation and Recovery Act, which imposes requirements for the handling and disposal of waste; the regulations and rulemakings by the Bureau of Ocean Energy Management and Bureau of Safety and Environmental Enforcement of the U.S. Department of the Interior, which impose permitting procedures and regulatory safety and performance requirements relating to oil and gas exploration and development in U.S. federal waters; the Comprehensive Environmental Response, Compensation, and Liability Act ("CERCLA"), which regulates the cleanup of hazardous substances that may have been released at properties currently or previously owned or operated by a company or project or at locations to which a company or project has sent waste for disposal; the Environmental Protection Agency's ("EPA") community right to know regulations under Title III of CERCLA, which requires a company or project to organize and/or disclose information about hazardous materials used or produced in connection with operations; the Occupational Safety and Health Act, which establishes workplace standards for the protection of the health and safety of employees, including the implementation of hazard communications programs designed to inform employees about hazardous substances in the workplace, potential harmful effects of these substances, and appropriate control measures; the National Environmental Policy Act, which requires federal agencies to evaluate major agency actions having the potential to significantly impact the environment and which may require the preparation of environmental assessments and more detailed environmental impact statements that may be made available for public review and comment; the Migratory Bird Treaty Act, which implements various treaties and conventions between the United States and certain other nations for the protection of migratory birds and, pursuant to which the taking, killing, or possessing of migratory birds is unlawful without a permit, thereby potentially requiring the implementation of operating restrictions or a temporary, seasonal, or permanent ban on operations in affected areas; the Endangered Species Act, which seeks to ensure that

activities do not jeopardize endangered or threatened animals, fish and plant species or their habitats; and other federal, state, local and non-U.S. laws and regulations. Present, as well as future, statutes and regulations could cause additional expenditures, decreased revenues, restrictions and delays that could materially and adversely affect the Funds' investments and the prospects of the Funds.

***ESG Framework Risk.***

Blackstone has established a firm-wide environmental, social, and governance ("ESG") policy and related programs and procedures, including the Advisor's ESG Investing Policy and certain Funds'-specific ESG practices (collectively, the "ESG Framework"), which outlines its approach to integrating ESG in its business and investment activities. The Advisor 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 Advisor will endeavor to consider material ESG factors where applicable in connection with a Fund's investment activities in order to protect and maximize investment performance. 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 Advisor 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 Advisor 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 Advisor considers application of the ESG Framework to be an opportunity to enhance or protect the performance of investments over the long-term, the Advisor 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 Advisor 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 Advisor'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 Advisor 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 Advisor to incorrectly identify, prioritize, assess or analyze the entity's ESG practices and/or related risks and opportunities. The Advisor can be expected to decide in its discretion not to utilize certain information or data. While the Advisor 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 applicable legal or regulatory requirements, any ESG reporting will be provided in the Advisor's sole discretion.

In addition, the Advisor's ESG Framework is expected to change over time. The Advisor 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 Advisor 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 Advisor 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 Advisor 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. Investors, including public pension funds, which represent a significant portion of the Funds' investor bases, could decide to withdraw previously committed capital (where such withdrawal is permitted) or not commit capital to future fundraises based on their assessment of how Blackstone approaches and considers the ESG cost of investments and whether the return-driven objectives of Blackstone's funds align with their ESG priorities. 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 Advisor'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 Advisor. 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 U.S. Securities and Exchange Commission (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 Advisor will be perceived as, or accused of, greenwashing. Such perception or accusation could damage the Advisor's reputation, result in litigation or regulatory actions, and adversely impact the Advisor's ability to raise capital and attract new investors. 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 Advisor'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 Funds. The Advisor 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 Advisor, then the Advisor will be at risk for regulatory sanction, and any such investigations could be costly, distracting and/or time consuming for the Advisor and its Funds. There is also risk of regulatory 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 Advisor'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 firm wide 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 adversely affect the performance of the Funds. Further, these ESG-related initiatives are aspirational and not guarantees or promises that all or any such initiatives will be achieved.

### ***Sustainability Risks.***

Certain Funds are impacted by Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 ("SFDR") either because they are marketed within the European Economic Area ("EEA") or because they form part of a wider fund structure that includes funds managed by an EEA alternative investment fund manager. There is legal uncertainty around the parameters applicable when categorizing a financial product under SFDR, and there is no guarantee that regulators will agree with the relevant characterization. In circumstances where there is a determination that a product has been characterized incorrectly, there could be a risk of investigation, enforcement proceedings and/or sanctions.

SFDR and certain supporting and related regulations are likely to be amended in the near to medium term and it is possible new guidance will also be issued by the European Banking Authority, the European Insurance and Occupational Pensions Authority and the European Securities and Markets Authority either collectively or separately, and/or the European Commission. These factors and events have the potential to increase compliance and other costs for, and relating to, affected Funds.

The SFDR defines “sustainability risks” as environmental, social or governance events or conditions that, if they occur, could cause an actual or a potential material negative impact on the value of an investment. Blackstone, the Advisor (or its delegate), Funds, Portfolio Entities, and other parties, such as service providers or Fund or Portfolio Entity counterparties, can be expected to be negatively affected by sustainability risks. If appropriate for an investment, it is possible the Advisor (or its delegate) will conduct sustainability risk-related due diligence and/or take steps to mitigate sustainability risks and preserve the value of the investment; however, there can be no assurance that all such risks will be mitigated in whole or in part, nor identified prior to the date the risk materializes. Similarly, even if Blackstone, the Advisor (or its delegate), Funds, Portfolio Entities and other parties maintain insurance to protect against certain sustainability risks, such insurance is subject to customary deductibles and coverage limits and it can be expected that such insurance will not be sufficient to recoup all losses. Sustainability risks could therefore adversely affect the performance of the Funds and their investments.

***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 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 Advisor does not have any legal, financial or other “disciplinary” events to report. As a registered investment adviser, the Advisor 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, Blackstone is named as a defendant in a legal action. Although there can be no assurance of the outcome of such legal actions, the Advisor does not believe that any current legal proceeding or claim to which Blackstone is a party would individually or in the aggregate materially affect the Advisor 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](http://www.sec.gov)) or Blackstone (<http://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 Blackstone’s limited partners for the funds in which they are invested.



## **Item 10 – Other Financial Industry Activities and Affiliations**

### **Other Financial Industry Activities and Affiliations**

Blackstone has conflicts of interest, or conflicting loyalties, as a result of the numerous activities and relationships of Blackstone, the Advisor, 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 may 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 Advisor will take such actions as may be required by the Organizational Documents of the applicable Funds to handle conflicts.

Any references to Blackstone and/or the Advisor in this section will be deemed to include their respective affiliates (including the General Partners), partners, members, shareholders, officers, directors and employees. References throughout this section 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, holding companies, special purpose vehicles and other entities through which investments are held.

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

Actions that could be taken by the Advisor 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 Organizational Documents; (ii) presenting an actual conflict of interest to an L.P. Advisory Committee (or other L.P. representatives) and/or the Funds' investors as expressly provided for in the Organizational Documents; (iii) disposing off the investment or security giving rise to the conflict of interest; (iv) appointing an independent representative (an "Independent Client Representative") to act or provide consent with respect to the matter giving rise to the conflict of interest; (v) in connection with a matter giving rise to a conflict of interest, consulting with Fund investors or an L.P. Advisory Committee (or L.P. representatives) of the Funds, the limited partners (or limited partner advisory committees or limited partner representatives) of the applicable Other Blackstone Clients or Independent Client Representatives (if any) regarding

Item 10 – Other Financial Industry Activities and Affiliations

the conflict of interest and either obtaining advice, waiver or consent as to the conflict from Fund investors, an L.P. Advisory Committee (or L.P. representatives) or such Independent Client Representative or acting in a manner, or pursuant to standards or procedures, approved by Fund investors, an L.P. Advisory Committee (or L.P. representatives) or such Independent Client Representative with respect to such conflict of interest; (vi) disclosing the conflict to the Fund investors or an L.P. Advisory Committee (or L.P. representatives) of the Funds (including, without limitation, in drawdown notices, distribution notices, financial statements, quarterly letters or other communications); (vii) validating the arms-length nature of the transaction by referencing participation by unaffiliated third parties; (viii) 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; (ix) implementing policies and procedures reasonably designed to mitigate the conflict of interest; or (x) otherwise handling the conflict as determined appropriate by the Advisor in its good faith and reasonable discretion. For the avoidance of doubt, where the consent or approval of any L.P. advisory committee of any Other Blackstone Client is sought with respect to any Other Blackstone Client matter, the consent or approval of a Fund's L.P. Advisory Committee shall not necessarily 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 L.P. Advisory Committee consent or approval (including in circumstance in which a Fund does not similarly proceed). Conversely, to the extent the L.P. advisory committee of any Other Blackstone Client does not consent to or approve of a matter, notwithstanding the consent or approval of a Fund's L.P. Advisory Committee to such matter or the determination that such consent or approval is not necessary, the General Partners may determine not to proceed, which could result in a Fund not participating in transactions that the General Partners otherwise believe would be beneficial for the Fund.

There can be no assurance that the Advisor will identify or resolve all conflicts of interest in a manner that is favorable to the Funds, and the Funds' investors may 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 purposes of this Brochure, (a) "BCEP Funds" shall be deemed to include any account, client, fund, vehicle or any other similar arrangement managed by Blackstone Core Equity Advisors L.L.C.; (b) "BCP Funds" shall be deemed to include any account, client, fund, vehicle or any other similar arrangement managed by Blackstone Management Partners L.L.C.; (c) "BREP Funds" shall be deemed to include any account, client, fund, vehicle or any other similar arrangement managed by Blackstone Real Estate Advisors L.P.; (d) "BPP Funds" shall be deemed to include any account, client, fund, vehicle or any other similar arrangement managed by Blackstone Property Advisors L.P.; (e) "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.; (f) "BTAS Funds" shall be deemed to include any

Item 10 – Other Financial Industry Activities and Affiliations

account, client, fund, vehicle or any other similar arrangement managed by Blackstone Multi-Asset Advisors L.L.C.; (g) “BXMA Funds” shall be deemed to include any account, client, fund, vehicle or any other similar arrangement managed by Blackstone Multi-Asset Investing L.P. or any other Blackstone Multi-Asset Investing (“BXMA”) advisors including, but not limited to, Blackstone Strategic Capital Advisors L.L.C.; (h) “BTO Funds” shall be deemed to include any account, client, fund, vehicle or any other similar arrangement managed by Blackstone Tactical Opportunities Advisors L.L.C.; (i) “BIS 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. or Blackstone ISG-I Advisors L.L.C.; (j) “Blackstone Credit Funds” shall be deemed to include any account, client, fund, vehicle or any other similar arrangement managed by Blackstone Alternative Credit Advisors LP (formerly known as GSO Capital Partners LP) or Blackstone Structured Products Advisors LP or its affiliated advisory entities that operate as part of the credit-focused business of Blackstone; (k) “Strategic Partners Funds” shall be deemed to include any account, client, fund, vehicle or any other similar arrangement managed by Strategic Partners Fund Solutions Advisors L.P.; (l) “Bxls Funds” shall be deemed to include any account, client, fund, vehicle or any other similar arrangement managed by Blackstone Life Sciences Advisors L.L.C.; (m) “Clarus Funds” shall be deemed to include any account, client, fund, vehicle or any other similar arrangement managed by Clarus Ventures, LLC; (n) “BSOF” shall mean Blackstone Strategic Opportunities Fund and its related vehicles/entities and successor funds; (o) “BXMT Funds” shall be deemed to include any account, client, fund, vehicle or any other similar arrangement managed by BXMT Advisors L.L.C.; (p) “BSCH” shall mean Blackstone Strategic Capital Holdings and its related vehicles/entities and successor funds; (q) “BXG Funds” shall be deemed to include any account, client, fund, vehicle or any other similar arrangement managed by Blackstone Growth Advisors L.L.C.; and “BCPE Funds” shall be deemed to include any account, client, fund, vehicle or any other similar arrangement managed by Blackstone Privat Investments Advisors L.L.C. (“BPIA”); and (r) “BREIT” shall mean Blackstone Real Estate Income Trust and its related vehicles/entities and successor funds.

**Performance-Based Compensation.** A General Partner’s performance-based compensation 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 Blackstone personnel than if such performance-based or other 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 Blackstone to invest in the Funds (which commitment, for the avoidance of doubt, may not be allocated *pro rata* among the Funds) and related guarantees should reduce the incentives for a General Partner to make more speculative investments or otherwise time the purchase or sale of investments based on considerations related to the incentive allocation and/or in a manner motivated by the personal interests of Blackstone personnel. In addition, the current U.S. 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 a General Partner to cause a Fund to accelerate deployment of capital, 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

Item 10 – Other Financial Industry Activities and Affiliations

on carried interest. Furthermore, upon a redemption by a Fund investor of its interest in a Fund, in certain circumstances, including in the event of a transfer of interests, and upon the liquidation of a Fund or as otherwise permitted by the Organizational Documents, the General Partner of such Fund may 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 a General Partner and could incentivize such General Partner to value the securities higher than if there were no carried interest. A 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 also “—Valuation Matters” below).

***Allocation of Personnel.*** The Advisor will devote such time and attention to the relevant Funds as it determines to be necessary to conduct its business affairs in an appropriate manner. However, Blackstone personnel, including members of the investment committee, 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. The Funds will share the same investment team, and certain members of the Advisor’s investment team are also members of Other Blackstone Clients’ investment teams and will continue to serve in those roles (which in some cases is their primary responsibility) and, as a result, not all of their business time will be devoted to the Advisor or any particular Fund. Certain non-investment professionals are not dedicated solely to the Funds (or solely to a specific Fund) and are permitted to perform work for Other Blackstone Clients or other Funds, which is expected to detract from the time such persons devote to a particular Fund or to the Funds generally. Even some key Blackstone personnel who devote substantially all of their time and attention to Blackstone’s infrastructure investments generally and matters relating thereto will not devote time predominantly, or solely, to a particular Fund, as the Blackstone Infrastructure group (and thus Blackstone’s infrastructure investments) includes other Funds and could in the future include Other Blackstone Clients that are not advised by the Advisor. Such personnel can in certain circumstances be expected to devote a substantial portion or all of their time to such other Funds or Other Blackstone Clients and not to a particular Fund. Time spent on these other initiatives diverts attention from the activities of the Funds, which could negatively impact the Funds and their investors. Furthermore, Blackstone and Blackstone personnel derive financial benefit from these other activities, including fees and performance-based compensation. Blackstone personnel outside the Blackstone Infrastructure group share in the fees and performance-based compensation from the Funds; similarly, the Blackstone Infrastructure group personnel 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 by Blackstone personnel. A General Partner’s determination of the amount of time necessary to conduct a Fund’s activities will be conclusive, and a Fund’s investors rely on such General Partner’s 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 Advisor 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 may 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 interest. Such personal or other 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 may give rise to conflicts of interest related to misaligned interests between a 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. See also "—Additional Potential Conflicts of Interest" herein. Fund investors will not receive any benefit from any such investments, and the financial incentives of Blackstone personnel in such other investments could be greater than their financial incentives in relation to the Funds and may not receive notice should the Funds make investments in which such persons hold indirect limited partners interests. Although the Advisor 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 also "—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

Item 10 – Other Financial Industry Activities and Affiliations

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 another third-party. The fees for services provided by such service providers may or may not be at the same rate charged by other third parties and a General Partner undertakes no obligations to select service providers who may 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 applicable General Partner. The Fund investors rely on the applicable General Partner to manage these conflicts in its sole discretion.

One or more Portfolio Entities (the “Designated Portfolio Entities”) may employ certain personnel (the “Dedicated Portfolio Entity Personnel”) who devote substantially all of their business time to such Designated Portfolio Entities. Dedicated Portfolio Entity Personnel may have certain qualities of and/or may perform certain functions which were previously performed by Blackstone employees. For example, Dedicated Portfolio Entity Personnel may include a chief investment officer or another individual who will evaluate and source investments with respect to the applicable Designated Portfolio Entity. This person would be an employee of the Designated Portfolio Entity (and receive payments, including salaries, benefits and other compensation (which could include performance-based compensation) from the Designated Portfolio Entity instead of from Blackstone), but he/she could also be expected to participate in regular meetings pertaining to the Designated Portfolio Entity with Blackstone personnel. He/she could also be delegated authority by the investment committee of the Designated Portfolio Entity to make certain investment decisions or otherwise perform management functions with respect to the Designated Portfolio Entity. Dedicated Portfolio Entity Personnel may be offered the ability to invest in (or co-invest alongside) the Funds on preferential terms.

***Secondments and Internships.*** Certain personnel of Blackstone and its affiliates, and the Consultants (as defined herein), will, in certain circumstances, be seconded to one or more Portfolio Entities, vendors and service providers or investors of the Funds and Other Blackstone Clients to provide finance, accounting, operational support, technology, 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 Blackstone and its affiliates or the organization for which the personnel are working or both. In addition, personnel of Portfolio Entities, vendors, service providers (including law firms and accounting firms) and Fund investors of 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 Advisor, Blackstone, the Funds, Portfolio Entities and Other Blackstone Clients. While often the Funds, Other Blackstone Clients, and their Portfolio Entities are the beneficiaries of these types of arrangements, the Advisor or Blackstone are from time to time beneficiaries 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, the Advisor, or Blackstone in the ordinary course.

The Funds or their Portfolio Entities can be expected to 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 Fund. If Blackstone or the Advisor pays salaries or covers expenses associated with such secondees and interns, they could seek reimbursement from the Funds or their Portfolio Entities for such amounts. Additionally, the Advisor, Blackstone, other Funds, Other Blackstone Clients or their respective Portfolio Entities could receive benefits from arrangements, including arrangements at no or reduced 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 Advisor, Blackstone, other Funds, Other Blackstone Clients or their respective Portfolio Entities that do not benefit such Fund or its Portfolio Entities. To the extent 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 can be expected to provide services in respect of multiple matters, including in respect of matters related to the Advisor, Blackstone, the Funds, Other Blackstone Clients, Portfolio Entities, each of their respective affiliates and related parties, and any costs of such personnel may be allocated accordingly. The Advisor and Blackstone will endeavour in good faith to allocate the costs of these arrangements, if any, to the Advisor, Blackstone, the Funds, Other Blackstone Clients, Portfolio Entities and other parties based on time spent by the personnel or another methodology the Advisor or Blackstone deems appropriate in a particular circumstance.

In addition, there could be instances where current and former employees of Blackstone and Other Blackstone Clients' Portfolio Entities are seconded to or hired by a Fund's Portfolio Entities or, at times, a Fund's Investments directly. Such secondments or hiring of current and former employees of Blackstone and Other Blackstone Clients' Portfolio Entities by a Fund's Portfolio Entities (or its Investments) will result in a potential conflict of interest between Blackstone, the Fund's Portfolio Entities and/or those of such Other Blackstone Clients. The costs of such employees are expected to be borne by a Fund or its relevant Portfolio Entities, as applicable, and the fees paid by the Fund 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 Advisor, 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 Fund investors. 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 Advisor, 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 Portfolio Entities (see also "—Service Providers, Vendors and Other Counterparties Generally" herein). Similarly, the Advisor, 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 Advisor, its affiliates and their respective personnel and related parties engage and retain strategic advisors, consultants, senior advisors, operating 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 Advisor, its affiliates 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. 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 generally 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 Advisor, be chargeable to the Advisor or deemed paid to or received by the Advisor, or offset or reduce any Management Fees to the Advisor and/or its designated delegate(s) (including the Advisor) or be subordinated to return of the Fund investor's capital. Amounts charged by Consultants will not necessarily be confirmed as being comparable to market rates for such



Item 10 – Other Financial Industry Activities and Affiliations

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 companies of Other Blackstone Clients may provide insight and/or deal origination for the benefit of the Funds, the executives of the Funds' Portfolio Entities may benefit the Consultants and/or Other Blackstone Clients. Consultants may attend events and/or meetings sponsored by the Funds' Portfolio Entities and/or Other Blackstone Clients or other members of the Blackstone network, and similarly, members of the Blackstone network may attend annual meetings of the Funds and may be involved in fundraising activities on behalf of Blackstone. 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 Advisor 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 holistically, 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). Also, Consultants (including for this purpose strategic investors described in “—Syndication; Warehousing”) 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/or performance-based compensation, including potentially after termination of their engagement by or other status with Blackstone and such co-investment or participation (which generally will result in the Funds being allocated a smaller share of an investment and less co-investment opportunity being available to Fund investors). Consultants' benefits described in this paragraph will, in certain circumstances, continue after termination of status as a Consultant.

The time, dedication, nature of the relationship and scope of work of a Consultant varies considerably. In some cases, a Consultant advises Blackstone on transactions, provides the Advisor 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 may rely on these Consultants to recommend the Advisor 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. The Advisor and the Funds can be expected to have formal or informal arrangements with Consultants that may or may not have termination options and may 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 Blackstone “employees” (*e.g.*, they can be expected to make use of offices and, potentially, have dedicated office space) at Blackstone, receive administrative support from Blackstone personnel, participate in certain meetings and events for Blackstone personnel or work on Blackstone matters as their primary or sole business activity, have Blackstone-related e-mail addresses or business cards and participate in certain arrangements (*e.g.*, the side-by-side investment program) typically reserved for Blackstone employees) even though they are not Blackstone employees, affiliates

Item 10 – Other Financial Industry Activities and Affiliations

or personnel 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 a Fund and its Portfolio Entities, while other Consultants may 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, diligence and recommend transactions to the Advisor potentially on a full-time and/or exclusive basis and, notwithstanding any overlap with the responsibilities of the Advisor under the Organizational Documents, the compensation to such Consultants may be borne fully by the Funds and/or Portfolio Entities (with no reduction or offset to Management Fees) and not the Advisor. Consultants could have conflicts of interest between their work for a Fund and its Portfolio Entities, on the one hand, and themselves or other clients, on the other hand, and the Advisor 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 may benefit such Other Blackstone Clients (and alternatively, work performed by Consultants on behalf of Other Blackstone Clients may benefit the Funds), and the Advisor shall have no obligation to allocate any portion of the costs to be borne by the Funds in respect of such Consultant to such Other Blackstone Clients, except as described below.

Additionally, from time to time, Consultants provide services on behalf of both the Funds and Other Blackstone Clients, and any work performed by Consultants retained on behalf of the Funds may benefit such Other Blackstone Clients (and alternatively, work performed by Consultants on behalf of Other Blackstone Clients may benefit the Funds), and the Advisor 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 Advisor 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 the Funds and may have the opportunity to invest in a portion of the equity available to the Funds for investment which may be taken by the Advisor 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 Advisor.

***Multiple Blackstone Business Lines.*** Blackstone has multiple business lines, including the Blackstone Capital Markets Group (“BXCM”), 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

Item 10 – Other Financial Industry Activities and Affiliations

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 Advisor 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, 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 agreement 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 may negatively impact the ability of a Fund to implement its investment program. (See also "—Other Blackstone Clients; Allocation of Investment Opportunities" herein.) Finally, Blackstone personnel who are members of the investment team or the investment committee may 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 Fund investors 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 Advisor will consider such relationships (including any incentives or disincentives as part of such relationships) when evaluating an investment opportunity, and such relationships can be expected to influence the Advisor's decision to make or not make particular investments on a Fund's behalf. The Funds may also co-invest with clients of Blackstone in particular investments, and the relationship with such clients could influence the decisions made by the Advisor 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). The Funds could be required to sell or hold existing investments as a result of investment banking relationships or other relationships that Blackstone may have or transactions or investments that Blackstone may make or has made. (See also "—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 also "—Other Blackstone Clients; Allocation of Investment Opportunities" and "—Portfolio Entity Relationships Generally" and "—Conflicting Fiduciary Duties to Debt Funds" herein. The Funds may also co-

Item 10 – Other Financial Industry Activities and Affiliations

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 Advisor with respect to the Funds' investments and otherwise result in a conflict. (See also "—Other Blackstone Clients; Allocation of Investment Opportunities" herein.)

Finally, Blackstone and Other Blackstone Clients could acquire investor 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.

***Charitable and Political Contributions.*** To the extent permitted by applicable law, the Advisor may, 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 Advisor 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 Advisor's decision whether to require, cause or invite the Funds or 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 Advisor may, 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 Advisor 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 and/or, less commonly, the Funds on behalf of a Portfolio Entity may, 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, to the extent permitted by applicable law. Portfolio Entities are not considered affiliates of Blackstone under the applicable Organizational Documents (and in some cases, are not controlled by Blackstone), and therefore such activities are not subject to relevant policies of the Advisor and such activities may be undertaken by a Portfolio Entity without the knowledge or direction of the Advisor. In other circumstances, there may 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

Item 10 – Other Financial Industry Activities and Affiliations

designed to promote) may 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 may 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 undertaking such activities (and indirectly the Funds), such activities could also directly or indirectly benefit other Portfolio Entities, Other Blackstone Clients or Blackstone, which may 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 Advisor will be able to resolve any associated conflict of interest in favor of the Funds.

***Minority Investments in Asset Management Firms.*** Blackstone and Other Blackstone Clients, including 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 may 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 may 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. Although Blackstone, the Funds 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, the Funds 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 other purpose, Blackstone may, 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 may give rise to

conflicts of interest. The Funds may 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 may 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 may result in the Blackstone-related party earning performance-based incentive compensation and/or fee income in respect of such transactions. Such transactions and other commercial arrangements between the Funds and their Portfolio Entities, on the one hand, and such third-party asset managers, on the other, are not subject to L.P. Advisory 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. Fund 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, a private equity business, a credit business, a secondary funds business, an insurance solutions business, a growth equity business, a hedge fund business, a capital markets group, a life sciences business and a real estate funds and 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

Item 10 – Other Financial Industry Activities and Affiliations

information with respect to companies in which Other Blackstone Clients may 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. However, certain business units will have access to form documents used by other business units; for example, when providing “seller financing” in connection with a sale, a Fund may utilize form debt or credit agreements utilized or created by an Other Blackstone Client with a strategy that focuses on debt investments, and *vice versa*. 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 Advisor and other business units at Blackstone. For example, in some instances, personnel of Blackstone may 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 may 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 Advisor may 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 fund 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, may 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

Item 10 – Other Financial Industry Activities and Affiliations

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 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 investors 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 work 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. For example, information obtained from a Portfolio Entity owned by a Fund can be expected to enable Blackstone to better understand a particular industry, enhance Blackstone's ability to provide advice or direction to another Portfolio Entity'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, typically without compensation or benefit to such Portfolio Entity or the Fund that owns it. Blackstone is expected to serve as the repository for 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 the Funds and their Portfolio Entities' activities to assist in the pursuit of Blackstone's various other activities, including but not limited to trading activities or use for the benefit of Blackstone or an Other Blackstone Client or their Portfolio Entities. 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 may, subject to applicable law, be enhanced by information of a Portfolio Entity in the same or related industry. Such trading or other business activities is 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 the Funds investors acknowledge and agree that 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 shared with the Funds or their investors. As a result, the Advisor has an incentive to pursue investments that have data and information that



is utilized in a manner that benefits Blackstone or Other Blackstone Clients. (See also “—Blackstone Affiliated Service Providers” and “—Data Management 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 Funds’ 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). If Blackstone enters into data services arrangements with Portfolio Entities and receives compensation from such Portfolio Entities for such data services, Funds will indirectly bear their share of such compensation based on their pro rata ownership of such Portfolio Entities in addition to any annual flat fee paid as part of partnership expenses for data science-related services. 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, Funds will indirectly bear their share of the cost of such compensation based on their ownership of such Portfolio Entities. 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 Fund 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 and interests in Other Blackstone Clients (including their Portfolio Entities), to Fund investors, Portfolio Entities of other Funds or Other Blackstone Clients or their respective related parties, including parties which such Fund investors or Portfolio Entities, or Other Blackstone Clients, own or have invested in. In other circumstances, it can be expected that the proceeds received by a seller from the Funds (or their Portfolio Entities) in respect of an investment or asset will be distributed, in whole or in part, to a related party of the Funds (e.g., 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 seller (including, for example, in such related party's capacity as an investor in such seller). Blackstone will generally rely upon internal analysis to determine the ultimate 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 (e.g., an investor or Portfolio Entity of a Fund or Other Blackstone Client, another Fund or an Other Blackstone Client) holds publicly traded securities in a Portfolio Entity and another Fund or 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 the other Fund or related party, as applicable, upon the consummation of such privately negotiated transaction. In each such circumstance, investors of the Funds or Other Blackstone Clients, 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 seller or such investment or asset. Purchases and sales, directly or indirectly, of investments or assets of the Funds between the Funds or their Portfolio Entities, on the one hand, and investors 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 L.P. Advisory Committee, investor (or L.P. representative or Independent Client Representative (if any)), or any board of directors, as applicable, except as expressly required under the partnership agreement or unless otherwise required under the Investment Advisers Act of 1940, as amended (the "Advisers Act"), or other applicable laws or regulations. A Fund may originate or initially acquire an investment (or portfolio of related investments) in circumstances where it expects that certain portions or tranches thereof (which may be of different levels of seniority or credit quality) will be syndicated to one or more Other Blackstone Clients or when such Other Blackstone Clients provide equity or debt financing to the Funds or third-party purchasers in connection with the disposition of such assets as described above (in which case Blackstone will have conflicting duties in determining the tranching thereof). Blackstone will have conflicting duties to the Funds and Other Blackstone Clients when the Funds (or their Portfolio Entities) buys or sells assets from or to Other Blackstone Clients (and, potentially, when the Funds buys, sells or redeems interests in Other Blackstone Clients) or when such 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 may have with respect to such Fund and such Other Blackstone Clients. These conflicts will not necessarily be resolved in favor of a Fund, and the Funds' limited partners will not necessarily receive notice or disclosure of the occurrence of these conflicts. In addition, certain financings between a Fund and Blackstone affiliates may

Item 10 – Other Financial Industry Activities and Affiliations

involve structuring that in form is a transaction between such Fund and an affiliate, but will not be treated as the sale of an investment from a Blackstone affiliate to a Fund, or from a Fund to a Blackstone affiliate, for purposes of the Organizational Documents, as determined by a General Partner 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, would generally not be treated as the sale of an investment in such issuer from such Other Blackstone Clients to the Funds 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 assets sold by the Funds or their Portfolio Entities to an Other Blackstone Client or Portfolio Entities thereof 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 or a Portfolio Entity thereof. Further, a Portfolio Entity may sell its data to investors, Portfolio Entities of other Funds or Other Blackstone Clients or their respective related parties (see also "Data" and "Data Management Services" herein). These transactions involve conflicts of interest, as Blackstone may receive fees and other benefits, directly or indirectly, from or otherwise have interests in both parties to the transaction, including different financial incentives Blackstone may have with respect to the parties to the transaction. These conflicts related to purchases and sales of assets between the Funds or their Portfolio Entities, on the one hand, and Fund investors, Portfolio Entities of Other Blackstone Clients or their respective related parties, on the other hand, will not necessarily be resolved in favor of the Funds, and Fund investors may not be entitled to receive notice or disclosure of the occurrence of these conflicts. For example, there can be no assurance that any investment or asset sold by the Funds to an investor, other Funds or Other Blackstone Clients, Portfolio Entities thereof or any of their respective related parties (or where such other Funds or Other Blackstone Client is providing financing to the Funds or a third party purchaser or any interests in other Funds or Other Blackstone Client sold or redeemed by the Funds) 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 investor, Portfolio Entity of Other Blackstone Clients, Portfolio Entities thereof or any of their respective related parties (or were sold to a third party purchaser that is not receiving such financing from an Other Blackstone Client or other Funds 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 other Funds or an Other Blackstone Client). In addition, the Funds may "rent" a license of an Other Blackstone Client or a Portfolio Entity of an Other Blackstone Client or another Fund, which may involve the Funds transferring investments or assets to such licensor, for a fee. Further, a Portfolio Entity may sell its data to investors, Portfolio Entities of Other Blackstone Clients or Other Blackstone Clients or their respective related parties (see also "—Data Management Services"). Blackstone will not be required to solicit third-party bids or obtain a third-party valuation prior to causing the Funds or any of their Portfolio Entities to purchase or sell any asset or investment from or to an investor, Portfolio Entity of Other Blackstone Clients or any of their respective related parties as provided above (or to purchase, sell or redeem any interests in an Other Blackstone Client). These conflicts relating to buying or selling investments

or assets to or from certain related parties will not necessarily be resolved in favor of the Funds, and investors therein may not be entitled to receive notice or disclosure of the occurrence of these conflicts. In the event Blackstone does solicit third-party bids in a sale process of any such assets, the participation of an Other Blackstone Client 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 or has otherwise chosen not to work with an Other Blackstone Client for such financing, may perceive the process as favoring parties that are doing so. While Blackstone will seek to develop sale procedures that mitigate conflicts for the Funds, there can be no assurance that any bidding process will not be negatively impacted by the presence of any Other Blackstone Clients or that any such conflicts will necessarily be resolved in a manner that is favorable to the Funds. 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 may have with respect to the parties to the transaction. Blackstone will not be required to solicit third-party bids or obtain a third-party valuation prior to causing the Funds or any of its Portfolio Entities to purchase or sell any asset or investment from or to a Fund investor, Portfolio Entity of Other Blackstone Clients or any of their respective related parties as provided above.

***Other Blackstone Clients; Allocation of Investment Opportunities.*** Blackstone invests its own capital and third-party capital throughout the world, including on behalf of its other investment funds, investment vehicles, permanent capital vehicles, accounts (including certain BIS managed accounts and certain Portfolio Entities of the Funds) and related entities (including Other Blackstone Clients) , which includes a number of existing Other Blackstone Clients that have an investment strategy or objective that is adjacent to or overlaps with those of the Funds.

It is expected that some activities of Blackstone (including BXi, as defined below), 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 would otherwise be appropriate for the Funds, and as a result such investment opportunities may only be available on a limited basis, or not at all, to the Funds. Further, with respect to any investment opportunities falling within the Funds' investment objectives or strategy involving interests in portfolio companies of other funds (including Other Blackstone Clients) that are the subject of a fund restructuring or similar transaction, investors in such funds can be expected to have priority rights to roll over their existing interests or otherwise reinvest in such portfolio companies (e.g., through a newly formed "continuation fund") in connection therewith, such that the Funds are not allocated all or part of any such investment opportunity. Blackstone or its personnel may 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 do 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.

Item 10 – Other Financial Industry Activities and Affiliations

The Advisor has conflicting loyalties in determining whether an investment opportunity should be allocated to the Funds, Blackstone or an Other Blackstone Client, and these conflicts may not necessarily be resolved in favor of the Funds. Although the Funds will generally serve as Blackstone's primary commingled, diversified private "blind pool" investment vehicles for institutional investors having as their primary investment objective the making of control and control-oriented infrastructure investments, as well as investments in public-private partnership infrastructure projects, in each case within the "Core+" or "Core" space and in the United States and in Europe, in certain circumstances, control-oriented infrastructure investments will be required or permitted to be made by (to the potential exclusion of the Funds), or shared with, one or more Other Blackstone Clients, including but not limited to funds and vehicles described above, other investment vehicles primarily designed to facilitate the investment of high net worth individuals and/or that have investment objectives similar to and/or overlapping with the Funds' investment objectives. Blackstone has adopted guidelines and policies, which it can be expected to update from time to time, regarding allocation of investment opportunities.

- Overlapping Objectives and Strategies: In circumstances in which any Other Blackstone Clients 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 (including follow-on investments) 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 may result in the Funds not participating, or not participating to the same extent, in investment opportunities (including follow-on investments) 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 Advisor could also determine not to pursue opportunities as discussed below in "—Certain Investments inside the Funds' Mandates that are not pursued by the Funds", or, alternatively, could later determine an opportunity is appropriate for the Funds after initially reviewing such opportunity for or on behalf of 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 Advisor considers in making investment allocations among the Funds and Other Blackstone Clients are the following: (x) any applicable investment strategies, investment mandates, objectives, focus, parameters, guidelines, 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, (y) available capital of 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, (z) legal, tax, regulatory, accounting and other considerations deemed relevant by the Advisor, including, without limitation, (i) 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

Item 10 – Other Financial Industry Activities and Affiliations

Other Blackstone Clients that expect to invest in or alongside other funds or across asset classes based on expected return (such as BTAS Funds, BREP Funds, BPP Funds, BREDs Funds, BTO Funds, Blackstone Credit Funds, Strategic Partners, BIS Funds, BXMA Funds (including BSOF, a fund which also participates in investments alongside other sponsors and/or funds), Blackstone Horizon Fund L.P. and its related vehicles and successor funds (the “Horizon Funds”), BCEP Funds, BCP Funds, BSCH, BXLS, Legacy Clarus Funds, BXMT Funds, BXG, BXPE Funds, one or more vehicles for retail investors (including Blackstone Multi-Strategy Vehicles (as defined and described below)) Tac Opps Funds and certain managed accounts or other investment vehicles (whether now in existence or which may be established in the future) with similar investment strategies and objectives), (ii) sourcing of the investment (including by a particular Blackstone business unit) and the nature and extent of involvement of the respective teams of investment professionals dedicated to the funds, (iii) the sector and geography/location of the investment, (iv) the specific nature (including size, type, amount, liquidity, holding period, remaining investment periods, anticipated maturity and minimum investment criteria) of the investment, (v) expected investment return, (vi) risk/return profile of the investment, (vii) the management of any actual or potential conflict of interest, (viii) expected leverage on the investment, (ix) expected cash characteristics (such as cash-on-cash yield, distribution rates or volatility of cash flows), (x) capital expenditure required as part of the investment, (xi) 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), (xii) 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), (xiii) avoiding allocation that could result in *de minimis* or odd lot investments, (xiv) co-investment arrangements, (xv) anticipated tax treatment of the investment and (xvi) timing expected to be necessary to execute an investment and (xvii) other considerations deemed relevant by the Advisor in good faith. The Advisor could also determine not to pursue opportunities. Moreover, under certain circumstances, investment opportunities sourced and/or identified by the Funds and that fall within the Funds’ investment strategy and objective may be allocated in whole or in part to Portfolio Entities, Other Blackstone Clients or Portfolio Entities of Other Blackstone Clients, or Blackstone. The allocation of investments to Other Blackstone Clients, including as described above, may result in fewer investment opportunities for the Funds and fewer co-investment opportunities (or reduced allocations) being made available to the Fund investors.

- Investments Outside of the Funds’ Mandates: Investment opportunities that the Advisor 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 Organizational Documents or as otherwise determined by the Advisor, will generally not be allocated to a Fund.

Blackstone has adopted guidelines at the firm level to address the allocation of investment opportunities among its business groups. Such guidelines are non-exclusive and subject to

Item 10 – Other Financial Industry Activities and Affiliations

the provisions of the Organizational Documents, including the factors described above. Blackstone has set forth priorities and presumptions regarding what constitutes “debt” investments, “control-oriented equity” investments, “energy” investments, “preferred” investments, risk and return characteristics for defining “core” or “core+” investments and “infrastructure”, presumptions regarding allocation for certain types of investments (e.g., distressed investments) and other matters. The application of such guidelines may result in the Funds not participating, or not participating to the same extent, in investment opportunities in which they would have otherwise participated had the guidelines not existed.

- Basis for Investment Allocation Determinations: The Advisor 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 Advisor, or circumstances not foreseen by the Advisor at the time of allocation, may cause an investment opportunity to yield a different return than expected. For example, an investment opportunity that the Advisor determines to be consistent with the return objectives of a non-“Core+” or non-“Core” fund rather than the Funds may not match the Advisor’s expectations and underwriting and generate an actual return that would have been appropriate for the Funds. Conversely, an investment that the Advisor expects to be consistent with the Funds’ return objectives will, in certain circumstances, fail to achieve or exceed them. Any such judgments and application involves inherent conflicts and risks that assumptions regarding investment opportunities may not ultimately prove correct. As such, there can be no assurance that the subjective judgments made by the Advisor will prove correct in hindsight.
- Investment alongside Other Blackstone Clients: The Funds will also invest alongside other Funds and 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. Where a Fund and Other Blackstone Clients pursue an investment opportunity contemporaneously, the Advisor typically makes an initial investment allocation decision among the relevant Fund and such other Blackstone Clients (taking into account, among other factors as described herein, expected Fund investors and other third-party co-investment allocations to either the relevant Fund or such Other Blackstone Clients) on or prior to the time the relevant Fund or Other Blackstone Clients commit to make the investment (which in many cases is when the purchase agreement (or equivalent) in respect of such investment opportunity is signed), and is expected to be updated from time to time prior to the time of consummation of the investment (including after deposits are made thereon) due to changes in the factors that the Advisor considers in making investment allocations among a Fund and Other Blackstone Clients, including, for example, changes in available capital (including the result of Fund investor subscriptions or withdrawals, deployment of capital for other investments or a reassessment of reserves), changes in portfolio composition or changes in actual or expected Fund investors or third-party co-

Item 10 – Other Financial Industry Activities and Affiliations

investment allocation, in each case between the time of committing to make the investment and the actual funding of the investment. Such adjustments in investment allocations could be material, and could result in a reduced or increased allocation being made available to a Fund or to Fund investors as a co-investment and there can be no assurance that the relevant Fund will not be adversely affected thereby. Further, to the extent a Fund jointly holds securities with any other Fund or Other Blackstone Client that has a different expected duration, liquidity terms or capital needs, conflicts of interest will arise between such Fund and such other Fund or 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 may recuse itself from participating in any decisions relating or with respect to the investment by the other Fund or the Other Blackstone Client. If the other Fund or Other Blackstone Client maintains voting rights with respect to the securities it holds, or if such Fund does not recuse itself, Blackstone may be required to take action where it will have conflicting loyalties between its duties to the other Fund and such Other Blackstone Clients, which may adversely impact such Fund. (See also “—Other Blackstone Clients; Allocation of Investment Opportunities” herein.) Even if such Fund (or any such other Fund or Other Blackstone Clients and/or co-investment or other vehicles) invest in the same securities, conflicts of interest may 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 such Fund and/or such other funds and vehicles may not be the same. Additionally, such Funds and/or such other Fund or Other Blackstone Clients and/or vehicles will generally have different expiration dates, investment objectives (including return profiles), capital needs and/or redemptions and Blackstone, as a result, may have conflicting goals with respect to the price and timing of disposition opportunities and such differences may 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 Fund and Other Blackstone Clients may also have certain governance rights for legal, regulatory or other reasons that such Fund will not have. As such, the Fund and/or such other Fund or Other Blackstone Clients may 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 may 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 may 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 may result in Other Blackstone Clients and, if applicable, some Funds



Item 10 – Other Financial Industry Activities and Affiliations

exiting earlier or at a higher price than a Fund (or vice versa). Alternatively, it is possible that the Funds and any Other Blackstone Clients will not dispose of investments together and the timing of such disposition could in part be driven by an Other Blackstone Client's term or return profile that is different from the Funds', particularly in light of the perpetual nature of certain Other Blackstone Clients. It is also possible that a Fund and one or more other Fund or Other Blackstone Clients will buy certain investments or assets at or about the same time that certain Other Blackstone Clients and, if applicable, certain other Funds 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 may 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 of the applicable Fund(s) will not be required to provide notice or disclosure of the terms or occurrence of any such transactions to investors or to obtain any consent or approval from the applicable investors, any Independent Client Representative or any L.P. Advisory Committee, and there can be no assurance that conflicts of interest arising out of such transactions will be resolved in favor of the applicable Fund. See also "—Co-Investment Opportunities" regarding allocation of co-investment opportunities among the Funds, Other Blackstone Clients and other Blackstone affiliates.

- Certain Investments Inside the Funds' Mandates that are not Pursued by the Funds: In addition, in certain circumstances, certain other investment vehicles will receive allocations of investments that are otherwise appropriate for the Funds (including Other Blackstone Clients), which will from time to time result in the Funds 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 Advisor 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 available capital to pursue the investment opportunity (as determined by the Advisor 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 Advisor in its good faith discretion, or (iii) the investment opportunity is not appropriate for the Funds for other reasons as determined by the Advisor 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 Fund investors of the Funds or Other Blackstone Clients, joint venture partners, related parties or third parties, and such parties may pursue the opportunity. Some examples of types of investments for which the General Partners will have discretion to allocate away from certain of the Funds include: (i) investments in

Item 10 – Other Financial Industry Activities and Affiliations

companies with substantial real estate holdings, which may be allocated among the Funds, the Other Parallel Accounts and Other Blackstone Clients on a basis that the General Partners believe in good faith to be fair and reasonable; (ii) investments in certain specific geographic areas outside the North America or Europe (to the extent Other Blackstone Clients are formed to invest therein), (iii) investments where the amount available for common or preferred equity investment by the Funds (and Other Blackstone Clients, if appropriate) would be less than a stated amount; (iv) transactions that would be precluded or materially limited by the investment limitations, or other requirements of the Organizational Documents or applicable law or regulation (including ERISA); (v) assets or businesses related to energy, natural resources and/or energy transition; (vi) investment opportunities more suitable for higher or lower risks, a higher or lower return fund, or investment opportunities with respect to which the General Partner makes a good faith determination that such opportunity is not expected to yield returns on investment within the range of returns expected to be provided by the investments in which a Fund was organized to invest, based on the terms thereof and the information available relating to such opportunity at the time of its evaluation by the General Partner, whether as a result of a longer or shorter expected hold period or otherwise (i.e., non-“Core/Core+” infrastructure investments); (vii) investment opportunities that are within the investment objectives of a Fund, but that, at the time of the initial investment therein, have longer expected hold periods and lower expected annual rates of return, in each case relative to those generally targeted by the relevant Fund, as determined by the General Partners in good faith; (viii) debt investment opportunities, which may be allocated among the Funds and/or the Blackstone Credit Funds; (ix) minority investments, which may be allocated to or shared with the TacOpps Funds; and (x) investment opportunities arising in instances where an affiliate of Blackstone acts as the general partner or investment manager (or any similar capacity) for another investment vehicle and such other investment vehicle (e.g., a vehicle established for a single investment (and not multiple investments like the Funds)) has investment objectives or guidelines in common with those of the Funds. In such instances, investment opportunities which are within such common objectives or guidelines will be allocated between the Funds and such other vehicle by the General Partners on a basis that the General Partners believe in good faith to be fair and reasonable (which, in certain instances, may result in the Funds not participating and/or not participating to the same extent in all or part of an investment opportunity). In that regard, the Organizational Documents permit Blackstone to establish new vehicles that would otherwise be a prohibited but for the fact that the vehicles will not target multiple investments and/or are publicly-offered (e.g., a special purpose acquisition vehicle), and this is the case even though the initial target company may make additional add-on acquisitions. In making its good faith determination as to what is “fair and reasonable” under the circumstances, the General Partners and their affiliates shall be permitted to consider a number of factors including, without limitation, the specific nature of the investment, size and type of the investment, relative investment strategies and primary investment mandates, portfolio diversification concerns, contractual obligations, applicable investment limitations or guidelines and other terms of such

Item 10 – Other Financial Industry Activities and Affiliations

funds, relative amounts of available capital for each investment fund, duration of the investment period of each fund, source of the investment opportunity, the investment focus of each fund, anticipated holding period and remaining investment periods, co-investment arrangements, the nature and extent of involvement of the respective teams of investment professionals dedicated to the Funds when compared to the Other Blackstone Clients, legal, tax, regulatory, accounting and other similar considerations, and other considerations deemed relevant in good faith. In addition, as a general matter, it is expected that Blackstone's Real Estate, Private Equity and Blackstone Credit business will receive priority over most real estate opportunities, non-infrastructure control equity opportunities and certain types of credit opportunities, respectively. The arrangements described herein may result in investments that fit within the primary investment mandates of the Funds being wholly or partially allocated to one or more Other Blackstone Clients. Such Other Blackstone Clients will from time to time (i) make or receive priority allocations of certain investments that are appropriate for a Fund and (ii) participate in investments alongside a Fund, provided that any such allocation may be subsequently adjusted at Blackstone's discretion. Any such Other Blackstone Clients may 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 Advisor believes to be the case. In any event, there can be no assurance that the Advisors' 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 or revenue share, and any such compensation could be greater than amounts paid by the Funds to the Advisor. In some cases, Blackstone earns greater fees when Other Blackstone Clients participate alongside or instead of the Funds in an investment.

- Financial Compensation to Allocate Investment Opportunities to Other Blackstone Clients: When the Advisor 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 (including infrastructure personnel) can be expected to receive compensation from the Other Blackstone Clients, whether or not in respect of a particular investment, including in some cases an allocation of carried interest, referral fees or revenue share, and any such compensation could be greater than amounts paid by such Fund to the Advisor. As a result, there is an incentive for the Advisor (including infrastructure personnel who receive such compensation) to allocate investment opportunities away from the Funds to or source investment opportunities for Other Blackstone Clients, which could result in fewer opportunities (or reduced allocations) being made available to the Funds or to the investors in the Funds as a co-investment. 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.

Item 10 – Other Financial Industry Activities and Affiliations

Blackstone’s energy and natural resources-related investment activities have expanded with the formation of certain Blackstone Credit Funds (“Credit Energy Funds”), which focus primarily on making energy, resources and energy transition related debt investments, and with Blackstone’s acquisition of Harvest Fund Advisors LLC, which sponsors or manages funds, vehicles and accounts (the “Harvest Funds”) that invest in the securities of energy or natural resources-focused midstream master limited partnerships (“MLPs”). As a result, it can be expected that investments that could be considered to fit within the common investment objectives of the Funds and the Credit Energy Funds, such as energy, resources and energy transition-related debt and/or equity investments, may be allocated in whole or in part to the Credit Energy Funds, and that investments that could be considered to fit within the common investment objectives of the Funds and the Harvest Funds, such as investments in energy or natural resources-focused MLPs, may be allocated in whole or in part to the Harvest Funds. In addition, the Blackstone Energy Partners funds focus primarily on privately negotiated investments involving the acquisition of principally controlling or control-oriented interests in the energy and natural resources sectors broadly, including those companies and projects within the following target sectors: oil & gas exploration and production, midstream, energy services and equipment, petroleum refining and marketing, power generation, metals, minerals and mining, and other sectors and services within the energy and natural resource sector (e.g., timber, water, etc.). Furthermore, other types of investments that could be considered to fit within the common investment objectives of the Funds and Other Blackstone Clients may be allocated in whole or in part to such Other Blackstone Clients. For example, it can be expected that investments in companies with substantial real estate holdings may be allocated to Blackstone’s real estate funds. Additionally, it can be expected that growth equity investments will be allocated to BXG. Accordingly, there can be no assurances that any investment s that could be considered to fit within the investment objectives of the Funds will not, following consideration of the guidelines and factors described herein, be wholly or partially allocated to the BTO Funds, the Credit Energy Funds, the Harvest Funds, the Blackstone Energy Partners funds or any other existing or future Other Blackstone Clients.

BXLS was initiated with Blackstone’s acquisition in November 2018 of Clarus, which sponsors and manages funds, vehicles and accounts (“Legacy Clarus Funds”). The active Legacy Clarus Funds invest opportunistically in the life sciences, health care and pharmaceutical industry in certain royalties and other structured investments in which funding requirements, success milestones and contractual return parameters are pre-negotiated prior to the initial investment (“Defined Exit Investments”). Blackstone has also established new investment funds under the BXLS platform (the “BXLS Funds”) whose investment objective is largely consistent with that of Legacy Clarus Funds. Certain funds, vehicles, clients, accounts and other similar arrangements (including vehicles for retail investors), including, among others, entities managed by Blackstone Multi-Asset Advisors L.L.C. (“BTAS Funds”) and Blackstone Private Investments Advisors L.L.C. (“BXPE Funds,” and together with the BTAS Funds, “Blackstone Multi-Strategy Vehicles”), are part of multi-strategy programs designed to provide investors with exposure to a broad mix of, and leverage the talent and investment capabilities of, Blackstone’s key investment programs (e.g., private equity, real estate, credit, tactical opportunities, secondaries, life sciences, infrastructure and growth). The BTAS Funds and BXPE Funds will seek

Item 10 – Other Financial Industry Activities and Affiliations

to invest a material portion (and potentially substantially all) of their assets in investments in which Other Blackstone Clients participate, and as part of their investment programs, can be expected to seek to make investments that are also appropriate for the Funds. The BTAS Funds and BXPE Funds (or any similar future Blackstone investment program) can be expected to, in addition to their investments through one or more Funds, nonetheless participate in investments alongside the Funds and certain Other Blackstone Clients with overlapping investment objectives (including through Blackstone's side-by-side co-investment rights, as described below), which will from time to time result in the BTAS Funds and BXPE Funds (or any similar future Blackstone investment program) receiving a share of a substantial portion of investments made by the Funds, such that the Funds could receive a lower allocation (and potentially, in some cases, no allocation) of investment opportunities than otherwise would be the case. The overlapping objectives of the BTAS Funds and BXPE Funds (or any similar future Blackstone investment program) could also give rise to conflicts of interest relating to the allocation of investment opportunities between the Funds, on the one hand, and the BTAS Funds and BXPE Funds, on the other hand, which Blackstone will seek to resolve in a fair and equitable manner although there is no assurance that Blackstone will be able to do so. (See also "Liability Arising From Transactions Entered into Alongside Blackstone and/or Other Blackstone Clients" herein). Blackstone intends to establish additional Blackstone Multi-Strategy Vehicles in the future.

With respect to the BXPE Funds specifically, the BXPE Funds will participate alongside the Funds in most or all investments. Such allocations to the BXPE Funds are subject to change in the Advisor's sole discretion, and the portion of investments allocated to the BXPE Funds is expected to be substantial, and is expected to increase over time as the BXPE Funds' available capital increases. In connection with the foregoing, the Funds could provide credit support (including in the form of a cross-collateralized subscription credit facility) to the BXPE Funds to facilitate their participation in one or more investments (see also "Subscription Credit and Net Asset Value Facilities" herein), or acquire a portion of an investment with the intention of syndicating such portion to the BXPE Funds, in accordance with the applicable Organizational Document.

Blackstone Multi-Strategy Vehicles that include all aspects of the investment strategies pursued by the Funds within their investment programs are expected to invest generally alongside the Funds and other included Blackstone strategies, taking into account the considerations outlined above and those specified in "Co-Investment Opportunities" with respect to considerations regarding the allocation of co-investment opportunities. Additionally, such Blackstone Multi-Strategy Vehicles are expected to invest alongside the Funds and other included Blackstone strategies in a programmatic or otherwise formulaic manner (e.g., based on the relative available capital of such Blackstone Multi-Strategy Vehicles and the Funds), including through participation in Blackstone's side-by-side program, and any such methodology will be subject to adjustment on both a case-by-case and general basis from time to time. For certain open-ended Blackstone Multi-Strategy Vehicles, such a vehicle's "investment period," for purposes of applying any such allocation methodology that is based on each participating vehicle's "available capital" (where a vehicle's "available capital" is determined based in part on the remaining duration of the vehicle's "investment period"), will be determined by Blackstone in

Item 10 – Other Financial Industry Activities and Affiliations

good faith taking into account such considerations that it deems relevant and appropriate under the circumstances, including but not limited to the relevant vehicle's inception date, the date of the relevant investment, the vehicle's pace of deployment, and the expected time horizon of the investment, which determination could result in a Fund participating in a particular investment to a greater or lesser extent than such Blackstone Multi-Strategy Vehicles. It is generally expected that such vehicle's "available capital" for purposes of applying this allocation methodology will only include "available capital" of the vehicle (including, potentially, capital expected to be contributed to the vehicle in the future) that is expected to be invested in the particular strategy for which such methodology is being used, as determined by Blackstone in its discretion. In determining what a vehicle's "investment period" and "available capital" are for purposes of applying this allocation methodology, Blackstone will need to make subjective judgments and projections that could ultimately prove incorrect in hindsight. These determinations involve inherent conflicts of interest, and there can be no assurance that any such conflicts will be resolved in a manner that is favorable to the Funds.

Blackstone Multi-Strategy Vehicles (such as the BXPE Funds) with investment objectives that overlap (to varying degrees) with only a portion of the investment strategies pursued by the Funds could also be allocated certain investment opportunities (in whole or in part) in lieu of the Infrastructure Program on a case-by-case basis. See above with respect to certain factors the Advisor may consider with respect to any allocation determinations, and "Co-Investments" herein with respect considerations regarding the allocation of co-investment opportunities. Blackstone Multi-Strategy Vehicles could also be allocated co-investment opportunities alongside the Infrastructure Program (in a programmatic or formulaic manner, and/or on a case-by-case basis). Any such Blackstone Multi-Strategy Vehicles could grow significantly in size over time, and such vehicles could be allocated a substantial portion of any such investment opportunities (and in some cases, a majority thereof). Therefore, it is expected that, in connection with such Blackstone Multi-Strategy Vehicles that are formed and are actively investing, the Funds will receive a lower allocation (and potentially, in some cases, no allocation) of investment opportunities than otherwise would be the case.

Other Blackstone Client (including certain Blackstone Multi-Strategy Vehicles) will regulated under the U.S. Investment Company Act of 1940, as amended (the "1940 Act") or foreign equivalent (each, a "Regulated Fund") and could be subject to 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 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 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

Item 10 – Other Financial Industry Activities and Affiliations

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-invests alongside a Regulated Fund, the Advisor and the investment adviser to the Regulated Funds will determine a targeted amount of available capital for investment alongside the Funds, in accordance with the allocation considerations described herein. 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 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 Funds 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 strategies 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 the Funds, 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 Funds that would not otherwise have resulted had a Regulated Fund not participated. The Funds could therefore incur materially higher expenses on an ongoing basis than would otherwise be the case, particularly with respect to Regulated Funds that include Infrastructure Investments 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.

The Advisor and its affiliates have agreed, and may agree in the future, to address certain legal, tax, regulatory or other considerations applicable to certain limited partners or investors in certain Funds (or Other Blackstone Clients) that will impact the allocation of investment opportunities amongst the Funds and otherwise impact the time and terms of investment and divestment determinations with respect to the Funds in investment opportunities. For example, the Advisor and its affiliates have agreed with an investor in a Fund to seek for such Fund to qualify as a “venture capital operating company” within the meaning of United States Department of Labor regulations and the Advisor has developed policies and procedures (which are subject to change from time to time) to ensure compliance with such requirements. Compliance with such arrangements may result in greater investment-related expenses (which may be borne in part by one Fund, even if the expenses relate to compliance with such arrangements with investors in other Funds) than would otherwise be the case. As a result, such Fund may invest in and divest from certain investment opportunities alongside other relevant Funds at different times or on different terms (including different financing terms and/or by way of a syndication from the Funds, but which would not in such case be deemed a syndication of a co-investment opportunity by the Funds for purposes of the Organizational Documents), and may not participate in a substantial portion of investment opportunities alongside the Funds, and therefore the Funds will be allocated a larger portion of such opportunities (and consequently bear a greater share of expenses and liabilities related thereto) than would otherwise be the case. In connection with the foregoing, the Advisor expects to negotiate or assign certain management rights with respect to a Portfolio Entity (including the right to appoint a board member or observer seat) to such Fund, as opposed to the Funds and Other Blackstone Clients as a whole. Certain investment vehicles, managed accounts or similar arrangements may have attributes of a “Comparable Fund” (e.g., because their investment strategy overlaps with that of the Funds) but the General Partner may nonetheless determine not to designate such vehicle a “Comparable Fund” for purposes of the Organizational Documents.

In addition, it is understood and/or agreed, for the avoidance of doubt, that the Funds may from time to time participate in Investments in or relating to Portfolio Entities of Blackstone (including Blackstone Innovation, “BXi”) and/or Other Blackstone Clients and other Funds (whether now in existence or subsequently established) and that any successor fund of such Fund may also participate in investments relating to Portfolio Entities in which the Funds may have an investment (or *vice versa*), including, for example, Investments in or relating to Portfolio Entities that represent “platform” investments where additional opportunities to invest are made available to Blackstone where the Advisor and/or its affiliates determine that doing so is appropriate under the circumstances. Additionally, such related portfolio entities may be managed together (including, for example, the use of the same third-party manager(s) or service provider(s)) or otherwise operated as part of the same “platform”, combined and/or otherwise sold together as a part of a single transaction or series of related transactions. Such arrangements may result in a Fund’s interests in any such investments being subject to dilution



Item 10 – Other Financial Industry Activities and Affiliations

and may give rise to other significant risks and conflicts of interest and there can be no assurance that such Fund will not be adversely affected by such arrangements. For example, a Fund, any such platform entities, Portfolio Entities and other vehicles or entities in which one or more affiliates of Blackstone hold an interest (including, but not limited to other Funds, Other Blackstone Clients and their affiliates) may engage in activities that compete with those of the Funds and otherwise make investments of a type that would be suitable for the same. In addition, in the pursuit of any such “platform” strategy will likely be time-consuming, complex, costly and subject to unforeseen risks and obstacles, and there can be no assurance that any such “platform” strategy will achieve the originally anticipated results or reach the scale originally anticipates, and the Funds will nevertheless bear the costs related thereto. Such activities may result in allocations of investment opportunities to any such “platform” entities, perpetual capital vehicles, accounts or other entities controlled by or in which an affiliate of Blackstone holds an interest and consequently may result in a Fund not participating (and/or not participating to the same extent) in certain investment opportunities in which it would have otherwise participated. Similarly, subject to the express limits (if any) in the Organizational Documents, a Fund may from time to time invest in Portfolio Entities in which Other Blackstone Clients (including Portfolio Entities of a Fund’s predecessors and/or other Funds) and/or Blackstone have pre-existing investments. Additionally, Portfolio Entities of a Fund’s predecessors and/or the other Funds and/or Blackstone may raise additional capital in the future at a time when those funds do not have sufficient reserves to take their pro rata share of such capital raise, and in such instances such Fund may take any amount that those funds are unable to participate in.

Blackstone has also entered into certain investment management arrangements whereby it provides investment management services (including sourcing, diligence and underwriting and other similar services) for compensation (which, for example, may be in the form of a Management Fee, incentive fee, incentive allocation, carried interest or other form of management promote) to insurance companies including (i) Everlake Life Insurance Company and certain of its affiliates (“Everlake”) and (ii) the insurance companies comprising American International Group Inc.’s life and retirement business (“AIG L&R”). In connection with providing such services, insurance companies or their affiliates or subsidiaries will likely invest from time to time in the Funds and/or Other Blackstone Clients. As of the date of this Brochure, Everlake is a Portfolio Entity of Other Blackstone Clients and invests across a variety of asset classes (including investments that may otherwise be appropriate for the Funds), and Blackstone has acquired a 9.9% equity interest in the parent company of AIG L&R. 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 and other types of companies. Such arrangements may reduce the allocations of investments to the Funds, and Blackstone may be incentivized to allocate investments away from the Funds to the counterparties to 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. The Funds and the limited partners therein will not share in any of the compensation provided to Blackstone in connection with such investment management arrangements, including from Portfolio Entities of the Funds.

***Holding Entities and Tracking Interests.*** The Advisor may determine that, for legal, tax, regulatory, accounting, administrative or other reasons, the Funds should hold an investment (or a portion of a portfolio or pool of assets) through a single holding entity through which one or more Other Blackstone Clients (including a similar fund) hold different investments (or a different portion of such portfolio or pool of assets, including where such portfolio or pool has been divided and allocated among the Funds and such Other Blackstone Clients as described in “Allocation of Portfolios”) in respect of which the Funds do not have the same economic rights, obligations or liabilities. In such circumstances, it is expected that the economic rights, liabilities and obligations in respect of the investment (or portion of a portfolio or pool) that is indirectly held by the Funds would be specifically attributed to the Funds through tracking interests in such holding entity or back-to-back or other similar contribution or reimbursement agreements or other similar arrangements entered into with such Other Blackstone Clients, and that the Funds would be deemed for purposes of the Organizational Document to hold its investment (or portion of a portfolio or pool) separately from, and not jointly with, such Other Blackstone Clients (and vice versa in respect of the investments (or portion of a portfolio or pool) held indirectly through such holding entity by such Other Blackstone Clients). The use of such investment structures in connection with a Fund’s investment activities could have an adverse impact on the Fund. For example, liabilities could arise in relation to a specific investment held indirectly through such holding entity by an Other Blackstone Client, but not the Fund, and a counterparty could seek recourse against the holding entity from a different investment that is held indirectly through such holding entity by the Fund, but not the Other Blackstone Client. A Fund’s investment made through such a holding entity will therefore be subject to risks by virtue of other investments owned by the holding entity in which the Fund does not have a tracking interest, and such risks would not be present if separate holding entities were used for the separate investments made by the Fund and the Other Blackstone Client.

Furthermore, certain holding structures may require a newly-established manager, advisor, service provider or other entity intended to address certain legal, tax, regulatory, accounting, administrative or other considerations applicable to the Funds and/or Other Blackstone Clients. For example, due to rules, regulations and/or requirements in a particular jurisdiction (e.g., licensing requirements), it may be the case that in order to comply with the foregoing, one Blackstone entity serves a particular role for another Blackstone entity (e.g., as an administrator or other role requiring a license) that it otherwise would not but for the rules, regulations and/or requirements in such jurisdiction. It is possible that a Fund will be responsible for the costs and expenses of establishing such holding structure (including any such newly-established entities) prior to, and/or in anticipation of, other Funds or Other Blackstone Clients participating through such structure for their investments and it is expected that such other Funds or Other Blackstone Clients would reimburse the Funds for any such costs and expenses on a pro rata basis.

***Allocation of Portfolios.*** Blackstone will, in certain circumstances, have an opportunity to acquire a property, 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 Advisor and its affiliates. For example, some of the assets in a pool may have a higher return profile, while others may have a lower return profile not appropriate for the Funds. Also, a pool may 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.

In certain cases, a Fund could purchase an investment or an entire portfolio or pool from a third party seller and promptly thereafter sell the portion of the investment or portfolio or pool allocated to another Fund or Other Blackstone Client to that other Fund or Other Blackstone Client pursuant to an agreement entered into between the Fund and such other Fund or Other Blackstone Client prior to closing of the transaction (or vice versa), and any such sell down of assets will not be subject to the approval of any L.P. Advisory Committee (or L.P. representatives), any limited partner, or otherwise, as applicable.

***Investments in Which Other Blackstone Clients Have a Different Principal Investment Generally.*** A Fund can be expected to hold an interest in a Portfolio Entity that is different (including with respect to relative seniority) than the interests held by Other Blackstone Clients or Blackstone (and in certain circumstances the Advisor will be unaware of an Other Blackstone

Item 10 – Other Financial Industry Activities and Affiliations

Client's or Blackstone's participation or the size of the Other Blackstone Client's investments, as a result of information walls or otherwise). There are generally 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 may recuse itself from participating in any decisions relating or with respect to such investment by such Fund or the applicable investments by such Other Blackstone Clients or Blackstone, 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. Despite these, and any of the other actions described below that Blackstone may 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 or Blackstone, which will, in certain circumstances, adversely impact such Fund. In that regard, actions may 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 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 will have with respect to the parties to the transaction. 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 Advisor or its affiliates from a Portfolio Entity in which any Other Blackstone Client also has an interest (including, for greater certainty, any fees the Advisor or its affiliates received as a result of the provision of services by such affiliates).

In addition, under certain circumstances, the Funds may be prohibited (or refrain) from decision-making or exercising other rights they would otherwise have with respect to a Portfolio Entity, as a result of the Funds' affiliation or relationship with Other Blackstone Clients or Blackstone that own different interests in such Portfolio Entity. While the Advisor will seek, where applicable, to have a third-party exercise rights on behalf of the Funds for purposes of exercising voting rights and/or managing any conflicts of interest related to such investments (which may include third-party co-investors or independent representatives), in certain instances such investments may be made without any such third-party participation (for example, because a Fund owns or acquires the entirety of the relevant instrument or tranche) or with minority third-party participation, and in such circumstances the absence or size of any such third-party could adversely affect the Funds or their interest in the Portfolio Entity (or the applicable Other Blackstone Client(s)) or its ability to effectively mitigate such conflicts of interest.

With respect to debt securities acquired or sold in a secondary transaction or syndication between Other Blackstone Clients or Blackstone and a third-party in particular (following the issuance of origination of any financing or refinancing) the Advisor and/or such Other Blackstone Clients may determine that no mitigation of any potential conflicts of interest with

respect to such acquisition or sale is required, including for example the circumstances as set forth in the Organizational Documents. Further, the Fund and such Other Blackstone Client or Blackstone are generally permitted to exit its holdings in such Portfolio Entity at different times, on different terms or otherwise on a non-*pro rata* basis, including for example, the Fund acquiring debt securities held by such Other Blackstone Client or Blackstone in such Portfolio Entity (which may be at par or at a discount) as a part of a control acquisition or debt buyback or otherwise. Blackstone may reach different conclusions for each such vehicle on the determination of whether, when and at what price to sell such securities based on the different termination dates, investment limitations and/or investment objectives of the Fund and such Other Blackstone Clients or Blackstone or for other reasons, and this may result in Other Blackstone Clients or Blackstone exiting its interests in a Portfolio Entity earlier or at a higher price than the Fund (or *vice versa*). Such investments and transactions will give rise to potential or actual conflicts of interest. There can be no assurance that any conflict will be resolved in favor of the Funds.

***Simultaneous Transactions.*** There may 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 may sell or purchase an interest in a portfolio company to or from a counterparty (such as another sponsor's fund), while the same counterparty acquires or sells an interest in a portfolio company of an Other Blackstone Client or Blackstone. While these transactions may be separate or non-contingent, due to the simultaneous or closely related timing of these transactions, there may 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/or such Fund 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 may, 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 other entities in which Other Blackstone Clients make an investment in a different part of the capital structure (and *vice versa*). The Advisor requests in the ordinary course proposals from lenders and other sources to provide financing to the Funds and their Portfolio Entities. The Advisor 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 Fund investors, other Funds, Other Blackstone Clients (such as the Blackstone Credit Funds, BREDS Funds and BXMT 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 a Fund investor, 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. The Funds or their Portfolio Entities could also occupy a different position in the capital structure than a Fund investor, Other Blackstone Client, 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 Advisor 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 Advisor could instead rely on its own internal analysis, which the Advisor 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 may 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 may 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 Fund investors that these effects will not be significant in any circumstance. The General Partners will not be required to obtain any consent or seek any approvals from the applicable Fund investors, any Independent Client Representative or L.P. Advisory Committee in the case of any of these conflicts.

Blackstone could cause actions adverse to a Fund to be taken for the benefit of Other Blackstone Clients or other Funds that have made an investment more senior in the capital

Item 10 – Other Financial Industry Activities and Affiliations

structure of a Portfolio Entity than such Fund (*e.g.*, provide financing to a Portfolio Entity, the equity of which is owned by such Fund) and, *vice versa*, actions will, in certain circumstances, be taken for the benefit of such Fund and its Portfolio Entities that are adverse to Other Blackstone Clients or other Funds. 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 such Fund or relevant Other Blackstone Client or other Funds (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 such Fund or relevant Other Blackstone Client or other Funds (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) 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 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 may 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 the Funds 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 Advisor determines to be consistent with the market. Although Blackstone could rely on third parties to verify market terms, Blackstone may 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.

Item 10 – Other Financial Industry Activities and Affiliations

In certain circumstances, the Funds may 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), may 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 the Funds.

A Fund may from time to time invest in debt securities and other debt obligations relating to Portfolio Entities of Other Blackstone Clients. There can be no assurance that the return on such Fund’s investment will be equivalent to or better than the returns obtained by the Other Blackstone Clients participating in the transaction (whether or not in the same tranche as such Fund). In addition, it is possible that in a bankruptcy proceeding a Fund’s interests will be subordinated or otherwise adversely affected by virtue of such Other Blackstone Clients’ involvement and actions relating to its investment. For example, there may be senior debt instruments issued by a Portfolio Entity in which a Fund holds or makes an investment and in such circumstances the holders of more senior classes of debt issued by such Portfolio Entity (which may include Other Blackstone Clients) may take actions for their benefit (particularly in circumstances where such Portfolio Entity faces financial difficulties or distress) that further subordinate or adversely impact the value of such Fund’s investment in such Portfolio Entity. The Advisor does not believe that the foregoing arrangements have an effect on the overall terms and conditions negotiated with the arrangers of such senior loans. Because of the affiliation with Blackstone, the Advisor may have a greater incentive to invest in Blackstone-sponsored financings (as compared to real estate related financings sponsored by other real estate firms or financial sponsors). The Fund investors will in no way receive any benefit from fees paid to any affiliate of the Advisor from a Portfolio Entity in which any Other Blackstone Client also has an interest (including, for greater certainty, any fees Blackstone received as a result of the provision of services by such affiliates). To the extent a Fund holds an interest in a loan or security that is different (including with respect to its relative seniority) than those held by such Other Blackstone Clients (and *vice versa*), such Fund will forego some or all of its ability to participate in the decision-making with respect to the rights and actions available to the holders of the same or similar class of loan or security held by such Fund. In certain circumstances, a Fund may be required to commit funds necessary for an investment prior to the time that all anticipated debt (e.g., senior and/or mezzanine) financing has been secured. In such circumstance, Other Blackstone Clients and/or Blackstone itself (using, in whole or in part, its own balance sheet capital), may 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.

In addition, the Funds and/or Other Blackstone Clients may seek to initially acquire investments (including all or part of the relevant tranche of securities) for the purpose of syndicating a portion 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 Advisor in its sole



Item 10 – Other Financial Industry Activities and Affiliations

discretion, and may 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 may not be available for purposes of mitigating any potential conflicts of interest (as described above) and the Other Blackstone Clients and/or Blackstone itself may 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 Fund investor. 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” and “—Syndication; Warehousing” 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 their respective terms thereof.

In addition, the Organizational Documents allow the General Partner or its affiliates to make short-term advances to the Funds, which advances will accrue interest comparable to those received by a third-party in an arm’s length transaction and will be repaid from capital contributions or other funds of the Funds, subject to the limitations therein. If the General Partner or any of its Affiliates lends funds to the Funds, the terms of such lending shall be disclosed to the Fund investors; *provided*, that such disclosure is not required for advances for partnership expenses in the ordinary course.

In addition, it is anticipated that in a bankruptcy proceeding a Fund’s interests will likely 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 may 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 Funds, can be expected to provide financing to the Funds and 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 Funds in some but not all financings of the Funds and their Portfolio Entities may 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 may serve as a negative signal to market participants.

Any financing provided by the Fund investors or an affiliate to the Funds or a Portfolio Entity is not a capital contribution to such Fund and does not reduce the undrawn capital commitment of such Fund investor. To the extent the Fund investors (or 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.

These conflicts related to financing counterparties will not necessarily be resolved in favor of the Funds, and Fund investors may not be entitled to receive notice or disclosure of the occurrence of these conflicts.

***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 the Blackstone Credit Funds, 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 the Funds, or otherwise occupies a senior (or other different) position in the capital structure of an investment relative to the Funds, Blackstone will encounter conflicts in providing advice to the Funds 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 may include one or more Other Blackstone Clients) may 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, a Fund 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" could 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, and Fund investors may not be entitled to receive notice or disclosure of the occurrence of these conflicts.

Similarly, certain Other Blackstone Clients, including, but not limited to, the BREDS Funds, BXMT Funds, the Blackstone Credit Funds and BXMA Funds can be expected to invest in securities of publicly traded companies that are actual or potential investments of the Funds or their Portfolio Entities. The trading activities of Other Blackstone Clients may 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 may not pursue an investment in a Portfolio Entity otherwise within the investment mandate 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 may do so where such Other Blackstone Clients have certain governance rights for legal, regulatory or other reasons. Any such Other Blackstone Client may sell any such investment to any person at any time and the Funds may or may not participate with such Other Blackstone Client in such sale.

***Related Financing of Counterparties to Acquire Assets from, or Sell 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 assets from the Funds and their Portfolio Entities. 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 addition, the Funds and their Portfolio Entities will, from time to time, purchase assets or portfolio companies from third parties that obtain, or currently have outstanding, debt financing from Other Blackstone Clients. See also “—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 assets by, and to sell 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 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 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 the seller, as the case may be. The Advisor could thereafter cause the Funds or a Portfolio Entity to sell an asset of the Funds to, or buy an investment or 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 for the investment or asset. Fund investors rely on the Advisor to select in its sole discretion the best overall buyer in sales of, and the best overall seller in the acquisition of, the Funds’ investments or assets, despite any conflict related to the parties financing the buyer or the seller, as applicable.

***Co-Investment Opportunities.*** The Funds will allocate co-investment opportunities to Fund investors, Other Blackstone Clients and their investors, Blackstone and other parties with whom Blackstone has a material relationship. The offering and allocation of co-investment opportunities is entirely and solely in the discretion of the Advisor, and it is expected that many investors who will, in certain circumstances, have expressed an interest in co-investment opportunities (including the Fund investors) will not be allocated any co-investment opportunities (notwithstanding any agreement by the Advisor to consider a Fund investor for co-investment opportunities) or will, in certain circumstances, receive a smaller amount of co-investment opportunities than the amount requested or expected. For example, if supplemental capital vehicles are established, 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 Blackstone 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 Blackstone 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, and Blackstone will determine in its sole discretion whether to offer co-investment opportunities (based on, among other factors, whether there has been sufficient allocation of an investment to the Funds and whether a potential co-investor would offer a strategic benefit to the investment, including, but not limited, to the consummation, operation or monitoring

thereof). 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 its 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. Blackstone, 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.

The General Partners and their affiliates are permitted to make capital commitments and/or contributions to co-investment opportunities and co-investment vehicles investing alongside the Funds, including, without limitation, to the extent the General Partners determine 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 co-investment opportunity or vehicle. Such amounts so committed or contributed are permitted, at the option of the General Partners, to be deemed part of the amount Blackstone is otherwise required to contribute to the Funds or a separate commitment to such co-investment. If deemed part of the amount Blackstone is otherwise required to contribute to the Funds, such amounts would be in full or partial satisfaction of any such amounts that would otherwise be invested in the Funds in respect of such Investment. To the extent the General Partners and/or their affiliates make any such commitment and/or contribution to a co-investment opportunity or vehicle, it could reduce the amount of such co-investment available to the Fund investors. In addition, any such amounts invested by the General Partners or their affiliates in co-investments alongside the Funds and deemed part of the amount Blackstone is otherwise required to contribute to the Funds will result in the General Partners and their affiliates contributing less to the Funds than Blackstone's capital commitment to the Funds would otherwise imply.

Blackstone has established and may in the future establish more investment vehicles managed or advised by Blackstone to facilitate the participation of third-party co-investors (who may or may not be investors of the Funds (whether established in connection with such investor'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, which may or may not be subject to more favorable rights and/or terms than the Funds, which 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 co-investment vehicles where Blackstone (in some or all circumstances), and not the co-investors therein, has discretion in determining whether the co-investment vehicle will participate in co-investment opportunities (collectively, the "Other Co-Invest Vehicles"), which may or may not 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 Other Co-Invest Vehicle, is permitted to make capital commitments or contributions to such Other Co-Invest 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 Other Co-Invest Vehicle for tax or regulatory purposes. Certain Other Co-Invest Vehicles may be fully committed and provide the investors therein with no discretion regarding the deployment of capital. The use of such vehicles may have the impact of blending the investor's effective management fee rate (and/or incentive allocation rate) down and the Advisor may be incentivized to allocate co-investment opportunities to discretionary vehicles with higher effective fees, incentive allocation or other performance-based compensation rates. The Advisor also reserves the right to provide certain Other Co-Invest Vehicles with priority rights to participate in certain co-investment opportunities alongside the Funds, or the Advisor may agree to allocate co-investment opportunities to one or more Other Co-Invest Vehicles in a programmatic manner, which, to the extent the investor participating in such Other Co-Invest Vehicle is also an investor in the Funds, will include, without limitation, allocations on a *pro rata* basis (e.g., based on the amount of capital available for investment in the Funds by such investor relative to all capital available for investment in the European Infrastructure Program by all other investors (understanding that certain investors in the European Infrastructure Program may, at the relevant time, have 100% of their commitment invested) or based on Unit ownership). Such arrangements will also include a priority right with respect to co-investment opportunities that have been passed on by other BIP investors. The terms of any Other Co-Invest Vehicle agreed to with a Fund Investor (including any side letter relating thereto) will not be subject to any "most favored nations" rights, notwithstanding that such terms may have been agreed to simultaneously with such Fund Investor's investment in such Fund, and where such Other Co-Invest Vehicle invests alongside the Funds periodically or programmatically, such arrangement effectively modifies the economic terms of such Fund investor's participation in such shared investments. The amount and frequency of co-investment made available to any Other Co-Invest Vehicles will be at the discretion of the Advisor, subject to the terms of such Other Co-Invest Vehicles. It is expected that the existence of any Other Co-Invest Vehicles established by the Advisor would result in fewer co-investment opportunities being made available to investors who do not participate therein, and allocations of co-investment opportunities to the Other Co-Invest Vehicles can be expected to result in the Funds investing less than they would have in the related investments. Furthermore, to the extent that Blackstone established any Other Co-Invest Vehicles, it may result in fewer investment opportunities for the Funds and fewer co-investment opportunities being made available to the limited partners. The number and scale of co-investment opportunities made available to the Fund investors (if any) may be higher or lower than those made available to the Other Co-Invest Vehicles.

- General Co-Investment Considerations: There are expected to be circumstances where an amount that would have otherwise been invested by a Fund is instead allocated to co-investors (who may or may not be Other Blackstone Clients, Fund investors or investors of Other Blackstone Clients, and may include Blackstone affiliates and/or third parties) or supplemental capital vehicles, and there is no guarantee that any Fund investor 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 Advisor, and it is expected that many investors who may have expressed an interest in co-investment opportunities will not be allocated any co-

investment opportunities or will, in certain circumstances, receive a smaller amount of co-investment opportunities than the amount requested or expected. The Advisor will take into account various facts and circumstances deemed relevant by the Advisor in allocating co-investment opportunities, including, among others, whether a potential co-investor has expressed an interest in evaluating co-investment opportunities, the Advisors' 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 maximum number of investors that can realistically participate in the transaction) and the Advisors' 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 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 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 may provide indirectly longer-term benefits to the Funds or Other Blackstone Clients and their Portfolio Entities, or whether the co-investor has significant capital under management by Blackstone or intends to increase such amount); whether the potential co-investor has an overall strategic relationship (including a Strategic Relationship) with 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; any concerns or issues the potential co-investor may have with respect to governance rights; whether 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 Blackstone has with the personnel and professionals of the potential co-investor in working together in investment contexts in the Funds or Other Blackstone Client investor in working together in investment contexts (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); whether the co-investment opportunity is being provided in connection with a potential investment in

Item 10 – Other Financial Industry Activities and Affiliations

or acquisition of interests through a secondary transfer of the Funds or an Other Blackstone Client (i.e., a stapled co-investment opportunity); 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 Blackstone and assume a more passive role in governing the Portfolio Entity); any interests a potential co-investor may 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 the Funds are 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, guideline 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 Blackstone may in good faith deem relevant and believe to be appropriate in the circumstances. In addition, the Advisor and/or its affiliates may be incentivized to offer the Other Co-Invest Vehicles and/or other certain potential co-investors opportunities to co-invest (and may also be incentivized to offer such co-investment opportunities on more favorable terms than other potential co-investors) since the amount of incentive allocation and/or management fee to which the Advisor and/or its affiliates are entitled under the arrangements with such co-investors, including with respect to such co-investor's participation in the Other Blackstone Clients, may depend on, among other things, the extent to which such co-investors participate or have been offered the opportunity to participate in co-investments (which participation may be in such co-investors' discretion). Blackstone has established, and can be expected to in the future establish, co-investment vehicles (including dedicated or "standing" co-investment vehicles, which 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

Item 10 – Other Financial Industry Activities and Affiliations

committed vehicles where Blackstone (in some or all circumstances), and not the co-investor, has discretion in determining whether the co-investment vehicle will participate in co-investment opportunities) for one or more investors (including third-party investors and investors in the Funds) in order to co-invest alongside the Funds in one or more future investments. These co-investment vehicles may nevertheless only participate in co-investment opportunities after the initial acquisition of an investment. The existence of these vehicles could reduce the opportunity for other Fund investors to receive allocations of co-investment, and the amount and frequency of co-investment by any such co-investment vehicles would be at the discretion of the Advisor. Also, Blackstone will, in certain circumstances, agree with investors (including Fund investors, 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 investor's interests. To the extent any such arrangements are entered into, they can be expected to result in fewer co-investment opportunities being made available to the Fund investors. In addition, the allocation of investments to Other Blackstone Clients (including, for the avoidance of doubt, Blackstone Multi-Strategy Vehicles), including as described under "—Other Blackstone Clients; Allocation of Investment Opportunities" herein, can be expected to result in fewer co-investment opportunities to investors who do not participate therein and allocations to the co-investment vehicle can be expected to result in a Fund investing less than it would have in the related investments.

There may be circumstances, including in the case where there is a seller who is seeking to dispose of a pool or combination of assets, securities or instruments, where the Funds or Other Blackstone Client participates in a single transaction or related transactions with a particular seller where certain of such assets, securities or instruments are specifically allocated (in whole or in part) to the Funds and such Other Blackstone Client. The allocation of such specific items generally would be based on the Advisor's determination of, among other things, the expected returns and risk profiles for such items, 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 Advisor and its affiliates.

- Additional Potential Conflicts of Interest with respect to Co-Investment; Strategic Relationships Involving Co-Investment: The Advisor and its 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, 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



Item 10 – Other Financial Industry Activities and Affiliations

Clients) or other aspects of such co-investor's relationship with Blackstone (including, by way of example, to incentivize such co-investor to become a limited partner in the European Infrastructure Program). The Management Fees, carried interest and other fees received by Blackstone 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' partnership agreements 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 Blackstone 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 instances can be expected to be more favorable to Blackstone, than the terms of the Funds, and such different terms can be expected to create an incentive for Blackstone 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 interest will be resolved in favor of the Funds and that any investment opportunities that would have otherwise been offered to the Funds or Fund investors through co-investment will be made available. In circumstances where the Funds are investing alongside Other Blackstone Clients, the Advisor and its affiliates may 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 may be permitted to offer co-investors. There may 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 the Funds 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 Advisor'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 may be allocated to the Funds whereas those with lower relative expected returns and a lower risk profile may be allocated to an Other Blackstone Client or *vice versa*), 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 Advisor 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

Item 10 – Other Financial Industry Activities and Affiliations

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 Fund investors. Certain co-investment vehicles, including certain Other Co-Invest Vehicles will generally not be permitted, pursuant to their governing documents, to bear broken deal expenses. Some other co-investment vehicles, including some Other Co-Invest Vehicles, may not bear broken deal expenses or other investment-related expenses (including in respect of financing for such investment) from time to time (in which case the Funds would, to the fullest extent permitted by 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 may 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 a Fund bearing more than its *pro rata* share of broken deal expenses or such other expenses. This could be expected to give rise to conflicts of interest in connection with the Fund's investment activities in certain circumstances, and, while the Advisor 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.*** The Funds will also co-invest 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 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 Advisor may 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 the Funds and Other Blackstone Clients and/or Blackstone may not be the same. Additionally, the Funds and such Other Blackstone Clients and/or Blackstone will generally have different investment periods or expiration dates and/or investment objectives (including return profiles) and Blackstone, as a result, may have conflicting goals with respect to the price and timing of disposition opportunities and such differences may also impact the allocation of investment opportunities (including follow-on investments related to earlier investments made by the Funds, Blackstone and Other Blackstone Clients). Such Other Blackstone Clients and/or Blackstone may also have

Item 10 – Other Financial Industry Activities and Affiliations

certain governance rights for legal, regulatory or other reasons that the Funds will not have. As such, a Fund, Blackstone and/or such Other Blackstone Clients may dispose of any such shared investment at different times and on different terms, and investors therein may receive different consideration than is offered to any one particular Funds investor in the Funds (e.g., some or all Funds investors may receive cash whereas other Funds investor and investors in BXi or Other Blackstone Clients may be provided the opportunity to receive distributions in-kind in lieu thereof, or *vice versa*).

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. See also "—Holding Entities and Tracking Interests" herein. Alternatively, a counterparty may agree to face multiple funds, which could result in a Fund being jointly and severally liable alongside other Funds and Other Blackstone Clients for the full amount of the applicable obligations. Similarly, there may be transactions with respect to which, to address legal, tax, regulatory, administrative or other commercial considerations—including, for example compliance with cash confirmation requirements under the UK Takeover Code in connection with an investment involving a UK take-private transaction—Blackstone determines to utilize a Fund to make an investment commitment for a proposed investment on behalf of itself and one or more Other Blackstone Clients (or *vice versa*) with the expectation that such Other Blackstone Client (or such Fund, as applicable) assumes its share of the relevant funding obligation prior to closing. 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 the Funds (or their 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 the other relevant Funds or Other Blackstone Clients. The party owing under such an arrangement may not 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. In certain circumstances where the Funds participate in an Investment alongside any Other Blackstone Client (and to the fullest extent permitted by applicable law), the Funds may bear more than their *pro rata* share of relevant expenses related to such Investment, including, but not limited to, as the result of such Other Blackstone Client not having resources to bear such expenses (e.g., as a result of the Other Blackstone Client's insufficient reserves or inability to call capital contributions to cover such expenses). 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

Item 10 – Other Financial Industry Activities and Affiliations

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. Moreover, in certain circumstances, if the Funds are participating in an investment alongside an Other Blackstone Client or a co-investment vehicle, the Funds could also bear more than their *pro rata* share of expenses relating to such investment if such Other Blackstone Client does not have resources to bear such expenses (including, but not limited to, as a result of insufficient reserves and/or the inability to call capital contributions to cover such expenses).

Additionally, in connection with seeking financing or refinancing of Portfolio Entities and their assets, it may be the case that better financing terms are available when more than one Portfolio Entity provides collateral, particularly in circumstances where the assets of each Portfolio Entity are similar in nature. As such, rather than seeking such financing or refinancing on its own, a Portfolio Entity of the Funds may enter into cross collateralization arrangements with another Portfolio Entity of the Funds or Portfolio Entities of one or more Other Blackstone Clients. While Blackstone would expect any such financing arrangements to generally be non-recourse to the Funds and the Other Blackstone Clients, as a result of any cross-collateralization, the Funds could also lose its interests in otherwise performing investments due to poorly performing or non-performing investments of the Other Blackstone Clients.

**Syndication; Warehousing.** One or more of Blackstone, the Funds, Other Blackstone Clients, joint venture partners, or affiliates or related parties of the foregoing could, subject to the limitations in the applicable Organizational Documents, commit to or initially acquire an investment as principal and subsequently sell some or all of it to other Funds, Other Blackstone Clients, Other Co-Invest Vehicles and/or third parties in an affiliate or related party transaction. Similarly, subject to the limitations in the applicable Organizational Documents, the Funds will, in certain circumstances, commit to or initially acquire an investment and subsequently syndicate, or sell some or all of it, to Blackstone, other Funds, Other Blackstone Clients, Other Co-Invest Vehicles, joint venture partners, or affiliates or related parties of the foregoing or other third parties (including any person (including, if applicable, any Funds investor other than solely in their capacity as such and Consultants) that the Advisor determines has the ability to add value to an Investment in light of its relationships, experience, geographic location, market or industry knowledge and/or other relevant attributes as determined by Blackstone), notwithstanding the availability of capital from the Fund investors and other investors thereof or applicable credit facilities. If any such intended syndication is not ultimately consummated, Blackstone, the Funds or the other party that commits to or initially acquires such portion will be expected to retain it, leading to the Funds or such other party having more of the Investment initially intended to be syndicated (and bearing more of the expenses relating to such unconsummated syndication) than it would otherwise have had if such syndication had not initially been contemplated. For the avoidance of doubt, certain Funds and/or Other

Item 10 – Other Financial Industry Activities and Affiliations

Blackstone Clients (including Other Co-Invest Vehicles) participating in such investment will likely not take part in any such syndication in the same manner or to the same extent (if at all), or may participate in a syndication alongside the Funds but at a different interest rate, due to legal, regulatory, accounting, administrative or other considerations. The Advisor reserves the right to cause these transfers to be made at cost, or cost plus an interest rate or carrying cost charged from the time of acquisition to the time of transfer, notwithstanding that the fair market value of any such investments may have declined below or increased above cost from the date of acquisition to the time of such transfer. The Advisor also reserves the right to determine another methodology for pricing these transfers, including fair market value at the time of transfer. Also, the Advisor will, in certain circumstances, charge fees on these transfers to either or both of the parties to them. In respect of the Funds, the Advisor or its affiliates will from time to time be permitted to retain any portion of an investment initially acquired by them with a view to syndication to co-investors or other potential purchasers to the extent such portion has not been syndicated after reasonable efforts to do so. Furthermore, syndications to third parties as described above may be on an interest-free basis or on other favorable terms compared to terms under which any Funds investors (in such capacity) co-invests alongside the Funds (including, in certain circumstances, syndicating below cost), and in the event capital had been called for such syndicated portion, the amounts may be treated under the Organizational Documents as amount returned in lieu of being used and thus treated as never having been contributed by the Funds' investors for purposes of the Organizational Documents and in the event such syndicated portion was held using the Funds' credit facility, then the Funds may bear the costs and interests related to such borrowing as partnership expenses without reimbursement from such third parties. Conflicts of interest are expected to arise in connection with these affiliate transactions, including with respect to timing, structuring, pricing and other terms. For example, the Advisor will have a potential conflict of interest when the Advisor receives fees, including carried interest, from an Other Blackstone Client acquiring from or transferring to the Funds all or a portion of an investment.

Furthermore, in the event that the Advisor or its affiliates have the right to commit to or initially acquire a portion of an investment alongside the Funds if it intends to syndicate such amounts to Other Blackstone Clients or such other third parties (which may include one or more investors in Other Blackstone Clients), and to retain such amounts not ultimately syndicated after having used reasonable efforts to syndicate. The equity committed or used in any such underwriting by the Advisor and its affiliates may come from Blackstone's own balance sheet and/or from one or more third parties that enter into arrangements with Blackstone with respect thereto, and/or may come from an Other Blackstone Client. In such circumstances, Blackstone will have the right to earn underwriting and/or syndication fees from the Funds, the Portfolio Entities, or the purchasers of such equity, and the Funds and the Fund investors will not be entitled to share in or receive the benefit of any such underwriting and/or syndication fees. As a result, the Advisor may be incentivized to underwrite and/or syndicate amounts of equity in investments due to the right to earn fees not subject to offset in favor of such Fund Investor, even if the capital used to underwrite such amounts do not come entirely from the Blackstone's own balance sheet as described above, and Blackstone may share such fees with one or more third parties that commit to such equity investments and may charge purchasers

of the equity fees and carried interest with respect thereto. (See also “—Securities and Lending Activities” herein.)

More specifically, the Funds are expected to initially acquire a portion of certain investments (including through borrowings on a subscription-based or other credit facility or from Blackstone itself) intended as co-investments as described herein and to syndicate all or part of such co-investments to one or more co-investors (inclusive of allocable expenses related thereto) (and a Fund may similarly acquire a portion of certain investments with the intent to syndicate such portion to one or more other Funds, or one or more Other Parallel Accounts or Other Blackstone Clients. The Funds and the Other Parallel Accounts may purchase such portion of an Investment intended for co-investment as described herein on a *pro rata* basis whereby each vehicle subsequently syndicates the investment *pro rata* to such co-investors or on a non-*pro rata* basis, in which case there can be no assurances that the Funds and/or the Other Parallel Accounts will each own such Investment in the same proportions that they otherwise would have in the absence of any intended syndication. The Funds may not receive the full benefit of any increase in value during any such interim period. These conflicts related to syndication of investments and warehousing will not necessarily be resolved in favor of the Funds, and Fund investors may not be entitled to receive notice or disclosure of the occurrence of these conflicts.

***Secondary transfers of LP transactions.*** To the extent the Advisor 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 Advisor will do so in its sole discretion, taking into account the following factors, among others:

- The Advisor’s evaluation of the financial resources of the potential purchaser, including its ability to meet capital contribution obligations;
- The Advisor’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 may provide indirectly longer-term benefits to current or future Funds and/or the Advisor and the expected amount of negotiations required in connection with a potential purchaser’s investment;
- Whether the potential purchaser would subject the Advisor, the applicable Fund, or their affiliates to legal, regulatory, reporting, public relations, media or other burdens;
- A potential purchaser’s investment into another Fund or Other Blackstone Client (including any commitment, or agreement to make a commitment, into an existing or future Blackstone fund);
- Requirements in such Fund’s Organizational Documents; and
- Such other facts as it deems appropriate under the circumstances in exercising such discretion.

***Contributions In-Kind by Other Blackstone Clients, Co-Investors and/or Third Parties.*** Pursuant to the Organizational Documents, the Advisor may accept or purchase, on behalf of the Funds, at any time and from time to time contributions in-kind (without regard to any commitments

remaining to be drawn down) on terms and conditions that the Advisor deems appropriate in good faith. In connection therewith, the Advisor may accept or purchase any asset (or portion thereof) held by an Other Blackstone Client, including, without limitation, the Parallel Account, any Other Parallel Account, an Other Co-Invest Vehicle, a supplemental capital vehicle or co-investment vehicle, without the consent of any Fund Investor as a contribution in-kind in exchange for Units in the Funds, in exchange for a cash payment or any combination thereof, so long as (i) such Fund has an existing Investment in such asset and (ii) the number of interests in such Fund issued in exchange therefor shall be at a price representing a valuation no higher than the valuation of such Fund's Investment in such asset at the time of such exchange. The Advisor's ability to accept or reject a contribution in-kind of any asset from a Parallel Account, any Other Parallel Account, an Other Co-Invest Vehicle, a supplemental capital vehicle or co-investment vehicle consistent with the foregoing is limited and could result in such Fund acquiring an additional portion of an existing investment that it would not otherwise acquire but for such arrangement. The Funds can be expected to bear costs and expenses in connection with the acquisition of any such asset, similar to the acquisition of any other investment by such Fund. Such costs and expenses will be determined by Blackstone in its sole discretion on a case-by-case basis and will result in such Fund bearing more costs and expenses in certain contributions-in-kind than others and, in turn, certain contributing Fund investors paying more costs and expenses than others. The conditions on which any contribution in-kind is made also can be expected to result in the contributing Fund investor, which may be the general partner of such Fund or an affiliate thereof (in connection with the direct or indirect conversion of its interests in such Other Blackstone Client, whether derived from such entity's capital commitment to such vehicle or received in connection with any incentive allocation paid in-kind in connection therewith), receiving more favorable terms than other Fund investors or other contributing Fund investors with respect to the interests such Fund investor acquires in exchange for such contribution, such as a waiver of the Lock-Up Period or more favorable economic terms. In addition, the investor in any Other Blackstone Client making such contribution in-kind may be entitled to submit a redemption request to such Fund in connection with such contribution in-kind and be entitled to remain invested in such Other Blackstone Client until such time as the Funds is able to redeem the interests such Other Blackstone Client (or investor therein) may have received in respect of such contribution in-kind simultaneously with the issuance of such interests. From time to time, investors in Other Blackstone Clients that may request conversions of all or part of their interests in one or more Investments into interests of the Funds may also be able to request a similar conversion of such interest into units of another Other Blackstone Client that participates in any such Investment, and such decision could impact the amount of liquidity available in the Funds if such investor chooses to seek a conversion to the Funds and subsequently requests a redemption from the Funds, notwithstanding that it could have converted and redeemed its interest through an Other Blackstone Client. Such requests may also result in shifting ownership of Investments between the Funds and Other Blackstone Clients. Moreover, Fund investors will not receive a copy of any agreement memorializing any agreement related to a contribution in-kind from a third-party (even if in the form of a side letter) and will be unable to elect in the "most favored nations" election process any such rights or benefits afforded through such contribution in-kind. In addition, with respect to contributions in-kind or purchase of assets held by any Other

Item 10 – Other Financial Industry Activities and Affiliations

Blackstone Client, if such Other Blackstone Client remains co-invested in such investment or if an Other Blackstone Client is co-invested in such investment, Blackstone may have contractual obligations to such Other Blackstone Client to divest such investment *pro rata* between the Funds and such Other Blackstone Client generally at the same time and on substantially the same terms. As Blackstone will have capital invested in any Other Blackstone Client or co-investment vehicle, and potentially will be entitled to the realization of incentive allocation with respect to such Other Blackstone Client or co-investment vehicle in connection with the contribution in-kind or acquisition of all or any portion of the assets of such vehicle to a Fund (which may be in the form of interests in such Fund), conflicts of interest may arise from time to time in connection with any allocation of an investment opportunity to any such Other Blackstone Client and such Fund, the Advisor's decision to cause a Fund to accept such contribution in-kind (which may be influenced in part by the potential of realizing such incentive allocation) or acquisition and other matters. See also "—Other Blackstone Clients; Allocation of Investment Opportunities" herein.

***Continuation Vehicles and Continuation Transactions.*** The Advisor could, subject to the requirements of the Organizational Documents, from time to time establish other investment vehicles for the purpose of purchasing one or more investments from a Fund in connection with, or alongside another Fund or Other Blackstone Client making an investment (such vehicles, "Continuation Vehicles", and such transactions, "Continuation Transactions"). In such circumstances, the Advisor is 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 the Funds and the Continuation Vehicle more generally. Further, because the Advisor 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 Advisor 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 limited partner advisory committee of a Fund, certain transactions may be able to be completed at the initiation of the Registrant without any such approval.

***Break-up and other Similar Fees.*** Break-up or topping fees and other similar fees with respect to the Funds' investments can be paid to the Advisor, in which case Management Fees will be offset by the amount of break-up or topping fees (or other similar fees, as applicable) attributable to a potential investment by the Funds, but not to any amount attributable to a potential investment by Other Blackstone Clients, Blackstone's side-by-side co-investment vehicles, permanent capital vehicles, and/or accounts (including insurance accounts, Everlake and AIG L&R) managed by affiliates of Blackstone and related entities or third parties (see also "—Other Blackstone Business Activities" herein). Alternatively, the Funds could receive the break-up or topping fees (or other similar fees) directly, in which case there will be no Management Fee offset. The Advisor will generally receive a greater economic benefit by



structuring the break-up or topping fee (or other similar fee) to be paid to it directly, subject to the Management Fee offset, and may do so in its sole discretion. Break-up or topping fees (or other similar fees) paid to the Advisor or the Funds in connection with a transaction could be allocated, or not, to Other Blackstone Clients or co-investment vehicles and other investment vehicles participating in investments that invest (or are expected to invest) alongside the Funds, as determined by the Advisor to be appropriate in the circumstances. Generally, the Advisor would not allocate break-up or topping fees (or other similar fees) with respect to a potential investment to the Funds, an Other Blackstone Client or co-investment vehicle unless such person would also share in broken deal expenses related to the potential investment. With respect to fees received by Blackstone relating to the Funds' investments or from unconsummated transactions, Fund investors will not receive the benefit of any fees relating to the Funds' investments (including, without limitation, as described above) other than as set forth in the Organizational Documents. Any fees that result in an offset of the Management Fee only apply to the extent the fees giving rise to such offset are paid as part of and during the course of the Funds' investment in such company, and without regard to the nature of the fees, there will be no offset for Management Fees with respect to any fees paid to Blackstone after a Funds has exited an investment. For example, a Portfolio Entity may retain or continue to retain the Blackstone Capital Markets Group (including with respect to fees for services described herein) or continue to work with Blackstone in connection with group purchasing arrangements when and after a Fund exited its investment therein. Following an exit of a Fund's investment in a Portfolio Entity, Other Blackstone Clients and other Funds may continue to hold interests (debt and/or equity) in such Portfolio Entity, and Blackstone may begin to earn fees or continue to earn fees from such Portfolio Entity for providing services to such Portfolio Entity, including, but not limited to, capital markets advice, group purchasing and health care brokerage, insurance and other similar services, which in each case will not offset or reduce the Management Fee. Also, in the case of fees for services as a director of a Portfolio Entity, the Management Fee will not be reduced or offset to the extent any Blackstone personnel continues to serve as a director after the Funds have exited (or is in the process of exiting) the applicable Portfolio Entity and/or following the termination of such employee's employment with Blackstone. Conflicts of interest are expected to arise when a Portfolio Entity enters into arrangements with Blackstone on or about the time the Funds exit the investment in such Portfolio Entity. To the extent any investment banking fees, consulting (including management consulting) fees, syndication fees, capital markets syndication and significant sums in advisory fees (including underwriting fees (including, without limitation, evaluation regarding value creation opportunities and ESG risk mitigation)), origination fees, servicing fees, healthcare consulting / brokerage fees, fees relating to group purchasing, financial advisory fees and similar fees for arranging acquisitions, other major financial restructurings and other similar operational and financial matters, loan servicing and/or other types of insurance fees, operations fees, financing fees, fees for asset services, title insurance fees, energy procurement / brokerage fees, fees for ESG services, fees associated with aviation management including origination fees, servicer fees (e.g., services relating to lease collections/disbursements, maintenance, insurance, lease marketing and sale of aircraft/parts), asset and property management fees (including, for example, services relating to the preparation of monthly cash flow models and industry research reports and sourcing, diligence and underwriting and other

Item 10 – Other Financial Industry Activities and Affiliations

similar services provided pursuant to investment management arrangements) and aircraft disposition fees, data management and services fees or payments, aviation asset management fees, incentive fees and other similar fees and annual retainers (whether in cash or in kind) are received by Blackstone, such fees, including in the form of management fees, incentive fees, incentive allocations, carried interest or other form of management promote or performance-based compensation and other incentive fees, will not be required to be shared with the Funds or the Fund investors and will not result in any offset to the Management Fee payable by the Fund investors.

In connection with certain investments in certain jurisdictions, the Funds may contribute capital contributions made by Fund investors for the payment of management fees to a holding vehicle formed in connection with such investment to enable such holding vehicle to pay management fees to an affiliate of the Advisor. To the extent the Funds make such contributions to any such holding vehicle, the Funds will be credited with such amounts as if they had been paid by the Funds to the Advisor under the Organizational Documents (and such amounts paid to an affiliate of the Advisor by such holding vehicle will not, for greater certainty, constitute an additional fee that would offset the Management Fee, as such amounts do not result in an increase in the total amount of Management Fee paid to the Advisor and its affiliates had the Funds paid the entirety of the management fee to the Advisor).

**Broken Deal Expenses.** Any expenses incurred by the Funds for actual investments as described herein or in the Organizational Documents may also be incurred by the Funds with respect to broken deals (*i.e.*, proposed investments or dispositions that are not consummated). The Advisor 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 that is not consummated) from third parties, including counterparties to the potential transaction (including a development company or any Portfolio Entity) or Consultant, as applicable or potential co-investors (including standing co-investment vehicles established to participate in co-investment opportunities alongside the Funds on a regular or periodic basis and/or as part of an overall co-investment program or arrangement related to the Blackstone Infrastructure group). Moreover, expenses related to the organization of co-investment vehicles formed to invest in broken deals 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 (see also “—Partnership Expenses” for greater detail), 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, 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 Funds’ partnership representative or its designated individual), printing and publishing expenses, and legal, accounting, tax and other due diligence and pursuit costs and expenses (including, for the avoidance of doubt, any consultant expenses and including, in

Item 10 – Other Financial Industry Activities and Affiliations

certain instances, broken deal expenses associated with services provided by Portfolio Entities, as detailed below)) which may include expenses incurred prior to the commencement of a Fund's effective date. Any such broken deal expenses could, in the sole discretion of Blackstone and to the fullest extent permitted by applicable law, be allocated solely to the applicable Funds and not to other Funds or Other Blackstone Clients or co-investment vehicles (including standing 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 Funds or Blackstone or Other Blackstone Clients in their investments (including such standing co-investment vehicles). In such cases the Funds' shares of expenses would increase. As a general matter, the Advisor expects that until a potential investment of the Funds is formally allocated to an Other Blackstone Client (it being understood that final allocation decisions are typically made shortly prior to closing an investment), the Funds are expected to bear the broken deal expenses for such investment, which may result in substantial amounts of broken deal expenses. In the event broken deal expenses are allocated to another Fund or an Other Blackstone Client or a co-investment vehicle, the Advisor or the Funds will, in certain circumstances, advance such fees and expenses without charging interest until paid by the other Fund or 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 may be set forth in the relevant operative agreements. In addition, certain Portfolio Entities and/or development companies 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 the costs of such services to the Funds and such Other Blackstone Clients as it deems appropriate under the particular circumstances. Any methodology used to determine such allocation (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 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. Additionally, the allocation of any of the foregoing costs can be expected to be based on any of a number of different methodologies, including, without limitation, the aggregate value or number of, or invested capital in, transactions consummated in the applicable prior quarter, and therefore the Funds could, to the fullest extent permitted by applicable law, pay more than its pro rata portion of such cost based on its actual usage of such services.

***Other Blackstone Business Activities.*** Blackstone, the Funds, Other Blackstone Clients, their Portfolio Entities, and personnel and related parties of the foregoing will receive fees and compensation, including performance-based and other incentive fees, for products and services provided to the Funds and their Portfolio Entities, such as fees for asset management (including, without limitation, management fees and carried interest/incentive arrangements), development and property management; arranging; underwriting (including, without limitation, evaluation regarding value creation opportunities and ESG risk mitigation); syndication or refinancing of a loan or investment (including without limitation loan modification or restructuring fees); energy procurement / brokerage fees, fees for ESG services, loan 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; BX Energy Services; Revantage acquisition & disposition program management; 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. 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 Clients and their Portfolio Entities. Through its Innovations group (BXi), 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 Fund investors 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 expenses in negotiating for any such fees and services, which will be treated as partnership expenses. In addition, a General Partner may 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. Finally, Blackstone and its personnel and related parties will, in certain circumstances, also receive compensation for origination activities and un consummated transactions.

Item 10 – Other Financial Industry Activities and Affiliations

The Funds will, in certain circumstances, engage a third-party administrator to provide certain administrative services to it. The Funds will, as determined by the Advisor 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 (including, without limitation, BEFM, including all services provided by BEFM to a Luxembourg parallel fund that would be considered costs of fund administration if provided by Blackstone to a Fund (notwithstanding the customary scope of such services by third-party service providers)) 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 may engage a third-party administrator (e.g., as required for a Luxembourg parallel fund) and, in such circumstances, there may 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/Euro amount (based on a fixed fee or percentage of assets under management) that Blackstone believes represents a fair

Item 10 – Other Financial Industry Activities and Affiliations

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. Certain Blackstone personnel will provide services to few, or only one, of the Funds and Other Blackstone Clients, in which case Blackstone could rely upon rough approximations of time spent by the employee for purposes of allocating the salary and overhead of the person if the market rate for services is clearly higher than allocable salary and overhead. However, the provision of such services by Blackstone personnel and related parties and any such methodology (including the choice thereof and any benchmarking, verification or other analysis related thereto) involves inherent conflicts. Any amounts paid to Blackstone and/or its affiliates for such services, as well as the expenses, charges and costs of any benchmarking, verification or other analysis related thereto, will be borne by the Funds as partnership expenses, will not result in any offset to the Management Fee and will, in certain circumstances, result in incurrence of greater expenses by the Funds and their Portfolio Entities than would be the case if such services were provided by third parties.

The Advisor, 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 paragraphs 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 Advisor, Other Blackstone Clients and their Portfolio Entities, and their affiliates, personnel and related parties may acquire a stake in the relevant asset as part of the overall service relationship, at the time of the sale or thereafter.

The Advisor 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 Blackstone, as defined in the Organizational Documents, and given the breadth of Blackstone’s investments and activities the Advisor may 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.

Except as set forth above, the Funds and Fund investors will 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 Advisor, its affiliates or their personnel and related parties (see also “—Service Providers, Vendors and Other Counterparties Generally” and “—Other Blackstone Business Activities” herein). The Advisor and its affiliates and their personnel and related parties will receive fees attributable to the Funds, Other Blackstone Clients, co-investment vehicles, permanent capital vehicles, accounts and/or third-parties and, without limiting the generality of the foregoing, the amount of such fees allocable to the Funds and Other Blackstone Clients, co-investment vehicles, permanent capital vehicles, accounts and/or third-parties will not result in an offset of the Management Fees payable by Fund investors or otherwise be shared with the Funds, their Portfolio Entities or the Fund investors, even if (i) such other Funds or Other Blackstone Clients, co-investment vehicles, permanent capital vehicles, accounts and/or third-parties provide for lower or no management fees for the

Item 10 – Other Financial Industry Activities and Affiliations

investors or participants therein (such as the vehicles established in connection with Blackstone’s side-by-side co-investment rights, which generally do not pay a management fee or carried interest) or (ii) such fees result in an offset to Management Fees or carried interest payable by any of such Other Blackstone Clients, co-investment vehicles, permanent capital vehicles, accounts and/or third-parties. As noted in “Co-Investment Opportunities” above, this creates an incentive for 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 may have different terms affecting the timing of their respective dispositions, there may 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 Fund investors.

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 Advisor will consider those relationships (including any incentives or disincentives as part of such relationship) when evaluating the investment opportunity, and such relationship can be expected to influence the Advisor’s decision to make or not make a particular investment on the Funds’ behalf. The Funds may also co-invest with clients of Blackstone in a particular investment, and the relationship with such clients could influence the decisions made by the Advisor 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 may be required to sell or hold existing Investments as a result of investment banking relationships or other relationships that Blackstone may have or develop, or transactions or investments Blackstone may make or have made.

**Outsourcing.** The Advisor 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 (including sourcing), modeling, ESG

Item 10 – Other Financial Industry Activities and Affiliations

services and ongoing monitoring, preparing internal templates, memos, and similar materials in connection with the Advisor's analysis of investment opportunities, or other related services) that can be and/or historically have been performed in-house by the Advisor and its personnel (for example, third parties may assist the Advisor in preparing internal templates, memos, and similar materials in connection with the Advisor's analysis of investment opportunities) and the fees, costs and expenses of such third-party service providers will, when consistent with the Organizational Documents, be borne by the Funds thereby increasing the expenses borne directly or indirectly by the Funds' limited partners. 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 Organizational Documents, also be provided by the Advisor in-house at the Funds' expenses. From time to time, the Advisor may provide such services alongside (and/or supplement or monitor) a third-party service provider on the same matter or engagement and in certain cases the cost of the Advisor's services are reimbursable under the Organizational Documents. In such cases, the fees, costs and expenses associated with the provision of such services will be borne by the Funds instead of the Advisor, thereby increasing the Funds' expenses borne by the Fund investors. Outsourced services also include certain services (such as fund administration, transactional legal advice, tax planning and other related services) that may, subject to the terms of the applicable Organizational Documents, also be provided by Blackstone's in-house personnel at the Funds' expense.

The decision to engage a third-party service provider and the terms (including economic terms) of such engagement will be made by the Advisor in its discretion, taking into account such factors as it deems relevant under the circumstances. In certain instances, outsourcing (including with respect to sourcing investments) can allow the Funds to pursue transactions and activities that would otherwise not be feasible (because, for example, such transactions are too small in size). 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) will spend a significant amount of 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 Advisor's internal overhead, compensation, benefits and 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. The involvement of third-party service providers may present a number of risks due to the Advisor's reduced control over the functions that are outsourced. There can be no assurances that the Advisor will be able to identify, prevent or mitigate the risks of engaging third-party service providers. The Funds could



Item 10 – Other Financial Industry Activities and Affiliations

suffer adverse consequences from actions, errors or failures to act by such third parties, and will have obligations, including indemnity obligations, and limited recourse against them.

In general, the involvement of third-party service providers may present a number of risks due to Blackstone'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 Blackstone's control over the outsourced functions, and Blackstone 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 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 Blackstone as compared to its 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 often have no fiduciary obligation to act in the best interest of Blackstone or the Funds. Blackstone 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 Advisor 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 delegate 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 designees, and will have obligations, including indemnity obligations, and limited recourse against them.

Outsourcing and in-house services may not occur uniformly for all Blackstone-managed vehicles accounts and the expenses may be borne by such vehicles and accounts. 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. Any such outsourcing that would qualify as a "delegation" under the AIFMD will be treated in accordance with the AIFMD.

The Advisor may similarly determine to outsource certain services to Portfolio Entities of the Funds and/or Other Blackstone Clients. The risks and conflicts described above would similarly apply in such circumstances.

**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 may 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 may not be able to initiate a transaction that it otherwise might have initiated and may not be able to purchase or sell an

investment that it otherwise might have purchased or sold, which could negatively affect its 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 and Other Blackstone Clients. 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, fees associated with aviation management including origination fees, servicer fees (e.g., services relating to lease collections/disbursements, maintenance, insurance, lease marketing and sale of aircraft/parts), asset and property management fees (including, for example, services relating to the preparation of monthly cash flow models and industry research reports and sourcing, diligence and underwriting and other similar services provided pursuant to investment management arrangements) and aircraft disposition fees; data management and services fees or payments; consulting fees, monitoring fees, commitment fees, syndication fees, origination fees, organizational fees, operational fees, loan 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

Item 10 – Other Financial Industry Activities and Affiliations

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 a Fund investor generally will not be reduced by such amounts. The Advisor has sole discretion to approve the foregoing arrangements if the Advisor believes in good faith that such transactions are appropriate for the Funds.

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 Advisor 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 may 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 Entity would be unable to sell any securities subject to the “lock-up.” This may 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 Advisor, 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 Fund investors will not receive any benefit from any such investments.

These conflicts related to securities and lending activities will not necessarily be resolved in favor of the Funds, and Fund investors may not be entitled to receive notice or disclosure of the occurrence of these conflicts.

**PJT.** On October 1, 2015, Blackstone spun off its financial and strategic advisory services, restructuring and reorganization advisory services, and its Park Hill Group 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 Advisor to select or recommend PJT to perform services for Blackstone managed funds, including the Funds or their Portfolio Entities, the cost of which will generally be borne directly or indirectly by the Funds and investors (to the extent of their ownership therein). Given that PJT is no longer an affiliate of Blackstone, the Advisor and its affiliates are able to cause the

Funds and Portfolio Entities to transact with PJT generally without restriction under the Organizational Documents of such Funds, notwithstanding the relationship between Blackstone and PJT. (See also “—Service Providers, Vendors and Other Counterparties Generally” herein). In addition, one or more investment vehicles controlled by Blackstone have been established to facilitate participation in Blackstone’s side-by-side investment program by employees and/or partners of PJT.

***Portfolio Entity Relationships Generally.*** Blackstone, Portfolio Entities of the Funds, including special purpose vehicle Portfolio Entities that may be formed in connection with investments, and other funds and Other Blackstone Clients are and will be counterparties or participants in agreements, transactions or 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 may be counterparties or participants in agreements, transactions and other arrangements with other Funds, Other Blackstone Clients and/or their Portfolio Entities 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 of the Funds and Other Blackstone Clients or other Blackstone affiliates (or *vice versa*) (including “platform” investments of the Funds and Other Blackstone Clients). As another example, it can also be expected that the Funds or management of one or more Portfolio Entities may 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 (and *vice versa*). Moreover, the Funds and/or an Other Blackstone Client may consult with a Portfolio Entity or a Portfolio Entity of an Other Blackstone Client as part of the investment diligence for a potential investment by such 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 may transfer to or become employed by another Portfolio Entity of another Fund, other Funds, Blackstone or their respective Affiliates (or *vice versa*). Any such transfer may result in payments by the entity that such personnel is going to, to the entity such personnel is departing from, without obtaining any consent from any L.P. Advisory Committee, an Independent Client Representative or the Fund investors, as applicable. These agreements, transactions and other arrangements will involve payment of fees and other amounts and/or other benefits to Blackstone, a Blackstone affiliates 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 the Fund investors, notwithstanding that some of the services provided by a Portfolio Entity are similar in nature to the services provided by the Advisor and that certain Portfolio Entities are expected to be special purpose vehicles created by the Funds. Such agreements, transactions and other arrangements will generally be entered into without the consent or direct involvement of any such Fund and/or such Other Blackstone Clients or the consent of the Fund investors or of any L.P. Advisory Committee and investors of such Other Blackstone Clients (including, without

Item 10 – Other Financial Industry Activities and Affiliations

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 Advisor under the Organizational Documents and therefore are not covered by affiliate transaction restrictions that may be included in the Organizational Documents, such as the requirement to obtain consent from any L.P. Advisory Committee and/or L.P. representative in certain circumstances. There can be no assurance that the terms of any such agreement, transaction or other arrangement will be as favorable to such Fund as otherwise would be the case if the counterparty were not related to Blackstone.

In addition, it is possible that Blackstone (including BXi), certain Portfolio Entities of the Funds, Other Blackstone Clients or entities in which Other Blackstone Clients have an interest will compete with the Funds or a Portfolio Entity thereof for one or more investment opportunities. It is also possible that Blackstone (including BXi), Other Blackstone Clients, certain Portfolio Entities of Other Blackstone Clients or companies in which Blackstone or Other Blackstone Clients have or will have an interest will acquire Portfolio Entities that have or are expected to engage in activities that are direct competitors of the Funds’ Portfolio Entities, or will otherwise have adverse consequences on the Funds and/or their Portfolio Entities (including, by way of example only, as a result of such Portfolio Entities providing the same or similar products and/or services as the Portfolio Entities or as a result of laws and regulations of certain jurisdictions (*e.g.*, bankruptcy, environmental, consumer protection and/or labor laws) that may not recognize the segregation of assets and liabilities as between separate entities and may 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 may 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 may also establish other investment products, vehicles and platforms focusing on specific asset classes or industry sectors that fall within the Funds’ investment strategy (such as reinsurance), which may compete with the Funds for investment opportunities (it being understood that such arrangements may give rise to conflicts of interest that may not necessarily be resolved in favor of the Funds).

Further, Portfolio Entities with respect to which the Funds may 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 may not always be the case. This has the potential to create conflicts of interest between the relevant director’s obligations to such Portfolio Entity and its stakeholders, on the one hand, and the interests of the Funds, on the other hand. Although the Advisor 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.** The Funds, 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 some or all of the following services: (a) corporate administrative and support services (e.g., 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, 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), climate accounting services, ESG program management services, engineering services, services related to the sourcing, development and implementation of renewable energy, ESG data collection and reporting services, capital planning services, operational coordination (e.g., coordination with JV partners, property managers and third-party service providers), risk management, reporting (e.g., on 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, treasury and valuation services), business intelligence and data science services, fundraising support, 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, and lender relationship management (e.g., coordinating with lender on any ongoing obligations under any relevant borrowing, indebtedness or other credit support (including, any required consultation with or reporting to such lender) and whole loan servicing oversight (e.g., collateral management, due diligence and servicing oversight)), (c) operational and other services including personnel (i.e., general management of day to day operations, including, without limitation, construction management and oversight (such as management of general contractors on capital and energy efficiency projects) and operational coordination (i.e., coordination with JV partners, operating partners, and property managers), 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, coordinating design and development works (such as recommending and implementing design decisions), marketing and distribution, overseeing brokers, lawyers, accountants and other

Item 10 – Other Financial Industry Activities and Affiliations

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) design and structural work, (ii) certifications, (iii) operations and maintenance manuals and (iv) statutory documents). Similarly, Blackstone, the Advisor, 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 Advisor or its affiliates from time to time and *vice versa*. Fees paid by the Funds or its Portfolio Entities to, or value created by, other Portfolio Entity service providers or vendors (whether to the Funds, Other Blackstone Clients, Blackstone or any third parties engaging the services of such Portfolio Entity) do not offset or reduce the Management Fee payable by the Fund investors of the Funds and are not otherwise shared with the Funds, unless otherwise required by the Organizational Documents. 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 may result in competition with a Portfolio Entity for high performing executive talent and presents actual and potential conflicts of interest. For example, Blackstone may “poach” a Portfolio Entity executive, or such executive may 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 may 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 herein, with Blackstone’s oversight, will establish a team of personnel to provide support services exclusively to the Funds and their Portfolio Entities (and/or other investment funds or accounts managed or controlled by Blackstone).

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

*BTIG.* BTIG, LLC (“BTIG”) is a global financial services firm in which certain Blackstone entities own a strategic minority investment. BTIG provides institutional trading, investment banking, research and related brokerage services. BTIG is expected to perform services for the Funds, their Portfolio Entities, Other Blackstone Clients and Blackstone.

*Optiv.* Optiv Security, Inc. is a Portfolio Entity of certain Other Blackstone Clients that provides a full slate of information security services and solutions for the Funds, Other Blackstone Clients, their Portfolio Entities and Blackstone.

Item 10 – Other Financial Industry Activities and Affiliations

*PSAV.* PSAV, Inc. is a Portfolio Entity of certain Other Blackstone Clients that provides outsourced audiovisual services and event production. PSAV is expected to perform services for the Funds, their Portfolio Entities, Other Blackstone Clients and Blackstone.

*Refinitiv.* On October 1, 2018, a consortium led by Blackstone announced that private equity funds managed by Blackstone had completed an acquisition of Thomson Reuters' Financial & Risk business ("Refinitiv"). On January 29, 2021, Refinitiv was sold to the London Stock Exchange Group ("LSEG"), with Blackstone private equity funds receiving a minority stake in LSEG. Refinitiv operates a pricing service that provides valuation services. Refinitiv is expected to perform services for certain Funds, their Portfolio Entities, Other Blackstone Clients and Blackstone.

*Kryalos.* Kryalos is a Portfolio Entity in which certain Other Blackstone Clients have made a minority investment that is an operating partner in certain real estate investments made by Other Blackstone Clients. Kryalos is expected to perform services for the Funds, their Portfolio Entities, Other Blackstone Clients and Blackstone.

*Peridot Financial Services ("Peridot") and Global Supply Chain Finance ("GSCF").* Peridot and GSCF are Portfolio Entities of certain Other Blackstone Clients that provide supply chain financing and accounts receivable services globally. Peridot and GSCF are expected to perform services for the Funds, their Portfolio Entities, Other Blackstone Clients and Blackstone.

*RE Tech Advisors ("RE Tech").* RE Tech is a Portfolio Entity of certain Other Blackstone Clients that is an energy audit / consulting firm that identifies and implements energy efficiency programs, calculates return on investment and tracks performance post-completion. RE Tech is expected to perform services for the Funds, their Portfolio Entities, Other Blackstone Clients and Blackstone.

*Legence (fka Therma Holdings ("Legence")).* Legence is a Portfolio Entity of certain Other Blackstone Clients that provides carbon reduction and energy management services. Legence is expected to perform services for the Funds, their Portfolio Entities, Other Blackstone Clients and Blackstone.

*Revantage Corporate Services, Revantage Asia and Revantage Europe (together, "Revantage").* Revantage is owned by certain Blackstone real estate funds and is expected to provide corporate support services, including, without limitation, accounting, legal, tax, treasury, information technology and human resources. Revantage provides services for the Funds, Other Blackstone Clients, their Portfolio Entities and Blackstone.

*Ontra (fka InCloudCounsel).* 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 performs services for the Funds, its Portfolio Entities, Other Blackstone Clients and Blackstone.



Item 10 – Other Financial Industry Activities and Affiliations

*Sphera.* Sphera is a Portfolio Entity of certain Other Blackstone Clients that provides environmental, health and safety and ESG software services and data. Sphera is expected to perform services for the Funds, their Portfolio Entities, Other Blackstone Clients and Blackstone.

*ASK Investment Management (“ASK”).* ASK is a Portfolio Entity of certain Other Blackstone Clients that provides investment management services. ASK is expected to perform placement agent services for the Funds and placement agent or other services for the Funds’ Portfolio Entities, Other Blackstone Clients and Blackstone.

*Geosyntec.* Geosyntec is a Portfolio Entity of certain Other Blackstone Clients that provides environmental engineering, design and consulting services. Geosyntec is expected to perform services for the Funds, their Portfolio Entities, Other Blackstone Clients and Blackstone.

*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 Other Blackstone Clients. 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. CoreTrust has historically 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 fee upon the closing of the CoreTrust Acquisition. However, Blackstone may 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 is possible the access fee will not be subject to

benchmarking, and the access fee may 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 may 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 and can be 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 may 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 may 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 Services by the Funds and/or Portfolio Entities will positively impact the financial or ESG-related performance of the Funds or Portfolio Entities.

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 under “Blackstone Affiliated Service Providers” 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

Item 10 – Other Financial Industry Activities and Affiliations

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 may occur over a period of time such that such service provider or vendor may 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 office space in Luxembourg) 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). Any of 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 Advisor 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 may be greater than the sum of the quarterly estimates and/or accruals (or other periodic estimates 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, or purchase or sale price and the particular methodology used to allocate such overhead among the entities and assets to which services are provided are 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

Item 10 – Other Financial Industry Activities and Affiliations

Funds and their Portfolio Entities bearing less, more or the same amount of costs and expenses. In addition, a Portfolio Entity that uses a “cost” basis methodology may, 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 a Fund and its Portfolio Entities, or to another methodology described herein or otherwise, and such changes may increase or reduce the amounts received by such Portfolio Entities for the same services, and limited partners 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 and/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 the Funds or Other Blackstone Clients will vary from the incentive-based compensation paid with respect to other Portfolio Entities and assets of the Funds 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 or third-parties relative to others, and the performance of certain assets and Portfolio Entities or third-parties may 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, the Advisor may not seek to benchmark or otherwise renegotiate the original fee arrangement for a significant period of time. In addition, neither the Advisor nor Blackstone is required to perform or obtain benchmarking analysis of expenses with respect to non-recurring contracts with Portfolio Entity service providers. If benchmarking is performed, the related benchmarking expenses will be borne by the Funds, Other Blackstone Clients and/or their respective Portfolio Entities and 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 may be situations where the Portfolio Entity service provider’s tax liabilities that are associated with the income

Item 10 – Other Financial Industry Activities and Affiliations

received from a Fund and/or Other Blackstone Clients could be passed along to the Fund such that the Fund would ultimately be responsible for bearing such expenses. Accordingly, the Advisor may have an incentive to structure its fee arrangements with Portfolio Entity service providers in such a manner where a Fund or an Other Blackstone Client may 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 funds, 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 may be, directly or indirectly, a seller or a buyer in any such transfer) may be consummated for minimal or no consideration, and without obtaining any consent from any L.P. Advisory Committee, an Independent Client Representative or the Fund investors. The Advisor may, but is not required to, obtain a third-party valuation confirming the same, and if it does, the Advisor may rely on such valuation. Portfolio Entities of the Funds and Other Blackstone Clients are not considered “affiliates” of Blackstone, the Advisor or the Funds under the Organizational Documents and therefore are not covered by affiliate transaction restrictions included in the Organizational Documents, such as the requirement to obtain consent from an L.P. Advisory Committee in certain circumstances.

In addition, there may be instances where current and former employees of Other Blackstone Clients’ Portfolio Entities are seconded to or temporarily hired by a Fund’s Portfolio Entities or, at times, a Fund’s Investments directly. Such secondments or temporary hiring of current and former employees of Other Blackstone Clients’ Portfolio Entities by a Fund’s Portfolio Entities

Item 10 – Other Financial Industry Activities and Affiliations

(or its Investments) may result in a potential conflict of interest between a Fund's Portfolio Entities and those of such Other Blackstone Clients. The costs of such employees are expected to be borne by a Fund or its relevant Portfolio Entities, as applicable, and the fees paid by the Fund or such Portfolio Entities to, other Portfolio Entity service providers or vendors do not offset or reduce the Management Fee.

As an example of the foregoing, in Investments involving a "platform company," the Funds will, in certain circumstances, enter into an arrangement from time to time with one or more individuals (who may be former personnel of Blackstone or current or former personnel of Portfolio Entities of the Funds or Other Blackstone Clients, may have experience or capability in sourcing or managing investments, and may form a management team) to undertake a new business line or a build-up strategy to acquire and develop real property or other 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, 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 may 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, respectively, or other similar metric. The professionals at such platform company, which in certain circumstances may include former employees or current or former senior advisors or consultants to the Advisor, their 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. In such circumstances, the Funds could bear the cost of overhead (including rent, real estate, utilities, benefits, salary or retainers for the individuals and/or their affiliated entities) and sourcing costs for such investments. Although the Advisor is generally responsible under the Organizational Documents for certain overhead expense and investment analysis associated with sourcing and managing investments, as well as compensation costs of investment professionals, the Funds (and indirectly the Funds investors), and not solely the Advisor, will bear some or all of the cost 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, diligence and analysis of investments, as well as the compensation for the individuals and entity undertaking the new business line or 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 Advisor for purposes of the Organizational Documents and none of the fees, costs or expenses described above will reduce or offset the Management Fee.

***Service Providers, Vendors and Other Counterparties Generally.*** Certain third-party advisors and other service providers and vendors to the Funds and their Portfolio Entities (including

Item 10 – Other Financial Industry Activities and Affiliations

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 may 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 may 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, the Funds, 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 the Funds and their Portfolio Entities to use other Blackstone-affiliated service providers and vendors in connection with the business of the Funds, Portfolio Entities, and unaffiliated entities, and Blackstone has an incentive to use third-party service 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 Fund investors 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

Item 10 – Other Financial Industry Activities and Affiliations

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 Fund investors could indirectly pay a higher net effective rate for the services of that law firm than Blackstone, the Funds or Other Blackstone Clients 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 and 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 Blackstone, the Funds and their investments and/or Portfolio Entities in the aggregate or other factors, which may include early adoption, timing and other similar reasons. See also “—Group Procurement; Discounts” and “—Multiple Blackstone Business Lines” herein.

The Funds, Other Blackstone Clients and their respective 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 may 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 may be allocated fees, costs and expenses pursuant to a different methodology than a Portfolio Entity'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.

Certain portfolio companies that provide services to the Funds, Other Blackstone Clients and/or portfolio companies or assets of the Funds and/or Other Blackstone Clients may be transferred between and among the Funds and/or Other Blackstone Clients (where the Funds may be a seller or a buyer in any such transfer) for minimal or no consideration (based on a third-party valuation confirming the same) and without the approval of the L.P. Advisory Committee, the Independent Client Representative (if any) and/or the Fund investors. Such transfers may give rise to actual or potential conflicts of interest for the Advisor and its affiliates.



Item 10 – Other Financial Industry Activities and Affiliations

Blackstone may, 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.

With respect to transactions or agreements with Portfolio Entities (including, for the avoidance of doubt, long-term incentive plans), at times if unrelated officers of a Portfolio Entity have not yet been appointed, Blackstone may 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 may use to mitigate such conflicts is to involve outside counsel to review and advise on such agreements and provide insights into commercially reasonable terms.

***Blackstone Affiliated Service Providers.*** In addition to the service providers (including Portfolio Entity service providers) and vendors described above, the Funds and their Portfolio Entities will engage in transactions with one or more businesses that are owned or controlled by Blackstone directly, not through one of its funds, including the businesses described below. These businesses will, in certain circumstances, also enter into transactions with other counterparties of the Funds and their Portfolio Entities, as well as service providers, vendors and Fund investors. Blackstone could benefit from these transactions and activities through current income and creation of enterprise value in these businesses. No fees charged by these service providers and vendors will offset or reduce Management Fees, unless otherwise required by the Organizational Documents. Furthermore, Blackstone, the Funds, the Other Blackstone Clients and their Portfolio Entities and their affiliates and related parties will use the services of these Blackstone affiliates, including at different rates. Although Blackstone believes the services provided by its affiliates are equal or better than those of third parties, Blackstone directly benefits from the engagement of these affiliates, and there is therefore an inherent conflict of interest.

Blackstone affiliated service providers and vendors, include, without limitation (see also “—Captive Insurance; Gryphon”):

- ***Blackstone Capital Markets.*** Blackstone Capital Markets is a Blackstone affiliate that Blackstone, the Funds and their Portfolio Entities, Other Blackstone Clients and their portfolio entities 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.
- ***BX Fund Services Luxembourg.*** BX Fund Services Luxembourg (“BX Fund Services Luxembourg”) is a Luxembourg-based company established in 2012 to centralize various resources supporting the maintenance and day-to-day management and administration of certain holding companies controlled by certain of the Other Blackstone Clients. BX Fund Services Luxembourg is entirely owned by certain Other Blackstone Clients. In

Item 10 – Other Financial Industry Activities and Affiliations

certain cases, the funds which use BX Fund Services Luxembourg's services may contribute capital to fund the costs of BX Fund Services Luxembourg. Key service functions provided by BX Fund Services Luxembourg include domiciliation, accounting, regulatory and tax reporting and compliance. All costs associated with BX Fund Services Luxembourg's services and operations (including any BX Fund Services Luxembourg employee compensation and other general overhead) will be ultimately borne by the Funds and Other Blackstone Clients that own or use BX Fund Services Luxembourg. These shared costs are intended to be allocated and charged on a cost sharing basis to the individual fund related entities utilizing the services of BX Fund Services Luxembourg based on the type and level of services provided and may include a mark-up, though BX Fund Services Luxembourg is generally intended to operate on a nominal profit basis. The General Partners endeavor to allocate fees and expenses associated with BX Fund Services Luxembourg fairly and equitably, which allocation involves certain methodologies based on actual data pertaining to the services provided. The General Partners believe that these methodologies result in a fair and equitable allocation of expenses. To the extent ownership of BX Fund Services Luxembourg is transferred between the Funds and Other Blackstone Clients, such transfer will generally be consummated for minimal or no consideration, and without obtaining any consent from the L.P. Advisory Committee and/or the Fund investors (or the Independent Client Representatives (if any)).

- *Aquicore*. Aquicore is a cloud-based platform that tracks, analyzes and predicts key metrics in real estate focused on the reduction of energy consumption. Blackstone holds a minority investment in Aquicore.
- *CTIMCO*. CT Investment Management LLC ("CTIMCO") is a Blackstone affiliate that acts as a special servicing entity for certain Other Blackstone Clients and may be engaged by the Funds as a loan servicer.
- *Equity Healthcare*. Equity Healthcare LLC ("Equity Healthcare") is a Blackstone affiliate that negotiates with providers of standard administrative services and insurance carriers for health benefit plans and other related services for cost discounts, quality of service monitoring, data services and clinical consulting. Because of the combined purchasing power of its client participants, which include unaffiliated third parties, Equity Healthcare is able to negotiate pricing terms that are believed to be more favorable than those that the Portfolio Entities could obtain for themselves on an individual basis. The fees received by Equity Healthcare in connection with such services provided to investments will not offset the Management Fee payable by the Fund investors.
- *LNLS*. Lexington National Land Services ("LNLS") is a Blackstone affiliate that (i) acts as a title agent in facilitating and issuing title insurance, (ii) provides title support services for title insurance underwriters, (iii) in certain circumstances, provides courtesy title settlement services, and (iv) acts as escrow agent in connection with investments by the Funds, Other Blackstone Clients and their Portfolio Entities, affiliates and related parties,

Item 10 – Other Financial Industry Activities and Affiliations

and third parties, including, from time to time, Blackstone's borrowers. In exchange for such services, LNLS earns fees which would have otherwise been paid to third parties. If LNLS is involved in a transaction in which the Funds participate, Blackstone will benchmark the relevant costs to the extent market data is available except when LNLS is providing such services in a state where the insurance premium or escrow fee, as applicable, is regulated by the state or when LNLS is part of a syndicate of title insurance companies where the insurance premium is negotiated by other title insurance underwriters or their agents.

- *Valkyrie*. Valkyrie BTO Aviation LLC ("Valkyrie") is a Blackstone affiliate that provides asset management and loan servicing solutions for investments in the aviation space, including for investments by the Funds, Other Blackstone Clients and their Portfolio Entities, affiliates and related parties. The asset management services provided by Valkyrie with respect to such investments can be expected to include, without limitation, origination or sourcing of investment opportunities, diligence, negotiation, analysis, servicing, development, management and disposition and other related services (e.g., marketing, financial, administrative, legal and risk management). In exchange for such services, Valkyrie earns fees, including through incentive-based compensation payable to their management team, which would have otherwise been paid to third parties. As a result of the foregoing and Blackstone's ownership of Valkyrie, the Advisor may be incentivized to participate in and pursue more aviation-related transactions due to the prospect of Valkyrie earning such fees. With respect to certain Funds, the fees, compensation and other amounts received by Valkyrie in connection with such services provided to investments will not offset the Management Fee payable by Fund investors to the extent provided in the applicable Fund's Organizational Documents. As such, the Advisor will have an incentive to engage Valkyrie because the fees, costs and expenses of such services will be borne by the Funds as partnership expenses (with no reduction or offset to Management Fees with respect to certain Funds) and will reduce the Advisor's internal overhead and compensation costs for employees who would otherwise perform such services. As a result, while Blackstone believes that Valkyrie will provide services at the same or lower cost than those provided by third parties, there is an inherent conflict of interest that would incentivize Blackstone to pursue aviation-related transactions and engage Valkyrie to perform such services.

Some of the services performed by Blackstone-affiliated service providers could also be performed by Blackstone from time to time and *vice versa*. Fees paid by the Funds or their Portfolio Entities to or value created in Blackstone-affiliated service providers (including, for the avoidance of doubt, BX Energy services) or vendors do not offset or reduce the Management Fee payable by the Fund investors of the Funds and are not otherwise shared with the Funds, unless otherwise required by the Organizational Documents.

In addition, Blackstone acquired a 9.9% interest in AIG L&R, and in connection therewith has entered into a long-term asset management partnership with certain subsidiaries and/or

Item 10 – Other Financial Industry Activities and Affiliations

affiliates of AIG L&R to serve as the exclusive external manager with respect to certain asset classes within their investment portfolio, for compensation. While Blackstone does not control AIG L&R (and AIG L&R is not be an “affiliate” of Blackstone under the Organizational Documents), the aforementioned investment in AIG L&R and asset management arrangements may incentivize Blackstone to cause (and Blackstone will benefit indirectly from causing) the Funds and/or their Portfolio Entities to engage AIG L&R or its affiliates (including American International Group Inc. and its other affiliates and subsidiaries) to provide various services and engage in other transactions and otherwise present conflicts of interests as a result of Blackstone’s interest and relationship therewith.

The Funds, Other Blackstone Clients 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/or measurement of ESG-related programs, processes, initiatives and improvements) (such businesses, collectively, “BX Energy Services”). The Funds may make use of BX Energy Services in order to support such Fund’s aim of maximizing the risk-adjusted returns on investments. In particular, BX Energy Services is 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 may 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 Services’ businesses. Furthermore, the Advisor, the Other Blackstone Clients and their Portfolio Entities and their affiliates and related parties will use the services of BX Energy Services, including at different rates as further described below. Although Blackstone believes the services provided by BX Energy Services are equal to or better than those of third parties, Blackstone directly benefits from the engagement of BX Energy Services, and there is therefore an inherent conflict of interest. In addition, there can be no assurances that the engagement of BX Energy Services by any Fund and/or Portfolio Entity will positively impact the financial or ESG-related performance of the Funds or Portfolio Entities.

The Funds could acquire from or sell to Blackstone a service provider as an investment of the Funds or participate alongside Blackstone in the acquisition of a service provider. Blackstone is expected to establish a valuation methodology in relation to any such sale or acquisition by the Funds of a service provider. In addition, before entering into any transaction with respect to any such service provider, it is anticipated that Blackstone will obtain any consents that may be required under the Advisers Act or other applicable laws or regulations.

Item 10 – Other Financial Industry Activities and Affiliations

Certain Blackstone-affiliated service providers and their respective personnel will receive a management promote, an incentive fee and other performance-based compensation in respect of investments of the Funds, sales or other transaction volume. Furthermore, Blackstone-affiliated service providers can be expected to charge costs and expenses based on allocable overhead associated with personnel working on relevant matters (including salaries, benefits and other similar expenses).

To the extent the Funds or Other Blackstone Clients engage in a long-term or recurring contract with a Blackstone affiliated service provider, Blackstone may not seek to benchmark or otherwise renegotiate the original fee arrangement for a significant period of time.

Blackstone will generally, except in those instances where a market comparable cannot be determined 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) 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 Blackstone affiliates in the applicable market or certain similar markets, relevant comparisons may 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 may 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 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 may not result in precise market terms for comparable services. Expenses to obtain benchmarking data will be borne by the Funds, Other Blackstone Clients and their respective Portfolio Entities and will not offset the Management Fee with respect to such Fund. 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 service (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 Blackstone-affiliated service provider that is the subject of the benchmarking analysis) to

Item 10 – Other Financial Industry Activities and Affiliations

make the determination without reference to third-party benchmarking. For example, in certain circumstances a 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. Some of the services performed by Blackstone-affiliated service providers could also be performed by the Advisor from time to time and *vice versa*. Fees paid by the Funds or its Portfolio Entities to Blackstone-affiliated service providers (including, for the avoidance of doubt, BX Energy Services) do not offset or reduce the Management Fee payable by the Fund investors and are not otherwise shared by the Funds. These conflicts related to Blackstone-affiliated service providers will not necessarily be resolved in favor of the Funds, and Fund investors may not be entitled to receive notice or disclosure of the occurrence of these conflicts.

In addition, Blackstone's Treasury group currently provides foreign currency exchange ("FX") services to the Funds and Other Blackstone Clients for FX trades under a certain threshold. Based on its current practices (which are subject to change in the future), at the request of the Funds or an Other Blackstone Client, the Blackstone Treasury group will exchange foreign currencies from Blackstone's own account on behalf of the Funds or such Other Blackstone Client based on the end of day mid-market rate published by Bloomberg on the immediately preceding business day, and does not currently charge any fees for providing such service (apart from the same market-rate bank/wire fees the Funds or such Other Blackstone Client would incur on any FX payment or receipt regardless of counterparty).

***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, 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. 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 may negatively impact the ability of the Funds to implement its investment program. (See also "Multiple Blackstone Business Lines" herein).

***Blackstone Insurance Solutions.*** Blackstone Insurance Solutions ("BIS") is comprised of two affiliated registered investment advisers. BIS provides investment advisory services to insurers (including insurance companies that are owned, directly or indirectly, by Blackstone, the Funds

Item 10 – Other Financial Industry Activities and Affiliations

or Other Blackstone Clients, in whole or in part, such as Everlake and AIG L&R). Certain of the insurers for which BIS provides services are, or may be in the future, owned, directly or indirectly, by Blackstone, the Funds, 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 BIS advises or sub-advises, including accounts where an insurer participates in investments directly and there is no separate vehicle controlled by Blackstone (collectively, “BIS Clients”). BIS Clients will engage in a variety of activities, including participating in transactions related to a Fund and/or its Portfolio Entities (*e.g.*, as originators, co-originators, counterparties or otherwise). Under certain circumstances (*e.g.*, where a BIS Client participates in a transaction directly (and not through a vehicle controlled by Blackstone) and independently consents to participating in a transaction), a BIS Client (or any Other Blackstone Clients participating via a similar arrangement) will not be an “Affiliate” under the Organizational Documents of the Funds nor subject to consent of any L.P. Advisory Committee, in which case any limitations or obligations pursuant to such Organizational Documents with respect to transactions with affiliates, including any required consents of the limited partners or any L.P. Advisory Committee, will not apply. BIS Clients have invested and are expected to continue investing in Other Blackstone Clients, and may invest in certain Funds. For greater certainty, any references herein or in an Organizational Document to Blackstone Credit or Blackstone Credit Funds do not include BIS or BIS Clients. BIS Clients may have investment objectives that overlap with those of the Funds or their Portfolio Entities, and such BIS Clients may 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 BIS 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, BIS Clients may not invest or divest at the same time or on the same terms as the Funds or the applicable Portfolio Entities. BIS 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 may be securitized along with other cash-flow assets. In circumstances where the Advisor determines in good faith that the conflict of interest is mitigated in whole or in part through various measures that Blackstone or the Advisor implements, the Advisor is not required and does not intend to seek approval of any L.P. Advisory Committee or Fund investors. In addition, transactions between the Funds and BIS Clients will generally not require any approval of an L.P. Advisory Committee. In order to seek to mitigate any potential conflicts of interest with respect to such transactions (or other transactions involving BIS Clients), Blackstone may, 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 BIS Clients or otherwise cause the BIS 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 Advisor may limit the percentage interest of the BIS 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. BIS will also from time to time require the applicable BIS Clients participating in a transaction to consent thereto (including in circumstances where the Advisor does not seek the consent of an L.P. Advisory Committee or Fund investor). There can be no assurance that any such measures or other measures that may 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 investments, 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 may involve the transfer of certain personnel or employees among Blackstone and Portfolio Entities of the Funds and Other Blackstone Clients, which may result in a termination fee or similar payments being due and payable from one such entity to another. In the alternative, Blackstone may 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 may 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 Clients) 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 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 also “—Data” and “—Data Management Services” herein). The Funds and the Fund investors typically will not share in any fees, economics, equity or other benefits accruing to Blackstone, other Funds, Other Blackstone Clients and their Portfolio Entities as a result of the introduction of the Funds and their Portfolio Entities. There may, however, be instances in which the applicable arrangements provide that



Item 10 – Other Financial Industry Activities and Affiliations

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) may be similarly shared with the participating Funds, 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 may 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 may not always, nonetheless have conflicts of interest in making these determinations, and with regard to other decisions related to such assets and investments. For example, the Funds could be expected to have consent rights over or be asked to approve leases, sales or evictions related to Other Blackstone Clients, their Portfolio Entities and affiliates and other related parties. 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.*** The Funds have in the past, and may in the future, continue to 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 may be managed or controlled by the Advisor or any of its affiliates (or Other Blackstone Client) and securities or other interests in the Asset Pool will be owned by the Funds and other affiliated funds. The consummation of any such transaction will generally not require the consent of the L.P. Advisory Committee or the investors and will involve the exercise of the Advisor's and its affiliates' discretion with respect to a number of material matters, which may give rise to actual or potential conflicts. For example, in connection with

such transactions, the Advisor 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 Organizational Documents, to determine the proportionate interest of the 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 Advisor 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 the investors of the Funds that participated in such contributed assets, each of which may have a material impact on the Fund investors' returns in respect of such investments or the Funds more generally. In making these determinations, the Advisor and its affiliates may, 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) may not perform as well as those investments contributed by such Fund. Accordingly the returns of such Fund of in respect of investments contributed by it may 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, undrawn capital commitments of the Fund investors, will not be subject to the investment limitations applicable to the Funds' investments) and may result in higher or lower reported returns than if such proceeds had otherwise been distributed (or deemed distributed) to the Funds or the Fund investors.

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

Item 10 – Other Financial Industry Activities and Affiliations

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, if any). The Fund investors may 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 the Funds' borrowing for a similar purpose if, for example, such other entities or the partners thereof are excused from cross-collateralizing certain partnership expenses, Management Fees or other obligations of the Funds and Other Blackstone Clients. Through cross-collateralization, cross-guarantees or similar arrangements, such other Funds may nevertheless be indirectly exposed to risks associated with leverage on fees, expenses and/or other obligations of the Fund. (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 may vary depending upon the type of financing or refinancing (*e.g.*, cushions for refinancings may 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 have and will from time to time enter into one or more joint venture arrangements with third-party joint venture partners. Investments of the Funds made with joint venture partners will often involve performance-based compensation and other fees payable to such joint venture partners, as determined by the Advisor in its sole discretion. The joint venture partners could provide services similar to those provided by the Advisor to the Funds. Yet, no compensation or fees paid to the joint venture partners would reduce or offset Management Fees or carried interest payable to the Advisor. Additional conflicts would arise if a joint venture partner is related to Blackstone in any way, such as a limited partner investor in, lender to, a shareholder of, or a service provider to Blackstone, the Funds, Other Blackstone Clients, or their respective Portfolio Entities, or any affiliate, personnel, officer or agent of any of the foregoing.

**BXMT.** As part of Blackstone's December 2012 acquisition of CTIMCO, the investment management business of Capital Trust, a publicly-traded real estate investment trust that

specializes in real estate-related debt investments with a focus on mortgage loans that are backed by commercial real estate assets, Blackstone now manages Capital Trust, which was renamed Blackstone Mortgage Trust (NYSE: BXMT) in May 2013, and three private investment funds and certain managed accounts that invest in commercial real estate debt and related investments. The loan servicing and special servicing business acquired in this transaction was formerly associated with the investment management business of BXMT and is now operated as part of the BREDS Funds. Such loan servicing business may, in certain circumstances, enter into loan servicing arrangements and receive fees with respect to the financing activities of Clients and their Portfolio Entities. BXMT is managed by its manager in conformity with BXMT's investment guidelines and other policies that are approved and monitored by BXMT's board of directors; at least a majority of BXMT's board is comprised of independent directors. BXMT's manager and its board of directors have certain contractual and other duties that prevent them from considering the interests of applicable Clients in situations in which BXMT has interests adverse to such Clients, such as would occur if BXMT participated in debt financing an asset owned by the Funds.

**Valuation Matters.** A valuation is only an estimate of value of an investment and is not a precise measure of realizable value, which may be impacted by third-party incentive fee payments or investment level debt, deal terms and structure (including adjustments for minority ownership (if applicable)). Ultimate realization of the market value of an investment also depends to a great extent on economic, market and other conditions beyond the control of the Advisor. Further, valuations do not necessarily represent the price at which an investment would sell since market prices of investments can only be determined by negotiation between a willing buyer and seller. Accurate valuations are more difficult to obtain in times of low transaction volume because there are fewer market transactions that can be considered in the context of the appraisal. If any of the Funds were to liquidate a particular investment, the realized value may differ from the appraised valuation of such investment. As such, 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, particularly with respect to any investment where Blackstone does not own a controlling interest. The valuation of such investments will be determined by the Advisor in accordance with procedures set forth in the Organizational Documents and the General Partner's valuation policy for the applicable Fund and will generally be valued on a quarterly basis. The Advisor may, 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 an Investment has been written off) will involve subjective judgments and projections and will, in certain circumstances, not be accurate. In making its determination in respect of an Investment's valuation, the Advisor 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 used by the Advisor in making any such determination. Valuation methodologies will also involve assumptions and opinions about future events, which may or may not turn out to be correct. For example, the Advisor could believe that capitalization rates will be lower upon sale of an investment than they ultimately are, or that interest rates will

decline during the hold period of an investment thereby creating attractive value even though rates do not decline. Valuation methodologies could also permit reliance on a prior period valuation of particular investments. Ultimate realization of the value of an investment depends to a great extent on economic, market and other conditions beyond the Advisor's control. There will be no retroactive adjustment in the valuation of any investment, the offering price at which interests were purchased by limited partners or repurchased by such Fund, as applicable, or the Management Fees and/or performance-based compensation paid to the Advisor to the extent any valuation proves to not accurately reflect the realizable value of an investment even if that retroactive adjustment would benefit the Fund and/or limited partners. The price an investor pays for interest in a Fund, and the price at which an investor's interests in a Fund may be redeemed, are based on the NAV of such Fund at the time of such contribution or redemption, which as described in the foregoing is only an estimate of value at each point in time and is not a precise measure of realizable value, and as a result an investor may pay more than realizable value or receive less than realizable value for its investment in the Fund. In addition, if the Fund's NAV falls below the NAV at which a particular Fund investor was issued its interests, such Fund investor's overall ownership of the Fund's assets will be diluted by the subsequent issuance of additional interests, and similarly if a Fund investor requested a redemption of its interests at such time, such interests would be redeemed at a lower price than the price at which such Fund investor originally subscribed for interests. Furthermore, because the amount for a capital contribution is determined based on the NAV of the Partnership at the time of such capital contribution divided by the number of interests outstanding immediately prior to such capital contribution, the amount and the number of interests to be issued will not be known by a Fund investor at either the time such Fund investor subscribes to the Fund or when it actually contributes capital to the Fund. Fund investors requesting redemptions will similarly not know the actual NAV and price at which they will be redeemed from the Partnership at the time of their request to be redeemed. Furthermore, the valuation of certain types of investments such as early-stage companies may 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 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 marketing testing, receipt of regulatory approvals (if applicable), and achievement of key milestones, may further adversely affect the reliability of the Advisor's valuations of the investments. Valuation methodologies may also change from time to time. For purposes of the Organizational Documents, a disposition will only be deemed to have occurred as a result of a reduction in the fair value of an investment if the Advisor determines that the investment has been written off completely (i.e., the adjusted cost of the investment has been reduced to zero in accordance with the terms of the applicable partnership agreement). For the avoidance of doubt, the invested capital with respect to an investment (or its adjusted cost) will not be reduced merely because the balance of probabilities indicates that such investment, more likely than not, has a fair market value of zero; rather, a write off will only occur for purposes of the applicable partnership agreement where the Advisor determines that the fair market value of such investment has been reduced to zero. The valuation of Funds' investments as well as the determination of whether and when an investment has been disposed of or written off (which

determination generally remains in the sole discretion of Blackstone) will affect the amount and timing of the Advisor's incentive allocation and, under certain circumstances, the amount of Management Fees and Servicing Fees (if any) payable to the Advisor. The valuation of investments of other Funds and other Blackstone Funds will, in certain circumstances, affect the decision of potential limited partners 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 attract capital to that Fund, other Funds or Other Blackstone Clients or to raise another fund within the Infrastructure Program. As a result, the valuation of investments of a Fund, other Funds and other Blackstone Clients, which generally remains in the sole discretion of Blackstone, involves conflicts in which there may be circumstances in which the Advisor is incentivized to defer realization of investments, make more speculative investments, seek to deploy the Capital Commitments in investments at an accelerated pace, and/or hold investments longer and/or determine valuations that are higher (or lower) than the actual fair value of investments (and to mark down rather than write off an investment), which generally remains in the sole discretion of Blackstone. A Limited Partner redeeming from the Fund prior to realization of such an investment may not participate in gains or losses therefrom.

**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), 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 affiliates, their 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 Fund investors rely on the Advisor to handle them in its sole discretion.

**Diverse Investor Group.** The Fund investors 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 may 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 Fund investors and 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 Advisor 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) Fund investors than for other Fund investors. 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 Fund investors in separate transactions. In selecting and structuring investments appropriate for the Funds, the Advisor will consider the investment and tax objectives of the Funds and their partners as a whole (and those of investors in other Funds and Other Blackstone Clients that participate in the same investments as the Funds), and not the investment, tax or other objectives of any Fund investor 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) may 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 Advisor will, in certain circumstances, elect to limit certain Fund investors' participation in particular investments or exclude certain Fund investors from particular investments of the Funds (in whole or in part), including, for the avoidance of doubt, follow-on investments (or such Fund investors will benefit from excuse rights or investment limitations with respect to particular investments or follow-on investments), taking into account ERISA, legal, tax, regulatory, policy or other similar considerations (including established investment policies of a Fund investor) and / or limitations with respect to any Fund investor (or category of Fund investor) or to such investments (including, for example, ensuring that certain ownership thresholds are not exceeded with respect to investors that are affiliated with governmental entities or similar organizations), as determined by the Advisor in good faith, in which case non-limited or excluded Fund investors will 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, for certain Funds, reductions in undrawn capital commitments for capital contributions in respect of Management Fees are based on the actual amounts paid by the Fund investors. Therefore, to the extent a Fund investor is entitled to a discounted or reduced Management Fee arrangement (including as set forth in the Organizational Documents or one or more side letters or other agreements (including any agreement governing a Strategic Relationship)) such Fund investor's capital contributions in respect of Management Fees will be disproportionate as compared to any Fund investor without such arrangement, and as a result its undrawn capital commitment will be proportionately higher than such other Fund investor, which among other things, will cause it to have a greater proportionate interest in investments made (and expenses incurred) than would be the case absent such Management Fee arrangement (see also "—Strategic Relationships" above). In addition, certain Fund investors can be expected to also be investors in other funds and Other Blackstone Clients, including supplemental capital vehicles, or co-

investment vehicles that invest alongside the Funds in one or more investments, which will create conflicts for the Advisor in the treatment of different Fund investors.

Fund investors can be expected to also include affiliates of Blackstone, such as other Funds, Other Blackstone Clients (including Strategic Partners Funds, via a primary investment or secondary acquisition), affiliates of Portfolio Entities of the Funds or Other Blackstone Clients, charities or foundations associated with Blackstone, personnel, founders, entrepreneurs, executives and/or its current or former Blackstone personnel, Blackstone's senior advisors, and any such affiliates, which funds or persons can be expected to also invest in the Funds or through the vehicles established in connection with Blackstone's side-by-side co-investment rights, in each case, without being subject to Management Fees or carried interest (or otherwise on more favorable terms, including not bearing in-house administrative, accounting, legal and/or technology-related expenses that are allocable to the Funds), and the Fund investors will not be afforded the benefits of such arrangements. Some of the foregoing Blackstone-related parties are sponsors of feeder vehicles that could invest in the Funds as Fund investors. The Blackstone-related sponsors of feeder vehicles generally charge their investors additional fees, including performance based fees, which could provide Blackstone current income and increase the value of its ownership position in them. Blackstone will therefore have incentives to refer potential investors to these feeder vehicles. All of these Blackstone-related Fund investors will have equivalent rights to vote and withhold consents as nonrelated Fund investors, unless otherwise provided by the terms of the Organizational Documents. Nonetheless, Blackstone may have the ability to influence, directly or indirectly, these Blackstone related Fund investors. 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 a Fund investor or its affiliates (which may occur in connection with such investors or affiliates making a capital commitment to Other Blackstone Clients), including with respect to one or more investments (or types of investments). Such transactions may 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 Fund investors' capital contributions. Such Fund investors described in the previous sentences can be expected to therefore have different information about Blackstone and the Funds than Fund investors not similarly positioned. In addition, conflicts of interest will, in certain circumstances, arise in dealing with any such Fund investors, and the Advisor may be motivated to enter into agreements, transactions or arrangements with Fund investors or their affiliates in order to secure capital commitments from investors in Other Blackstone Clients and may otherwise be motivated by factors other than the interests of the Funds. (See also "—Other Blackstone Business Activities" herein.) Moreover, there is an increasing trend in the private equity industry of fund sponsors offering liquidity to investors in existing funds through a structured secondary process where purchasing investors would, as a condition to participating in such purchase from existing investors, also make a commitment to a new fund being raised. Blackstone could be incentivized to engage in such a process for one or more of its existing funds (or any investments therein) to the extent doing so could be expected to improve Blackstone's ability to raise a successor fund to the such



Item 10 – Other Financial Industry Activities and Affiliations

fund and to form and attract capital to existing or future Other Blackstone Clients (e.g., by securing an agreement from the purchasing investors participating in the process to make commitments to such funds or, more generally, by positively impacting the performance information for the relevant fund that is presented to prospective investors in Blackstone fundraise materials). In addition, not all Fund investors monitor their investments in vehicles such as the Funds in the same manner. For example, certain Fund investors can be expected to periodically request from the Advisor information regarding the Funds and their Portfolio Entities and investments that is not otherwise included in the reporting and other information delivered to all Fund investors—for instance, pre-quarterly reporting valuation. In such circumstances, the Advisor may provide such information to such Fund investor and not to other Fund investors and the Advisor will not be obligated to affirmatively provide such information to all Fund investors because it has provided such information upon request by certain Fund investors. In addition, certain Fund investors can be expected to be joint venture partners with or co-investors alongside the Funds in one or more investments, which status may include rights (such as voting or observer seats on the board of directors of a Portfolio Entity) that provide such Fund investors with information about such investment that will not be made available generally to all Fund investors. Subject to certain conditions set forth in the Organizational Documents, the Advisor is not required to invite any Limited Partner that has a capital commitment below a certain threshold to attend meetings of the Funds. As a result, certain Fund investors can be expected to receive more information from the Advisor about the Funds and their Portfolio Entities or can be expected to receive information about the Funds and their Portfolio Entities at an earlier time than other Fund investors, and the Advisor will have no duty to ensure all Fund investors receive the same information regarding the Funds and their Portfolio Entities. Therefore, certain Fund investors can be expected to be able to take actions on the basis of such information which, in the absence of such information, other Fund investors do not take. Furthermore, at certain times Blackstone will, in certain circumstances, be restricted from disclosing to the Fund investors 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 Fund investors or investors 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.

In addition, it is also expected that Blackstone will from time to time confirm factual matters to incoming investors in certain Funds, make statements of intent or expectation to such investors or acknowledge statements by such incoming investors that relate to certain Funds and/or Blackstone's activities pertaining thereto in one or more respects. In addition, Blackstone may from time to time agree to certain matters relating to knowledge transfer and/or secondments with one or more investors as part of an overall firm relationship. 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

Item 10 – Other Financial Industry Activities and Affiliations

certain 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, including in connection with any such Fund investor's "most favored nations" rights. 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 operations of the Funds.

Further, certain 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 certain Funds.

***The Fund Investors' Outside Activities.*** The Fund investors 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 may 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 Advisor 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 or any related agreements in any business ventures of any Fund investor. The Fund investors, and in certain cases the Advisor, will have conflicting loyalties in these situations.

***Credit Facilities.*** Certain of the Funds have entered into or are expected to enter into and utilize one or more subscription and/or net asset value credit facilities, which involve potential conflicts of interest. Subject to the limitations in the Organizational Documents, the use of a subscription and/or net asset value credit facility by the Funds is within the Advisor's discretion. Leverage incurred by entities other than the Funds (including a facility collateralized or otherwise secured by the Fund's holdings in multiple or all investments, whether through wholly-owned subsidiaries and/or through special purpose vehicles formed by the Funds to make or hold such investments and/or to serve as a borrower under an asset backed facility for the Funds) do not count towards the limitations on borrowing or guarantees by the Funds set forth in the Organizational Documents. 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 Advisor has adopted a policy relating to the use of fund-level credit facilities for the Funds and may 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 and/or net asset value credit facility in lieu of capital calls, for the purpose of, among other things, financing any investment related activities of the Funds (such as for assets that the Funds do not intend to hold for a long term period), covering partnership expenses, Management Fees, Servicing Fees, Organizational Expenses and any other costs of the Funds, making distributions to Partners, providing permanent financing or refinancing or providing interim financing to consummate the purchase of investments of the Funds or repayment of a subscription credit facility used by the Funds with proceeds from a net asset value credit facility used by the Funds. The amount of credit available to the Funds and Other

Blackstone Clients under any subscription credit facility may be determined by the credit quality of the Fund investors and the investors of the Other Blackstone Clients or co-investment vehicles thereto (collectively, “Credit Party LPs”) as determined by the lender, which determination may be based in part on terms agreed to with Credit Party LPs by the General Partner or its affiliates (and the lender may determine that certain investors or Other Blackstone Clients have little or no credit quality), whereas the amount of credit available under a net asset value credit facility is tied to the creditworthiness of the underlying assets pledged to such facility. Moreover, the credit quality of the Credit Party LPs may be negatively impacted (or disregarded completely by a lender) as a result of contractual agreements (including side letters) between the Credit Party LPs and Blackstone. 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 Advisor expects to generally utilize credit facilities for the Funds and Other Blackstone Clients in a consistent manner, the use of such credit facilities may differ based on available credit facility capacity and the contractual terms applicable to the Funds and the Other Blackstone Clients, among other factors and the subscription credit facility used by the Funds and the Other Blackstone Clients may differ. Therefore, as the credit facilities utilized by a Fund and the Other Blackstone Clients have different terms, such as with respect to hedging, currency limitations and interest rates, while the Funds and the Other Blackstone Clients may be invested in the same investment, and while the valuation of such investment would be consistently determined pursuant to the relevant Organizational Documents and the relevant organizational documents of the Other Blackstone Clients, the investment return can, in certain circumstances, differ among the Funds and the Other Blackstone Clients as a result.

While Blackstone’s IRR calculation methodologies are subject to change, including in response to regulatory developments, currently, calculations of net and gross internal rates of return (“IRRs”) in respect of investment and performance data referred to in the Organizational Documents of the Funds, and as reported to Fund investors from time to time, are based on the payment date of capital contributions received from the applicable Fund investors or timing of investment inflows and outflows received or made by the Fund. In respect of investment and performance data referred as reported to investors from time to time, (A) for purposes of gross IRR calculations, (i) cash outflows are calculated when capital is invested by a Fund, (ii) cash inflows for investment realizations and current income are calculated upon receipt by a Fund and (iii) cash inflows for unrealized investments are based on the fair value at the end of the period determined by Blackstone, and (B) for purposes of net IRR calculations, IRR is based on the due date and amount of capital contributions received from Fund investors, not the timing or amount of fund-level borrowings such as the subscription line of credit or other credit facility. Similarly, calculations of the hurdle amount under the Organizational Documents are based on the date interests are issued to Fund investors, and the hurdle amount does not accrue on borrowings or guarantees by the Fund. This treatment also applies in instances where a fund utilizes borrowings under a fund’s subscription-based credit facility or other credit facility in lieu of, or in advance of receiving capital contributions from Fund investors to repay any such borrowings. Additionally, use of a credit facility may present conflicts of interest, and

Item 10 – Other Financial Industry Activities and Affiliations

the General Partners may make distributions prior to the re-payment of outstanding borrowings. As a result, use of a credit facility (or other long-term leverage) will impact calculations of returns and will typically result in a higher 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, the Advisor will have various incentives to use the credit facility, including in marketing of Other Blackstone Clients. 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 Advisor, providing an economic incentive to fund investments of the Funds through long-term borrowings in lieu of capital contributions. In addition, the Advisor can be expected to receive a greater amount of Management Fees and servicing 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, Other Blackstone Clients, and any parallel funds, in each case as applicable, *pro rata* or, subject to applicable law, on such other basis that the General Partners determine to be more equitable under the circumstances, which will increase the expenses borne by the applicable 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 may be incremental tax costs related to so-called unrelated business taxable income (UBTI).

The Funds can be expected to utilize their subscription credit facilities and/or other credit facilities and enter into other similar arrangements and extensions of credit for the benefit of co-investors, joint venture partners and other Funds and Other Blackstone Clients, including vehicles participating in Blackstone side-by-side co-investment rights, which invest alongside the Funds in one or more investments. For example, the Funds can be expected to borrow to fund a joint venture partner's, co-investor's or Other Blackstone Client's *pro rata* share of an investment or expense related to an investment. In such circumstances, the Advisor generally intends to disclose such arrangements as part of the periodic reporting or other appropriate communications relating to the Funds and to cause any such other investor, to bear (or reimburse the Funds for) its *pro rata* share of any interest expenses (but not necessarily origination and other costs) allocable to such extensions of credit. However, any such co-investors, joint venture partners and Other Blackstone Clients, although they benefit from the Fund's subscription and/or asset-backed credit facilities, will not bear all and may not bear any portion of the costs of establishing and maintaining such facilities which may be borne entirely by the Fund. Additionally, conflicts of interest also have the potential to arise to the extent that such a facility is used to make an investment that is later sold in part to joint venture partners, co-investors or Other Blackstone Clients, to the extent co-investors are not required to act as guarantors under the relevant facility or pay related costs or expenses, co-investors nevertheless stand to receive the benefit of the use of such facility and neither the relevant Fund nor investors generally will be compensated for providing the relevant guarantee(s) or being subject to the related costs, expenses and/or liabilities. The Advisor will, in certain circumstances, receive direct and indirect benefits from such uses as well, including as a result

of the facilitation of co-investment by Other Blackstone Clients. The Funds will bear interest expenses and all other expenses incurred in relation to their credit facilities.

The credit facilities are permitted to be used and managed in the manner described above independently from any Other Blackstone Client's credit facilities (and the contractual restrictions applicable to such Other Blackstone Clients and other credit facilities may 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 Clients, which may result in different expenses related to borrowings and investment IRRs reported by multiple Blackstone funds for the same investment.

***Failure to Make Payments.*** If a Fund investor fails to pay when due installments of its capital commitment to a Fund or its portion of Management Fees, organizational expenses or any amount otherwise due under the Organizational Documents, and the capital contributions and/or payments made by non-defaulting Fund investor and borrowings by such Fund are inadequate to cover the defaulted capital contributions or other payments, such Fund may be unable to pay its obligations when due. As a result, such Fund may 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 may 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 at a discount and preclusion from participation in any further investments made by such Fund. A default by a Fund investor may also limit a Fund's ability to incur borrowings and avail itself of what would otherwise have been available credit. The General Partner may, 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 limited partner may also limit a Fund's availability to incur borrowings and avail itself of what would otherwise have been available credit.

***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 Advisor, Blackstone and their respective directors, officers, employees, agents, Independent Client Representative (if any) and representatives, and, members of the L.P. Advisory Committees 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 Advisor and/or Blackstone (including their respective directors, officers, employees, agents and representatives, Independent Client Representative (if any), representatives and members of the L.P. Advisory Committees or any L.P. representatives and other indemnified parties). The Advisor 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 Advisor and/or Blackstone on a fair and reasonable basis, in its sole discretion, and may make corrective allocations should it determine subsequently that such corrections are necessary or advisable.

Item 10 – Other Financial Industry Activities and Affiliations

Similarly, the Funds and their Portfolio Entities may enter into arrangements with Other Blackstone Clients and their respective Portfolio Entities whereby insurance is procured as a group where the insurance provider may 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 may be allocated in accordance with the relative values of the respective entities that are insured by such policies (or other factors that Blackstone can be expected to 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 can be expected to reasonably determine). (See also “—Service Providers, Vendors and Other Counterparties Generally” and “—Group Procurement; Discounts” herein.)

In respect of such insurance arrangements, 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 a different allocation or arrangement 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.

**Captive Insurance; Gryphon.** The Funds and Other Blackstone Clients (and their portfolio entities) will also, in certain circumstances (including with respect to property insurance and terrorism insurance), self-insure through Gryphon Mutual Insurance Company (“Gryphon”), a captive insurance company (“Captive”), owned entirely by its participants (which may include the Funds and such Other Blackstone Clients). An affiliate of the Advisor provides oversight of the Captive’s management, sits on the boards of the Captive’s cells, provides a guarantee for a letter of credit to help capitalize the Captive and receives a fee based on a percentage of the premiums (subject to the benchmarking process described above), and a third-party insurance services firm will provide brokerage, administration and insurer management services to Captive. The fees and expenses of the Captive, including insurance premiums and fees paid to its manager, will be borne by the Funds and Other Blackstone Clients *pro rata* based on estimates of insurance premiums that would have been payable for each party’s respective properties, as benchmarked by third parties, and will be paid by each participant annually. While the Funds do not expect to provide any funding in addition to such annual contribution, it is possible that each member of the Captive, including the Funds, are required to make additional capital contributions in certain circumstances. This arrangement is expected to provide the Funds with greater control over their property insurance program and terrorism insurance programs and reduce overall costs of insurance through lower premiums and reduction or elimination of insurance brokerage costs. The Funds may, however, be negatively affected to the extent there are disproportionate losses incurred on properties held by Other Blackstone Clients participating in the Captive, including through increased future premiums or the lost ability to recoup capital contributions, and there can be no assurance that the arrangement will not result in under- or over-allocation of costs to the Funds relative to Other

Item 10 – Other Financial Industry Activities and Affiliations

Blackstone Clients or that different allocations or arrangements than those 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. Gryphon currently engages, and is expected to continue to engage, Revantage to provide corporate support services in respect of Gryphon's activities (including assisting with Captive structuring, related insurance placement and oversight and administration of claims). In connection therewith, Revantage is expected to earn commissions for such services related to the Gryphon property program placement, terrorism insurance, casualty program and other lines of coverage and may earn additional commissions during each such policy year. Such commissions will initially be used to offset costs of the Captive (which may include fees to Blackstone and allocated costs associated with Revantage's account payroll, professional services, travel and entertainment, employee development, technology costs and facilities and office services), with any excess funds being returned to or used for the benefit of participating funds in a reasonable manner, which may include reserving for (or advance payment of) additional anticipated costs or direct reimbursement in accordance with a reasonable allocation. Any such services and fees are in addition to the services provided and fees received by Blackstone and will not result in any offset to the management fees payable to limited partners, notwithstanding that Revantage is owned by certain Other Blackstone Clients. See also "— Portfolio Entity Service Providers and Vendors" and "— Group Procurement; Discounts" herein.

**Other Conflicts.** In addition, other present and future activities of Blackstone, the Funds, Other Blackstone Clients and their Portfolio Entities, affiliates (including the Advisor) and related parties will from time to time give rise to additional conflicts of interest relating to the Funds and their investment activities. The Advisor 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 the case of an appointment of an Independent Client Representative as provided herein and in the Organizational Documents, to the extent that the Independent Client Representative is to review a proposed transaction or other conflict in accordance with the terms of the Organizational Documents, the Independent Client Representative shall consist of one or more persons with substantial experience in, and knowledge of, the relevant market and related investment arenas who are independent of the General Partner and Blackstone. The General Partner shall have the right to remove or replace an Independent Client Representative at any time or appoint more than one Independent Client Representative to address separate conflicts in its discretion. An Independent Client Representative may be paid a fee by a Fund to be determined by the General Partner. To the fullest extent permitted by applicable law, an Independent Client Representative shall not owe any fiduciary (or other similar) duty to a Fund, any Fund investor or the Fund investors as a group in connection with the activities of such Independent Client Representative, and an Independent Client Representative shall not have any obligation to act in the interests of a Fund, any Fund investor, or the Fund investors as a group or any other duty to a Fund, any Fund investor or the Fund investors as a group other than a duty to act in good faith.

In addition, pursuant to the Organizational Documents of the Funds, an L.P. Advisory Committee has or will be established and authorized to give consent on behalf of the Funds

with respect to certain matters as described more fully in such Organizational Documents, Blackstone may retain or cause the Funds to retain an Independent Client Representative to review and consent to certain transactions or matters presenting actual or potential conflicts of interest involving one or more Funds and one or more affiliates of Blackstone. If an L.P. Advisory Committee or the Independent Client Representative (if any) consents to a particular matter and the Advisor acts in a manner consistent with, or pursuant to the standards and procedures approved by, such L.P. Advisory Committee, Fund investors or the Independent Client Representative (if any), or otherwise as provided in the Organizational Documents, then the Advisor and its affiliates will not have any liability to the applicable Fund or the Fund investors for such actions taken in good faith by them. However, the L.P. Advisory Committee will not represent the interests of all the Fund investors, each member of the L.P. Advisory Committee may act in the interests of the Fund investors with which it is associated, and the members of the L.P. Advisory Committee may themselves be subject to various conflicts of interest. In general, the Fund investors will not be entitled to control the selection of members of the L.P. Advisory Committee or to review the actions or deliberations of the L.P. Advisory Committee. Furthermore, some or all of the members of the L.P. Advisory Committee may also be on the advisory committee of Other Blackstone Clients with which there is a potential conflict or may represent investors that have an interest in both the Funds and such Other Blackstone Client. Such L.P. Advisory 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. As described in the Organizational Documents, any member of the L.P. Advisory Committee representing a limited partner that is excused and/or excluded from participating in an investment or potential Investment will not participate in any L.P. Advisory Committee consent (or meeting related thereto) relating to such investment and, accordingly, will be excluded when calculating the total number of members of the L.P. Advisory Committee for purposes of determining whether a majority of its members have consented to or approved such matter. Furthermore, in situations where any of the Funds makes an investment alongside an Other Blackstone Client, it is possible that while the Fund may require approval of the L.P. Advisory Committee to participate in such investment, such Other Blackstone Client may not require approval from its respective advisory body (and *vice versa*).

***Additional Potential Conflicts of Interest.*** The officers, directors, members, managers and personnel of the Advisor 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 may be required by law and Blackstone policies or as otherwise determined from time to time by the Advisor. 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



Item 10 – Other Financial Industry Activities and Affiliations

Advisor 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 may 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 Advisor 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 (other than as set forth in the Organizational Documents as a general matter) 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 may have a most-favored-nations provision in its side letter, such Fund investors will not, notwithstanding the terms of such side letter provision, 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 has and may 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 L.P. Advisory Committee may, by virtue of such participation, have more information about the Funds and investments in certain circumstances than other Fund investors generally and may 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. 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.*** Limited Partners may request information from the Advisor relating to the Fund, and the Advisor can in its discretion provide such Limited Partners with the information requested. Limited Partners that request and receive such information from the Advisor relating to the Fund, 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. As a result, certain

Blackstone Infrastructure Advisors L.L.C.

Item 10 – Other Financial Industry Activities and Affiliations

Limited Partners may 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 may be restricted from disclosing to the Fund investors material non-public information regarding any assets in which the Fund invests, particularly those investments in which an Other Blackstone Client or Portfolio Entity that is publicly registered co-invests with the Fund. (See also “—Diverse Investor Group” herein.)

**Other Financial Industry Affiliations**

The Advisor is an affiliate of the following entities:

<b>Bank Entity</b>	
Luminor Bank AS*	A Baltic bank purchased by Blackstone Capital Partners
<b>Broker-Dealer Entities</b>	
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
<b>Investment Advisor Entities</b>	
ASK Investment Managers Ltd.*	Provides investment advisory services to funds and high net worth individuals in India.
Blackstone Multi-Asset Investing 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 Infrastructure Advisors L.L.C.

Item 10 – Other Financial Industry Activities and Affiliations

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 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 Infrastructure Advisors L.L.C.

Item 10 – Other Financial Industry Activities and Affiliations

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

Blackstone Infrastructure Advisors L.L.C.

Item 10 – Other Financial Industry Activities and Affiliations

BX REIT Advisors L.L.C.	Provides investment advisory services to a non-traded REIT and its operating subsidiary
Clarus Ventures, LLC	Provides investment advisory services to various private investment funds specializing in the life sciences industry
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

Item 10 – Other Financial Industry Activities and Affiliations

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
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
First Eagle Direct Lending Manager III, LLC*	Serves as the manager of a private direct lending fund
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
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 Europe Fund Management S.à r.l.	Provides services to various alternative investment funds with branch offices in other locations

## Item 10 – Other Financial Industry Activities and Affiliations

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 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
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
<b>Registered Commodity Trading Advisor and/or Registered Commodity Pool Operator Entities</b>	
Blackstone Alternative Asset Management (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 Infrastructure Advisors L.L.C.

Item 10 – Other Financial Industry Activities and Affiliations

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
<b>Insurance Entities</b>	
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

Item 10 – Other Financial Industry Activities and Affiliations

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 funds investments) and managed by an affiliate of Blackstone

\*\*\*\*\*Portfolio company of Blackstone Credit funds

Blackstone Europe LLP ("BELL") is registered in the United Kingdom. It provides certain advisory services to the Advisor 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 is an affiliate of Blackstone that 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 Funds' investors.

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

## Item 11 – Code of Ethics

The Advisor 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. All Advisor 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 Advisor 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 Advisor meets its fiduciary obligation to the Advisor’s clients (or prospective clients) and to instill a culture of compliance within the Advisor. 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 Advisor 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 Advisor has adopted policies and procedures reasonably designed to address such potential conflicts of interest.

The Advisor 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)

Item 11 – Code of Ethics

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 may 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 the Advisor's Chief Compliance Officer, Mike Knauss, at (212) 583-5000 or [Mike.Knauss@Blackstone.com](mailto:Mike.Knauss@Blackstone.com).

The Advisor does not participate in principal trading generally; however, the Advisor would be permitted to if the Advisor obtained appropriate Fund investor (or Independent Client Representative, if applicable) approvals, to the extent permitted under applicable Organizational Documents. The Advisor addresses attendant conflicts as described in the applicable Organizational Documents.

## **Item 12 – Brokerage Practices**

The Advisor will, in certain circumstances, trade in public securities. In the event the Advisor executes a brokerage transaction for the 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 Advisor 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 Advisor are the Funds' accounts. The Funds' accounts and investment positions are monitored by its personnel on a regular and current basis. The Advisor's Investment Committee meets as necessary to review general portfolio composition, investment opportunities, market conditions, potential conflicts, and recent trading activities. The Investment Committee consists of 7 persons, including executive officers of Blackstone and selected senior managing directors. The Advisor might periodically review on an expedited basis the assets of a Fund following a unique occurrence in the financial industry or market generally. The Investment Committee may also draw on regional and/or sector experts within Blackstone as appropriate given the specific profile of each investment opportunity. The sole investor of BIP-P is entitled to a non-voting observer seat on the Investment Committee.

### **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 Advisor makes use of a website, BX Access, available at [www.bxaccess.com](http://www.bxaccess.com) for the distribution of reports and other information to investors in the Funds.

Certain investors in the Funds may request additional information relating to the Funds and/or Portfolio Entities and, to the extent such information is readily available or may be obtained without unreasonable effort or expense, the Advisor generally will provide such investors with the information requested. In addition, the sole investor of BIP-P will be entitled to a non-voting observer seat on the Investment Committee and therefore can be expected to receive additional information about the Funds not received by other Fund investors. Investors that request and receive such information will consequently possess information regarding the business and affairs of the Funds that may 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 Advisor may 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**

While not an arrangement for client referrals, the Advisor from time to time directly or indirectly compensates one or more third parties to act as a placement agent in connection with the offer and sale of interests in a Fund to certain potential investors. Such placement agents, or their affiliates, in certain cases form investment vehicles for the purpose of investing in a Fund and the capital commitments of such third-party investment vehicles will, in certain circumstances, account for a substantial portion of the overall capital commitments to such Fund. The Advisor typically compensates a placement agent in the form of a percentage of introduced capital, a portion of Management Fees or Incentive Fees and/or net asset value of an investment (although other payment arrangements could exist). Such compensation may also be in the form of a reduction of the Management Fee. The Advisor also may, in certain circumstances, reimburse the placement agents for expenses incurred in connection with soliciting investors. A placement agent may directly charge investors additional placement fees (or other fees) in connection with their investment in the Funds, and such fees generally do not reduce fees such as Management Fees paid in connection with an investment a Fund. The Funds may agree to reimburse third-party placement agents for expenses and/or agree to indemnify such agents under certain circumstances. With respect to expenses relating to the diligence and negotiation of placement agent arrangements, please see **Item 5 – Fees and Compensation**.

Blackstone Securities Partners L.P., an affiliate of Blackstone, serves as a placement agent to the Funds in the U.S. but is not compensated for such services. Please see **Item 10 – Other Financial Industry Activities and Affiliations** for more information.

## **Item 15 – Custody**

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



### **Item 16 – Investment Discretion**

The Advisor maintains the authority to manage or advise the 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 Advisor will generally be deemed to have authority to vote proxies relating to the companies in which its clients invest the Advisor has adopted a set of policies and procedures (together, the “Policy”) in compliance with the Proxy Rule. To the extent that the Advisor 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 Advisor in its sole discretion. Notwithstanding the foregoing, because proxy proposals and individual company facts and circumstances may vary, the Advisor may not always vote proxies in accordance with the Policy. In addition, many possible proxy matters are not covered in the Policy. Generally, the Advisor 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 Inc. In certain cases where an investment is made with Blackstone-affiliated or unaffiliated sponsors, proxy voting may 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 Advisor or its affiliates, on the other hand. If the Advisor determines that it has, or may be perceived to have, a conflict of interest when voting a proxy, the Advisor will address matters involving such conflicts of interest on a case-by-case basis by consulting with the Chief Compliance Officer, subject to legal, regulatory, contractual or other applicable considerations. The analysis will be documented. The Advisor, in its sole discretion, may 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 the Advisor’s Chief Compliance Officer, Mike Knauss, at (212) 583-5000 or [Mike.Knauss@Blackstone.com](mailto:Mike.Knauss@Blackstone.com).

### **Item 18 – Financial Information**

The Advisor 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 Advisor is not registered in any state.