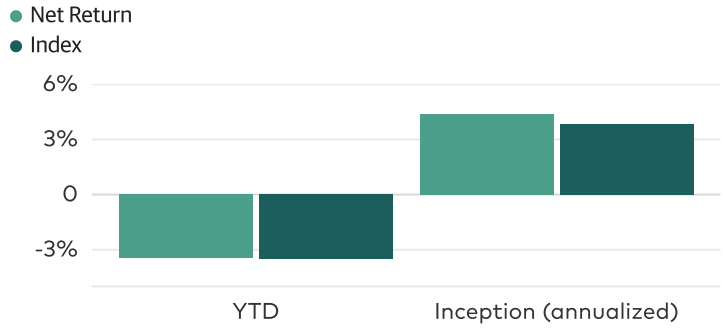
Blackstone Credit

Blackstone Low Carbon High Yield Corporate Bond Fund (Feeder)

February 2022

Class E NOK Founder - Sub-Fund of Blackstone Systematic Credit Umbrella Fund plc

Returns



Fund Details

Share Class:	
Currency	NOK
Net Assets	114.80 MM
Inception	January 3, 2017
ISIN	IE00BD6CD126
Fund:	
Base Currency	USD
Net Assets	198.40 MM
Launched	December 1, 2016
Liquidity	daily dealing, 5 day notice (redemptions)
Strategy Assets	$1.61 B
BX Credit AUM	$243.26 B

Blackstone Low Carbon Strategy

The strategy's objective is to outperform the Index through individual credit selection targeting at least 50% lower carbon weighted intensity relative to the Index. The strategy aims to deliver investors: 1) safer "Beta 1" exposure to the asset class as the aim is to match the credit and rate beta of the Index with sector risk tightly controlled (i.e. no material sector exclusion as part of the low carbon optimization)[1] while utilizing proprietary default risk technology to avoid the highest default risk and deteriorating issuers 2) uncorrelated excess returns and 3) unique long volatility return profile.

Performance Summary

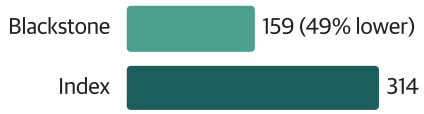
	Gross	Net	Index	Excess Return
MTD	-0.86%	-0.90%	-0.83%	-0.07%
3-Month	-1.56%	-1.66%	-1.76%	0.10%
YTD	-3.38%	-3.45%	-3.53%	0.08%
1-Year	1.80%	1.36%	0.85%	0.51%
3-Year (annualized)	5.27%	4.80%	3.73%	1.07%
5-Year (annualized)	4.39%	3.93%	3.38%	0.55%
Inception (annualized)	4.86%	4.38%	3.83%	0.55%
Volatility		7.64%	7.75%	

Performance Decomposition (Gross)

YTD			
Credit	-1.93%	-2.17%	0.24%
Default Free	-1.46%	-1.46%	0.00%
Total	-3.38%	-3.61%	0.23%
INCEPTION (annualized)			
Credit	3.87%	3.05%	0.82%
Default Free	1.83%	1.91%	-0.08%
Total	5.87%	5.12%	0.75%

Weighted Average Carbon Intensity[1]

CO2e / $MM revenue



Weighted Average Carbon Intensity is a measure of the portfolio's exposure to carbon-intensive companies, based on a company's Scope 1 and Scope 2 carbon emissions relative to its revenue.

Market Commentary

Corporate bond markets registered further losses last month, adding on to January's pain. Inflation fears and higher front-end government bond rates dominated the first half of the month, while geopolitical woes and risk aversion on Russia's invasion of Ukraine overwhelmed everything at the end of the month. High yield spreads managed to hold up quite well, partly owing to some late-month relief as rate pressure eased on the haven demand, and only widened 9 bps over the month. Investment grade bonds underperformed, widening by 20 bps in a broad remarking across the index. Government bond yields in the US were net higher through the month – with the ten-year up 5 bps and the five-year up 10 bps – but were well down from their mid-month highs. The US ten-year Treasury closed the month with a yield of 1.83% after hitting 2.05%. Risk assets were down across the board, the VIX Index climbed to finish the month at 30, and the S&P 500 logged -3% returns.

The news from Europe was grim. The human suffering in Ukraine is anguishing and the economic ramifications will be lasting. The immediate issue for markets is that the sanctions enacted against Russia look to have real teeth this time and the moves against currency conversion for the Russian Central Bank and major Russian corporate banks are likely to seriously damage their economy. In response, even with ECB caution accounted for, European equities fell 6%, with banks and Eastern European names declining much more. Russian assets dropped by 30% to 90% and have become nearly untradeable. Oil soared on the prospect of disrupted supply, against an already tight inventory backdrop. WTI climbed 9% to $95. European Gas Oil climbed over 12%.

The Bloomberg Barclays US Corporate Investment Grade Index finished the month with a decline of 2% as the impact of rising interest rates was compounded by the rising credit spreads. The primary market was effectively closed in response to the market uncertainty but looks set to re-open in early March amidst the lower yield levels. The ICE BofAML US High Yield Constrained Index (HUCO) also had a negative month, falling 0.9%. The heightened uncertainty in the current environment should create renewed opportunities for credit differentiation once the market digests this repricing. Our dynamic focus on the evolving underlying firm-level credit fundamentals should be well positioned to capitalize as this next phase of the virus and recovery continue to play out.

Source: Blackstone, Bloomberg, ICE Data Indices, LLC.

Market Commentary: The views expressed in this commentary are the views of investment professionals of Blackstone Credit and do not necessarily reflect the views of Blackstone Inc. itself. All information in this commentary is believed to be reliable as of the date on which this commentary was issued, and has been obtained from public sources believed to be reliable. There is no guarantee that the trends described herein will continue or will not reverse.

[1]Please see Key Risk Factors - Weighted Average Carbon Intensity (WACI) and Certain Socially Responsible Investment Exclusions.

All capitalized terms herein have the meaning set forth in the Definitions page. Performance is estimated by Blackstone and is subject to change. Past performance is not necessarily indicative of future results, and there can be no assurance that the Fund will continue to achieve comparable results or that the Fund will be able to implement its investment strategy, or achieve its investment objectives or target portfolio construction. Inherent in any investment is the potential for loss. See Key Risk Factors, Important Disclosure Information, and Definitions.

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Portfolio Statistics	Portfolio	Index
Investment Grade	0.0%	0.5%
Non-investment Grade	100.0%	99.3%
Not-rated	0.0%	0.2%
# of Issuers	169	970
Average Default Probability[1]	0.99%	1.18%
Average DP Implied Rating[1]	BB	BB
Average Agency Rating	BB-	B+
Average Maturity	6.88yr	6.24yr
Average Interest Rate Duration	4.30yr	4.35yr
Average Credit Duration	4.70yr	4.30yr
Spread	360bp	376bp
Total DTS Exposure	1,619bp	1,542bp
Current Yield	5.4%	5.7%
Yield to Maturity	5.6%	
Yield to Worst	5.5%	
Tracking Error	1.1%	

Portfolio Sectors	Portfolio (% NAV)	Index (% NAV)	Active Risk (DTS)
Aerospace	4.9%	2.5%	2.2%
Banks	2.1%	1.4%	0.5%
Consumer Discretionary	14.2%	13.0%	5.7%
Consumer Non-Discretionary	7.9%	7.8%	1.7%
Energy	19.1%	10.8%	12.9%
Equipment	0.4%	0.9%	-0.2%
Financial Companies	5.5%	3.6%	4.8%
General	5.8%	9.0%	-3.5%
High Tech	10.5%	4.9%	5.2%
Insurance	2.2%	1.3%	-0.6%
Investment Vehicles / REIT	7.9%	9.7%	-6.1%
Materials	2.2%	5.5%	-2.6%
Media	4.7%	13.0%	-9.3%
Other Financials	2.5%	5.6%	-3.4%
Pharmaceuticals	2.3%	3.1%	0.4%
Transportation	0.0%	2.2%	-1.8%
Utilities	4.5%	5.1%	-0.1%

Portfolio Profile		Portfolio (% NAV)	Index (% NAV)	Active Risk (DTS)
AAA	**DP Implied Rating[1]**	0.0%	0.2%	-0.1%
AA		0.0%	0.0%	0.0%
A		2.4%	2.3%	0.4%
BBB		38.7%	29.9%	7.7%
BB		19.6%	24.6%	1.3%
B		27.7%	35.2%	1.6%
CCC		8.3%	6.9%	3.2%
CC and below		0.0%	0.8%	-1.7%
NR		0.0%	0.0%	0.0%
AAA	**Agency Rating**	0.0%	0.0%	0.0%
AA		0.0%	0.0%	0.0%
A		0.0%	0.0%	0.0%
BBB		0.0%	0.5%	-0.2%
BB		59.6%	51.2%	15.0%
B		28.5%	36.6%	-3.1%
CCC		8.1%	11.1%	-6.1%
CC and below		0.5%	0.4%	-0.7%
NR		0.0%	0.2%	0.0%
0-2yr	**Maturity**	11.4%	10.1%	0.1%
3-5yr		35.9%	42.5%	-1.4%
6-10yr		41.3%	41.6%	-4.3%
11-20yr		4.9%	2.9%	6.1%
>20yr		3.2%	1.8%	4.6%
USD	**Currency**	96.7%	100.0%	5.0%
EUR		0.0%	0.0%	0.0%
GBP		0.0%	0.0%	0.0%
Other		0.0%	0.0%	0.0%

[1]Calculated by Blackstone, in its sole discretion, on the Blackstone investable universe which is a subset of the Index. Please see full definition in the Definitions section.

Performance is estimated by Blackstone and is subject to change. Past performance is not necessarily indicative of future results, and there can be no assurance that the Fund will continue to achieve comparable results or that the Fund will be able to implement its investment strategy, or achieve its investment objectives or target portfolio construction. Inherent in any investment is the potential for loss. Please see Key Risk Factors, Important Disclosure Information, and Definitions.

Top 10 Largest Holdings	% NAV
BOMBARDIER INC -CL B	2.0%
STARWOOD PROPERTY TRUST INC	1.9%
MURPHY OIL CORP	1.7%
ANTERO RESOURCES CORP	1.7%
OPEN TEXT CORP	1.6%
CHARTER COMMUNICATIONS INC	1.6%
FORD MOTOR CO	1.6%
TENET HEALTHCARE CORP	1.5%
ISTAR INC	1.5%
SM ENERGY CO	1.5%

Net Returns

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year	Index	Excess Return
2022	-2.57%	-0.90%											-3.45%	-3.53%	0.08%
2021	0.36%	0.44%	0.27%	1.30%	0.44%	1.48%	0.09%	0.36%	0.14%	0.13%	-1.16%	1.85%	5.82%	5.25%	0.57%
2020	0.32%	-1.77%	-12.24%	3.50%	3.46%	0.51%	4.96%	1.46%	-1.26%	0.77%	3.34%	1.61%	3.56%	3.24%	0.32%
2019	4.94%	1.51%	0.74%	1.44%	-1.51%	2.91%	1.06%	1.01%	0.53%	0.49%	0.11%	1.74%	15.89%	12.84%	3.05%
2018	0.52%	-1.44%	-1.29%	0.79%	-0.42%	0.26%	0.82%	0.52%	0.49%	-1.97%	-1.43%	-2.62%	-5.70%	-3.74%	-1.96%
2017	1.38%	1.52%	-0.27%	1.18%	0.68%	0.45%	1.24%	-0.23%	0.64%	0.92%	0.10%	0.06%	7.91%	6.65%	1.26%

12 Month Rolling Returns

	Mar 2012-Feb 2013	Mar 2013-Feb 2014	Mar 2014-Feb 2015	Mar 2015-Feb 2016	Mar 2016-Feb 2017	Mar 2017-Feb 2018	Mar 2018-Feb 2019	Mar 2019-Feb 2020	Mar 2020-Feb 2021	Mar 2021-Feb 2022
Gross	-	-	-	-	-	4.30%	1.92%	7.68%	6.43%	1.80%
Net	-	-	-	-	-	3.88%	1.40%	7.21%	5.93%	1.36%
Index	-	-	-	-	-	3.17%	2.55%	4.73%	5.68%	0.85%

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Fund Description

The Fund has been established as a feeder fund and invests all of its assets in the Blackstone Low Carbon High Yield Corporate Bond Fund (UCITS) (the "Master Fund"), a sub-fund of Blackstone Systematic Credit UCITS ICAV. The Master Fund aims to deliver higher returns than the Index through individual credit selection, with beta, sector, and other systemic credit risk characteristics similar to the Index. The Master Fund invests in U.S. dollar denominated high yield corporate bonds and seeks to minimize differences in interest rate risk relative to the Index through portfolio construction and, as appropriate, interest rate risk hedging using interest rate swaps and Treasury futures.

Fund Advantage

The strategy aims to deliver through active management:

- Higher return and Sharpe ratio than the Index over a Market Cycle
- Less idiosyncratic risk (avoids highest default risk issuers) resulting in:
  - Lower drawdowns and losses from tail events
  - Similar or lower volatility than the Index
- Uncorrelated excess returns to indices and other investment strategies
- A 'pure play' on corporates: index-only bonds, no equities, hybrids or convertible securities
- Aim of delivering protection from exchange rate fluctuations with hedged currency share classes
- Daily dealing UCITS V compliant fund or managed accounts with custom interest rate targets or other characteristics available
- 'Diversification by Approach' by complementing investors' existing fixed income allocations
- Sustainable Finance Disclosure Regulation Article 8 compliant Funds[1].

About Blackstone Credit Systematic Strategies

Blackstone Credit Systematic Strategies LLC (formerly DCI, LLC) is an asset management firm specializing in investment grade and high yield corporate credit strategies. The firm manages long-only and long/short strategies for some of the world's largest institutional and private wealth investors. Blackstone Credit Systematic Strategies deploys a fundamental based, systematic approach seeking to exploit potential inefficiencies in the corporate credit markets. The firm offers daily dealing funds including regulated UCITS V compliant funds, Alternative funds, and custom managed accounts.

The cofounders' achievements include the creation of the world's first equity index fund at Wells Fargo in 1971, cofounding Dimensional Fund Advisors in 1981 and cofounding KMV in 1989. While at KMV between 1989 and 2002, a group of DCI's founders and principals developed the world's first credit default probability model. This model was empirically shown to predict corporate defaults with more precision and accuracy than any previous methods. After Moody's acquired KMV, the team co-founded DCI in 2004 with the singular objective of creating well-diversified portfolios that seek to produce consistent, low-volatility alpha. On December 18, 2020, Blackstone Inc. acquired DCI, LLC which has become a part of Blackstone Credit the credit-focused business of Blackstone. DCI, LLC was subsequently renamed Blackstone Credit Systematic Strategies LLC.

The firm is registered as an investment adviser with the U.S. Securities and Exchange Commission (SEC)[2].

Contact

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Share Class Details

Share Class	ISIN	Inception	Net Assets (Local MM)
Class A USD Founder	IE00BD6G9P01	9/29/2017	146.89
Class A USD Founder Distr.	IE00BD6GB105	-	-
Class A USD Institutional	IE00BD6G9K55	11/1/2021	5.08
Class A USD Institutional Distr.	IE00BD6G9C71	-	-
Class A USD Ordinary	IE00BD6G9166	-	-
Class A USD Ordinary Distr.	IE00BD6G9B64	-	-
Class B EUR Founder	IE00BD6GBG57	-	-
Class B EUR Founder Distr.	IE00BD6GBH64	-	-
Class B EUR Institutional	IE00BF7TQN92	1/30/2020	2.59
Class B EUR Institutional Distr.	IE00BF7TQM85	-	-
Class B EUR Ordinary	IE00BJGTDZ94	-	-
Class B EUR Ordinary Distr.	IE00BJGTF086	-	-
Class C CHF Founder	IE00BD6GCT51	1/19/2018	27.95
Class C CHF Founder Distr.	IE00BD6GDB43	-	-
Class C CHF Institutional	IE00BD6GD259	-	-
Class C CHF Institutional Distr.	IE00BD6GCV73	-	-
Class C CHF Ordinary	IE00BJGTF193	-	-
Class C CHF Ordinary Distr.	IE00BJGTF201	-	-
Class D SEK Founder	IE00BD6CCZ99	-	-
Class D SEK Founder Distr.	IE00BD6CD019	-	-
Class D SEK Institutional	IE00BD6CD340	-	-

Share Class	ISIN	Inception	Net Assets (Local MM)
Class D SEK Institutional Distr.	IE00BD6CD456	-	-
Class D SEK Ordinary	IE00BJGTF318	-	-
Class D SEK Ordinary Distr.	IE00BJGTF425	-	-
Class E NOK Founder	IE00BD6CD126	12/2/2016	114.80
Class E NOK Founder Distr.	IE00BD6CD233	-	-
Class E NOK Institutional	IE00BD6CD563	-	-
Class E NOK Institutional Distr.	IE00BD6CD670	-	-
Class E NOK Ordinary	IE00BJGTF532	-	-
Class E NOK Ordinary Distr.	IE00BJGTF649	-	-
Class F GBP Institutional	IE00BD711255	-	-
Class F GBP Institutional Distr.	IE00BD711362	-	-
Class F GBP Ordinary	IE00BJGTF755	-	-
Class F GBP Ordinary Distr.	IE00BJGTF862	-	-
Class G SGD Institutional	IE00BD711479	-	-
Class G SGD Institutional Distr.	IE00BD711586	-	-
Class G SGD Ordinary	IE00BJGTF979	-	-
Class G SGD Ordinary Distr.	IE00BJGTFB90	-	-
Class H JPY Institutional	IE00BG143J29	-	-
Class H JPY Institutional Distr.	IE00BD711693	-	-
Class H JPY Ordinary	IE00BJGTFC08	-	-
Class H JPY Ordinary Distr.	IE00BJGTFD15	-	-

[1]Please see Key Risk Factors - Sustainable Finance Disclosure Regulation ("SFDR").
[2]Registration with the SEC does not imply any level of skill or training.

KEY RISK FACTORS

In considering any investment performance information contained in the Materials, **prospective and current investors should bear in mind that past or estimated performance is not necessarily indicative of future results** and there can be no assurance that a Fund will achieve comparable results, implement its investment strategy, achieve its objectives or avoid substantial losses or that any expected returns will be met.

Conflicts of Interest. There may be occasions when a Fund's general partner and/or the investment advisor, and their affiliates will encounter potential conflicts of interest in connection with such Fund's activities including, without limitation, the allocation of investment opportunities, relationships with Blackstone's and its affiliates' investment banking and advisory clients, and the diverse interests of such Fund's limited partner group. There can be no assurance that the Sponsor will identify, mitigate, or resolve all conflicts of interest in a manner that is favorable to the Partnership.

Diversification; Potential Lack Thereof. Diversification is not a guarantee of either a return or protection against loss in declining markets. The number of investments which a Fund makes may be limited, which would cause the Fund's investments to be more susceptible to fluctuations in value resulting from adverse economic or business conditions with respect thereto. There is assurance that any of the Fund's investments will perform well or even return capital; if certain investments perform unfavorably, for the Fund to achieve above-average returns, one or a few of its investments must perform very well. There is no assurance that this will be the case. In addition, certain geographic regions and/or industries in which the Fund is heavily invested may be more adversely affected from economic pressures when compared to other geographic regions and/or industries.

Epidemics/Pandemics. Countries have been susceptible to epidemics which may be designated as pandemics by world health authorities, most recently COVID-19. The outbreak of such epidemics, together with any resulting restrictions on travel or quarantines imposed, has had and will continue to have a negative impact on the economy and business activity globally (including in the countries in which the Funds invest), and thereby is expected to adversely affect the performance of the Funds' investments. Furthermore, the rapid development of epidemics 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 and the performance of their investments.

Forward-Looking Statements. Certain information contained in the Materials constitutes "forward-looking statements," which can be identified by the use of forward-looking terminology or the negatives thereof. These may include financial predictions estimates and their underlying assumptions, statements about plans, objectives and expectations with respect to future operations, and statements regarding future performance. Such forward-looking statements are inherently uncertain and there are or may be important factors that could cause actual outcomes or results to differ materially from those indicated in such statements. Blackstone believes these factors include but are not limited to those described under the section entitled "Risk Factors" in its Annual Report on Form 10-K for the most recent fiscal year ended December 31 of that year, and any such updated factors included in its periodic filings with the Securities and Exchange Commission, which are accessible on the SEC's website at www.sec.gov. These factors should not be construed as exhaustive and should be read in conjunction with the other cautionary statements that are included in the Materials and in the filings. Blackstone undertakes no obligation to publicly update or review any forward-looking statement, whether as a result of new information, future developments or otherwise.

Highly Competitive Market for Investment Opportunities. The activity of identifying, completing and realizing attractive investments is highly competitive, and involves a high degree of uncertainty. There can be no assurance that a Fund will be able to locate, consummate and exit investments that satisfy its objectives or realize upon their values. There is no guarantee that investment opportunities will be allocated to a Fund and/or that the activities of Blackstone's other funds will not adversely affect the interests of such Fund.

Illiquidity and Variable Valuation. There is no organized secondary market for investors' interests in any Fund nor is there an organized market for which to sell a Fund's underlying investments, and none is expected to develop. Withdrawal and transfer of interests in a Fund are subject to various restrictions, and similar restrictions will apply in respect of the Fund's underlying investments. Further, the valuation of a Fund's investments will be difficult, may be based on imperfect information and is subject to inherent uncertainties, and the resulting values may differ from values that would have been determined had a ready market existed for such investments, from values placed on such investments by other investors and from prices at which such investments may ultimately be sold.

Material, Non-Public Information. In connection with other activities of Blackstone, certain Blackstone personnel may acquire confidential or material non-public information or be restricted from initiating transactions in certain securities, including on a Fund's behalf. As such, a Fund may not be able to initiate a transaction or sell an investment. In addition, policies and procedures maintained by Blackstone to deter the inappropriate sharing of material non-public information may limit the ability of Blackstone personnel to share information with personnel in Blackstone's other business groups, which may ultimately reduce the positive synergies expected to be realized by a Fund as part of the broader Blackstone investment platform.

No Assurance of Investment Return. Prospective investors should be aware that an investment in a Fund is speculative and involves a high degree of risk. There can be no assurance that a Fund will achieve comparable results, implement its investment strategy, achieve its objectives or avoid substantial losses or that any expected returns will be met (or that the returns will be commensurate with the risks of investing in the type of transactions described herein). The portfolio companies in which a Fund may invest (directly or indirectly) are speculative investments and will be subject to significant business and financial risks. A Fund's performance may be volatile. An investment should only be considered by sophisticated investors who can afford to lose all or a substantial amount of their investment. A Fund's fees and expenses may offset or exceed its profits.

Reliance on Key Management Personnel. The success of a Fund will depend, in large part, upon the skill and expertise of certain Blackstone professionals. In the event of the death, disability or departure of any key Blackstone professionals, the business and the performance of a Fund may be adversely affected. Some Blackstone professionals may have other responsibilities, including senior management responsibilities, throughout Blackstone and, therefore, conflicts are expected to arise in the allocation of such personnel's time (including as a result of such personnel deriving financial benefit from these other activities, including fees and performance-based compensation).

KEY RISK FACTORS

Sustainable Finance Disclosure Regulation ("SFDR"). No representation is intended with respect to the SFDR classification of any strategy other than the strategy referenced herein. The Systematic UCITS funds, in consultation with Blackstone, have identified certain Systematic UCITS funds as Article 8 for the purposes of SFDR. Systematic UCITS funds may seek to make sustainable investments including investments in economic activities that qualify as environmentally sustainable under Article 3 of Regulation (EU) 2020/852 (the "Taxonomy"). At this time the Systematic UCITS funds have not identified a proportion of investments in such activities or proportion of investments which relate to enabling or transitional activities as referred to in Article 16 and Article 10(2) of the Taxonomy but that may be subject to change. The Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm Taxonomy objectives and is accompanied by specific EU criteria. Similarly, any other sustainable investments must also not significantly harm any environmental or social objectives. The "do no significant harm" principle applies only to sustainable investments (if any). Other investments do not take into account the EU criteria for environmentally sustainable economic activities and are not required to apply the "do no significant harm" principle. It is possible that none of the investments underlying the Systematic UCITS funds will take into account the EU criteria for environmentally sustainable economic activities. BXC Systematic UCITS funds comply with Article 8 of the Sustainable Finance Disclosure Regulation ("SFDR"). Please visit https://www.blackstone.com/systematic-strategies/ for additional information. The reference to SFDR product categories is provided on the basis of the European Directive (EU) 2019/2088 on the sustainability-related disclosures in the financial services sector ("SFDR Regulation") and state of knowledge as of 10 March 2021. As of publication date, the SFDR-related regulatory technical standards are not yet finalized and enforced. The product categorization shall be re-assessed once such regulatory technical standards are completed and may evolve.

Termination of marketing arrangements. Please note that the Fund may decide to terminate the arrangements made for the marketing of the Fund in one or more EU member states pursuant to the UCITS marketing passport in accordance with the procedure provided for under the applicable laws that implement Article 93a of Directive 2009/65/EC (the UCITS Directive).

Weighted Average Carbon Intensity (WACI) and Certain Socially Responsible Investment Exclusions. The portfolio was converted to low carbon January 2022. Performance prior to January 2022 does not reflect the low carbon constraints which could have materially impacted performance during that period. Weighted Average Carbon Intensity is a measure of the portfolio's exposure to carbon-intensive companies, based on a company's Scope 1 and Scope 2 carbon emissions relative to its revenue. Blackstone uses TruCost carbon emissions data from S&P Global for the WACI calculations which are in line with the Task Force on Climate-related Financial Disclosures (TCFD) recommendations for asset owners and asset managers. In seeking to achieve this objective, Blackstone relies on third-party data for both actual and potential carbon emissions from fossil fuel reserves for a particular issuer, sector or subsector. Achieving an accurate WACI will depend on third-party data providers ability to properly assess the carbon emissions of issuers. There can be no assurance that the strategy or techniques employed will be successful or that the information and data provided by the third-party data provider will be complete, accurate or provided in a timely manner. In addition, there are various providers of carbon emissions data and the measurement of carbon emissions may vary from provider to provider. As a result, Blackstone's selection of any particular data provider may result in a different composition of the Fund and/or a different WACI measurement for the portfolio and/or Index. Blackstone does not independently verify the third-party information used to derive the information and makes no representation or warranty as to the accuracy or completeness of such information. Please see https://ghgprotocol.org/corporate-standard for more information on the Greenhouse Gas (GHG) Protocol Standard. Where carbon intensity is not available for an Index constituent Blackstone uses the subsector carbon intensity, which is the ratio of the total emissions of the subsector over the total revenue in the subsector as of that date. If there is an insufficient number of issuers with data in the relevant subsector, Blackstone uses the sector carbon intensity, which is the ratio of the total emissions of the sector over the total revenue in the sector as of that date. Accordingly, the weighted average carbon intensity data for the portfolios is not necessarily based on the emissions of the actual underlying investments held in the portfolios, but rather, in some instances, TruCost's emissions data for an investment's corresponding sub-sector or sector. Consequently, the weighted average carbon intensity data presented should not be viewed by investors as representative of the actual carbon exposure of the portfolio. Cash, cash equivalents, and derivatives are included in the denominator of the portfolios WACI calculation which implies no carbon emissions for those instruments. While sector exclusion is not part of the low carbon optimization, as of December 2021, BX Systematic Strategies seeks to avoid certain issuers from categories including but not limited to: (i) the mining of coal; (ii) coal power generation; (iii) the manufacturing of tobacco products; (iv) the manufacture or sale of weapons and/or ammunition; (v)the manufacture of opioids; (vi)and private prisons as part of its Socially Responsible Investing ("SRI") policy. In this regard, the BX Systematic Strategies will exclude such businesses from the investment universe and portfolio as detailed above. BX Systematic Strategies reviews, affirms, and modifies the specific exclusion list at least quarterly. Further details of the SRI criteria and the integration of sustainability factors into the investment process and the related risks is set out in the offering documents or available upon request.

While Blackstone believes responsible investing can enhance value, Blackstone does not pursue an exclusively ESG-based investment strategy or limit its investments to those that meet specific ESG criteria or standards. Any reference to Blackstone's firm-wide environmental or social considerations is not intended to qualify Blackstone's duty to maximize risk-adjusted returns nor does Blackstone guarantee any ESG initiatives will occur as expected or at all.

IMPORTANT DISCLOSURE INFORMATION

This document (together with any attachments, appendices, and related materials, the "Materials") is provided on a confidential basis for informational due diligence and/or client reporting purposes only and is not, and may not be relied on in any manner as legal, tax, investment, accounting or other advice or as an offer to sell, or a solicitation of an offer to buy, any security or instrument in or to participate in any trading strategy with Blackstone Credit, Blackstone Credit Systematic Strategies (formerly DCI, LLC) or its affiliates in the credit-focused business of Blackstone Inc. (together with its affiliates, "Blackstone" and, collectively, "BX Credit") or any fund or separately managed account currently or to be sponsored, managed, advised or sub-advised or pursued by BX Credit (each, a "Fund" or "Strategy"), nor shall it or the fact of its distribution form the basis of, or be relied on in connection with, any contract or investment decision. If such offer is made, it will only be made by means of a prospectus and any supplements thereto (collectively with additional offering documents, the "Offering Documents"), which would contain material information (including certain risks of investing in such Fund) not contained in the Materials and which would supersede and qualify in its entirety the information set forth in the Materials.

Please refer to the Prospectus and Key Investor Information Document (KIID) before making any final investment decision. The prospectus is available in English and the KIID is available in English, German, French, Swiss English, Spanish, Italian, Danish, Swedish, Portuguese, Dutch, Icelandic at www.blackstone.com/systematic-strategies/. Any decision to invest in a Fund should be made after reviewing the Offering Documents of such Fund, conducting such investigations as the investor deems necessary and consulting the investor's own legal, accounting and tax advisers to make an independent determination of the suitability and consequences of an investment in such Fund. In the event that the descriptions or terms described herein are inconsistent with or contrary to the descriptions in or terms of the Offering Documents, the Offering Documents shall control. None of Blackstone, its funds, nor any of their affiliates makes any representation or warranty, express or implied, as to the accuracy or completeness of the information contained herein and nothing contained herein should be relied upon as a promise or representation as to past or future performance of a Fund or any other entity, transaction, or investment. Capitalized terms used herein but not otherwise defined have the meanings set forth in the Offering Documents.

In considering any investment performance information contained in the Materials, **prospective and current investors should bear in mind that past or estimated performance is not necessarily indicative of future results** and there can be no assurance that a Fund will achieve comparable results, implement its investment strategy, achieve its objectives or avoid substantial losses or that any expected returns will be met. The Fund may not achieve the desired results due to implementation lag, other timing factors, portfolio management decision making, economic or market conditions or other unanticipated factors. The Fund's performance information has been derived from its monthly net asset value. Monthly performance results have not been audited; however, the Fund's financial statements for past fiscal years have been audited. Certain factors may cause monthly performance to vary from investor to investor. The performance results of an actual client investment advisory account invested by Blackstone Credit Systematic Strategies in accordance with the Strategy would be reduced by the advisory fees and performance fees actually incurred in the management of the account; these and other expenses are not reflected in the actual Gross Returns. For example, an investment account that over a five year period had an average annual investment return of 8% before deduction of an 0.35% annual investment advisory fee would have had a lower average annual investment return of 7.65% after deduction of such annual investment advisory fee. For individual investor performance, investors should rely on information contained in account statements produced by the Fund's administrator. Fund performance shown for the performance period reflects a Fund's return since inception and is based on the actual management fees and expenses paid by Fund investors as a whole. Performance for individual investors will vary (in some cases materially) from the performance stated herein as a result of the management fees paid or not paid by certain investors; the investor servicing fees paid by certain investors, as applicable; the timing of their investment; and/or their individual participation in Fund investments. Fund performance shown may not reflect returns experienced by any particular investor in a Fund since actual returns to investors depend on when each investor invested in such Fund, which may be at a point in time subsequent to a Fund's equalization period, if applicable. The Fund's Documents contain detailed provisions relating to the timing, methodology and recording of fund expenses, including incentive and management fees. An investment in the Fund is subject to significant risks and is suitable only for investors of substantial financial means that have no need for immediate liquidity in this investment. The Fund uses sophisticated investment techniques, and may not be suitable for all investors. The Blackstone Credit Systematic Strategies fee schedule is presented in its Form ADV Part 2A.

The Materials contain highly confidential information regarding Blackstone and a Fund's investments, strategy and organization. Your acceptance of the Materials constitutes your agreement that the Materials are designated as "trade secret" and "highly confidential" by Blackstone and are neither publicly available nor do they constitute a public record and that you shall (i) keep confidential all the information contained in the Materials, as well as any information derived by you from the information contained in the Materials (collectively, "Confidential Information") and not disclose any such Confidential Information to any other person (including in response to any Freedom of Information Act, public records statute, or similar request), (ii) not use any of the Confidential Information for any purpose other than to evaluate or monitor investments in a Fund, (iii) not use the Confidential Information for purposes of trading securities, including, without limitation, securities of Blackstone or its portfolio companies, (iv) except to download the Materials from BXAccess, not copy the Materials without the prior consent of Blackstone, and (v) promptly return any or all of the Materials and copies hereof to Blackstone upon Blackstone's request, in each case subject to the confidentiality provisions more fully set forth in a Fund's Offering Documents and any other written agreement(s) between the recipient and Blackstone, a current or potential portfolio company, or a third-party service provider engaged by Blackstone in connection with evaluation of a potential investment opportunity.

The Fund is not registered under the Investment Company Act of 1940, as amended (the "1940 Act"), in reliance on an exception thereunder. Shares of the Fund have not been registered under the Securities Act of 1933, as amended (the "1933 Act"), or the securities laws of any state and are being offered and sold in reliance on exemptions from the registration requirements of the 1940 Act, 1933 Act and such laws. Accordingly, the Fund is not required to comply with the specific disclosure requirements that apply to registration under the 1933 Act, and investors in the Fund are not afforded the protections of the 1940 Act. These securities shall not be offered or sold in any jurisdiction in which such offer, solicitation or sale would be unlawful until the requirements of the laws of such jurisdiction have been satisfied.

These materials are not intended to be risk disclosure documents, and are subject in their entirety to definitive disclosure and other documents (collectively, the "Documents") respecting the Blackstone Low Carbon High Yield Corporate Bond Fund (Feeder), a sub-fund of Blackstone Systematic Credit Umbrella Fund plc (the "Fund"). The Fund is regulated by the Central Bank of Ireland. The Fund's Documents (including prospectus, supplement, and Key Investor Information document) are available at www.blackstone.com/systematic-strategies/.

Blackstone Proprietary Data. Certain information and data provided herein is based on Blackstone proprietary knowledge and data. While Blackstone currently believes that such information is reliable for purposes used herein, it is subject to change, and reflects Blackstone's opinion as to whether the amount, nature and quality of the data is sufficient for the applicable conclusion, and no representations are made as to the accuracy or completeness thereof.

ERISA Fiduciary Disclosure. The foregoing information has not been provided in a fiduciary capacity under ERISA, and it is not intended to be, and should not be considered as, impartial investment advice.

IMPORTANT DISCLOSURE INFORMATION

Estimates/Targets. Any estimates, targets, forecasts, or similar predictions or returns set forth herein are based on assumptions and assessments made by Blackstone that it considers reasonable under the circumstances as of the date hereof. They are necessarily speculative, hypothetical, and inherently uncertain in nature, and it can be expected that some or all of the assumptions underlying such estimates, targets, forecasts, or similar predictions or returns contained herein will not materialize and/or that actual events and consequences thereof will vary materially from the assumptions upon which such estimates, targets, forecasts, or similar predictions or returns have been based. Inclusion of estimates, targets, forecasts, or similar predictions or returns herein should not be regarded as a representation or guarantee regarding the reliability, accuracy or completeness of such information, and neither Blackstone nor a Fund is under any obligation to revise such returns after the date provided to reflect the occurrence of future events, even in the event that any or all of the assumptions underlying such returns are later shown to be incorrect. None of Blackstone, a Fund, their affiliates or any of the respective directors, officers, employees, partners, shareholders, advisers and agents of any of the foregoing makes any assurance, representation or warranty as to the accuracy of such assumptions. Investors and clients are cautioned not to place undue reliance on these forward-looking statements. Recipients of the Materials are encouraged to contact Fund representatives to discuss the procedures and methodologies used to make the estimates, targets, forecasts, and/or similar predictions or returns and other information contained herein.

Images. The Materials contain select images of certain investments that are provided for illustrative purposes only and may not be representative of an entire asset or portfolio or of a Fund's entire portfolio. Such images may be digital renderings of investments rather than actual photos.

Index Comparison. The volatility and risk profile of the indices presented is likely to be materially different from that of a Fund. In addition, the index employs different investment guidelines and criteria than a Fund and do not employ leverage; as a result, the holdings in a Fund and the liquidity of such holdings may differ significantly from the securities that comprise the index. The index is not subject to fees or expenses and it may not be possible to invest in the index. The performance of the index may not necessarily have been selected to represent an appropriate benchmark to compare to a Fund's performance, but rather is disclosed to allow for comparison of a Fund's performance to that of a well-known and widely recognized index. A summary of the investment guidelines for the indices presented are available upon request. In the case of equity indices, performance of the indices reflects the reinvestment of dividends.

Investor rights and access to collective redress mechanisms. The legal relationship between an investor and Blackstone Systematic Credit Umbrella Fund plc, an umbrella fund with segregated liability between sub-funds (the umbrella fund and each sub-fund, collectively and individually, the "Fund") is a contractual one, governed principally by the application form executed by the investor when subscribing for shares in the Fund and the constitutional document. As an investor in the Fund, an investor has various rights which derive from:

- the application form, the constitutional document, and other relevant documents of the Fund; and
- Applicable Law and Regulation*.

Such rights may include, but are not limited to, the right to participate in changes in the net asset value of such investor's shares; the right to a share of any dividends or distributions paid out by the Fund; the right to attend at general meetings of the shareholders of the Fund and to vote on any motion tabled at such meetings; subject to certain conditions, the right to call a general meeting of investors in the Fund; the right to request the redemption of the investor's shares by the Fund and certain rights in respect of how the Fund uses the investor's personal data. The exercise by an investor of these rights is strictly subject to the terms and conditions of the relevant Fund documents and/or legislation from which these rights derive. The foregoing is only a brief summary of examples of the rights of an investor in relation to the Fund. For a more detailed description of their rights vis-à-vis the Fund, investors should consult their own legal advisor.

Both the subscription agreement between an investor and the Fund and the constitutional document are governed by Irish law. In the event that an investor believes they have suffered loss as a result of the actions or inactions of the Fund or any relevant UCITS management company, an investor may seek to take proceedings against such parties in the Irish courts or, in certain circumstances, in the courts of another jurisdiction. Whether the judgement of a foreign court will be recognised and enforced against the Fund or a UCITS management company in Ireland will depend on the circumstances of the case and will be subject to the relevant national and international law that governs such matters in Ireland. At present, pending implementation of Directive (EU) 2020/1828 on representative actions for consumers, there are no recognised means, in Ireland or at a European Union level, by which an investor who may have suffered a loss as result of the actions or inactions of the Fund or the UCITS management company may seek collective redress.

*Applicable Law and Regulation in this regard includes, but is not limited to, the Companies Act 2014, the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 and the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2019, the Irish Data Protection Acts 1988 to 2018, the General Data Protection Regulation (Regulation (EU) 2016/679), the EU ePrivacy Directive 2002/58/EC, each as amended or replaced from time to time.

A summary, in English, of investors rights and information on access to collective redress mechanism can be obtained at the following website www.blackstone.com/systematic-strategies/

Non-GAAP Measures. Non-GAAP measures (including, but not limited to, time weighted gross and net returns, including income and appreciation, across all time periods) are estimates based on information available to Blackstone as of the date cited, including information received from third parties. There may not be uniform methods for calculating such measures and such methods are subject to change over time. Blackstone believes that such non-GAAP measures constitute useful methods to convey information to current and prospective investors that Blackstone believes is relevant and meaningful in understanding and/or evaluating the fund or investment in question. However, such non-GAAP measures should not be considered to be more relevant or accurate than GAAP methodologies and should not be viewed as alternatives to GAAP methodologies. In addition, third party information used to calculate such non-GAAP measures is believed to be reliable, but no representations are made as to the accuracy or completeness thereof and none of Blackstone, its funds, nor any of their affiliates take any responsibility for any such information.

Opinions. Opinions expressed reflect the current opinions of Blackstone as of the date appearing in the Materials only and are based on Blackstone's opinions of the current market environment, which is subject to change. Certain information contained in the Materials discusses general market activity, industry or sector trends, or other broad-based economic, market or political conditions and should not be construed as research or investment advice.

Portfolio Holdings. This is not a recommendation to buy or sell specific securities, there is no assurance that the securities discussed will remain in the portfolio or that securities sold have not been repurchased; the securities discussed do not represent the entire portfolio and may only represent a small portion of the portfolio, and should not assume that the securities discussed were or will be profitable or that recommendations made in the future will be profitable or will equal the performance of the securities discussed.

IMPORTANT DISCLOSURE INFORMATION

Target Allocations. There can be no assurance that a Fund will achieve its objectives or avoid substantial losses. Allocation strategies and targets depend on a variety of factors, including prevailing market conditions and investment availability. There is no guarantee that such strategies and targets will be achieved and any particular investment may not meet the target criteria.

Third Party Information. Certain information contained in the Materials has been obtained from sources outside Blackstone, which in certain cases have not been updated through the date hereof. While such information is believed to be reliable for purposes used herein, no representations are made as to the accuracy or completeness thereof and none of Blackstone, its funds, nor any of their affiliates takes any responsibility for, and has not independently verified, any such information.

Trends. There can be no assurances that any of the trends described herein will continue or will not reverse. Past events and trends do not imply, predict or guarantee, and are not necessarily indicative of, future events or results.

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Switzerland. The Fund has been approved for offering to non-qualified investors by the Swiss Financial Market Supervisory Authority FINMA (FINMA) pursuant to article 120(1) of the Swiss Federal Act on Collective Investment Schemes (CISA). Pursuant to article 120(4) CISA, 1741 Fund Solutions AG, Burggraben 16, 9000 St. Gallen has been appointed as Swiss representative of the Fund in Switzerland. Tellco AG, Bahnhofstrasse 4, 6430 Schwyz has been appointed as Swiss paying agent for the Fund. Accordingly, the units of the Fund may only be offered (within the meaning of article 3(g) of the Swiss Federal Act on Financial Services (FinSA)) or marketed (within the meaning of article 127a of the Collective Investment Schemes Ordinance), directly or indirectly, in Switzerland and this Offering Memorandum and any other offering documents (the prospectus, the Key Information Document, the fund contract as well as the annual and semi-annual report) relating to the Fund may only be made available in Switzerland to qualified and non-qualified investors as defined in article 10CISA. Investors in the units of the Fund do not benefit from the specific investor protection provided by CISA and the supervision by the FINMA in connection with the approval for offering. Furthermore, this document and any other marketing or offering documents relating to the Fund may be shared with non-discretionary investment advisors in Switzerland for their information purposes only and without targeting specific investors advised by such investment advisors.

In respect of the units offered in Switzerland, the place of performance is the registered office of the representative. The place of jurisdiction is at the registered office of the representative or at the registered office or place of residence of the investor.

DEFINITIONS

% NAV: Exposures labeled "% NAV" are calculated as the bond equivalent market values calculated by Blackstone (using third party valuations) divided by the Net Assets of the portfolio (inclusive of cash and cash equivalents).

Active Risk (DTS): Net weighted average of credit duration times spread as a percentage of the Index.

Agency Rating: Agency Rating is a composite rating using the median of Moody's, Standard & Poor's and Fitch. If only two of the designated agencies rate a security, the composite rating is based on the lower of the two. Likewise, if only one of the designated agencies rates the security, the composite rating is based on that one rating. If there are no credit ratings, the security will be considered unrated.

Average Default Probability (DP): The weighted average Default Probability based on market value. Calculated by Blackstone, in its sole discretion, on the Blackstone investable universe which is a subset of the Index. Privately held companies are not part of the Blackstone investable universe and therefore Blackstone does not compute a DP for a private company. In such instances, the privately held company is removed from the denominator when calculating the percentages displayed for the Index.

Average DP Implied Rating: The weighted average DP Implied Rating based on market value. Calculated by Blackstone, in its sole discretion, on the Blackstone investable universe which is a subset of the Index. Privately held companies are not part of the Blackstone investable universe and therefore Blackstone does not compute a DP implied rating for a private company. In such instances, the privately held company is removed from the denominator when calculating the percentages displayed for the Index.

Bloomberg Barclays US Corporate Investment Grade Index: The Bloomberg Barclays US Corporate Investment Grade Corporate Index is an unmanaged debt issuance weighted index that tracks the performance of U.S. investment grade corporate debt (within certain exclusions) and that reflects reinvestment of all income. All performance data regarding the index are historical and are not indicative of future results, and there can be no assurance that these or comparable results will actually be achieved by the Fund or that the Fund's investment objective will be achieved. The volatility and risk profile of the indices presented is likely to be materially different from that of the Fund. In addition, the indices employ different investment guidelines and criteria than the Fund; as a result, the holdings in the Fund and the liquidity of such holdings may differ significantly from the securities that comprise the indices. The indices are not subject to fees or expenses and it may not be possible to invest in the indices.

BX Credit AUM: Estimated AUM as of December 31, 2021. Note: The AUM for Blackstone, Blackstone Credit or any specific fund, account or investment strategy presented in this presentation may differ from any comparable AUM disclosure in other non-public or public sources (including public regulatory filings) due to, among other factors, methods of net asset value and capital commitment reporting, differences in categorizing certain funds and accounts within specific investment strategies and exclusion of certain funds and accounts, or any part of net asset value or capital commitment thereof, from the related AUM calculations. Certain of these differences are in some cases required by applicable regulation.

Credit Duration: A measure of a portfolio's sensitivity to changes in the aggregate level of credit spreads. A portfolio's Credit Duration is calculated as the market value weighted average Interest Rate Duration of the credit sensitive assets in the portfolio.

Credit Return: Return achieved over and above the Default Free Return, not including fees or expenses but including any reinvestment effects (which are the result of the cross product of the Default Free Return and the Credit Return). For the Blackstone Fund, the Credit Return is calculated for each period by subtracting the Fees and Expenses and the Default Free Return from the return implied by the published NAV. For the Index, the Credit Returns are defined as the published total Index return less the Index Default Free Return.

Current Yield: The return (coupon) of the asset over the next year (excluding FX forwards) divided by the current price. Due to currency hedging the realized yield may be materially different from the current yield because of underlying interest rate differentials that drive currency forwards.

Default Free Return: The portfolio return component attributable to returns on the existing LIBOR swap term structure and changes in the swap term structure over the observation period. This component reflects the return an investor would receive on a position without default risk and does not reflect performance experienced by any client of Blackstone.

Default Probability (DP): The probability that a firm will default as measured by Blackstone, where default is defined as failure to make timely interest and/or principal payments, over a specified horizon, typically one year. Probabilities range from 0.02% to 20%. Default probabilities are calculated at the issuer level and can be aggregated by weighting the issuer default probabilities by their weight in the portfolio to arrive at a risk measure of a portfolio or index. Default probabilities are based on the Vasicek-Kealhofer model of default which assumes a firm defaults when its market value of assets (determined by viewing the equity value of a firm as a call option on the underlying assets) hits the default point (empirically determined and based on various classes of liabilities). The three main components of default probability are: asset value, asset volatility (determined by calculating the standard deviation of the underlying asset returns), and default point. A distance to default measure is computed by subtracting the asset value from the default point (adjusting for any cash outflows) and scaling this distance by the asset volatility. Finally, this distance to default is converted to a physical default probability via an empirical mapping based on historical defaults. Calculated by Blackstone, in its sole discretion, on the Blackstone investable universe which is a subset of the Index. Privately held companies are not part of the Blackstone investable universe and therefore Blackstone does not compute a DP implied rating for a private company. In such instances, the privately held company is removed from the denominator when calculating the percentages displayed for the Index.

Diversification by Approach: Diversification does not ensure a profit or protect against losses. This product is subject to the risk of capital loss and investors may not get back the amount originally invested. Risk Management seeks to mitigate risk but does not reduce or eliminate risk and does not protect against losses.

DP Implied Rating: Calculated by Blackstone, in its sole discretion, on the Blackstone investable universe which is a subset of the Index. Privately held companies are not part of the Blackstone investable universe and therefore Blackstone does not compute a DP implied rating for a private company. In such instances, the privately held company is removed from the denominator when calculating the percentages displayed for the Index. In October 2020 the methodology for the DP implied ratings changed. The previous "through the cycle" methodology looked at the full rating history of the investable universe and the median DP of each major rating grade. The new "point in time" methodology aims to calculate a DP that maps to the current agency rating distributions on the investible universe. The point in time methodology uses a three-year history. Additional information is available upon request.

Excess Return: Calculated as the difference between the net return of the account or Fund and the index.

Fees and Expenses: Fees and expenses are the combination of management fees and other Fund expenses including but not limited to custodian and administration fees, where applicable.

DEFINITIONS

Gross: Returns before fees and expenses, calculated by Blackstone, and unaudited. Gross returns reflect the reinvestment of all distributions, coupons and other earnings. Performance is estimated by Blackstone and is subject to change. The information contained herein is unaudited and preliminary. Final amounts will not be available until a later date. The difference between the preliminary and the final amounts could be material. **Past performance is not indicative of future results and there can be no assurance that any Blackstone fund, account or investment will achieve its objectives and avoid significant losses.** Please see Important Disclosure Information.

Inception: The performance inception date is the date the share class was deemed fully invested in accordance with Blackstone's performance reporting policies. The share class launch date may differ from the performance inception date.

Index or ICE BofAML US High Yield Constrained Index (HUCO) or "U.S. High Yield Index": The ICE BofAML US High Yield Master II Constrained Index (HUCO) (hedged to share class currency) contains all securities in the ICE BofAML US High Yield Index but caps issuer exposure at 2%. Index constituents are capitalization-weighted, based on their current amount outstanding, provided the total allocation to an individual issuer does not exceed 2%. Issuers that exceed the limit are reduced to 2% and the face value of each of their bonds is adjusted on a pro-rata basis. Similarly, the face values of bonds of all other issuers that fall below the 2% cap are increased on a pro-rata basis. In the event there are fewer than 50 issuers in the Index, each is equally weighted and the face values of their respective bonds are increased or decreased on a pro-rata basis. Accrued interest is calculated assuming next-day settlement. Cash flows from bond payments that are received during the month are retained in the index until the end of the month and then are removed as part of the rebalancing. Cash does not earn any reinvestment income while it is held in the Index. The Index is rebalanced on the last calendar day of the month, based on information available up to and including the third business day before the last business day of the month. Issues that meet the qualifying criteria are included in the Index for the following month. Issues that no longer meet the criteria during the course of the month remain in the Index until the next month-end rebalancing at which point they are removed from the Index. Inception date: December 31, 1996. Source: ICE Data Indices, LLC ("ICE BofAML"), used with permission. ICE BofAML PERMITS USE OF THE ICE BofAML INDICES AND RELATED DATA ON AN "AS IS" BASIS, MAKES NO WARRANTIES REGARDING SAME, DOES NOT GUARANTEE THE SUITABILITY, QUALITY, ACCURACY, TIMELINESS, AND/OR COMPLETENESS OF THE ICE BofAML INDICES OR ANY DATA INCLUDED IN, RELATED TO, OR DERIVED THEREFROM, ASSUMES NO LIABILITY IN CONNECTION WITH THE USE OF THE FOREGOING, AND DOES NOT SPONSOR, ENDORSE, OR RECOMMEND BLACKSTONE CREDIT SYSTEMATIC STRATEGIES LLC., OR ANY OF ITS PRODUCTS OR SERVICES. All performance data regarding the index are historical and are not indicative of future results, and there can be no assurance that these or comparable results will actually be achieved by the Fund or that the Fund's investment objective will be achieved. The volatility and risk profile of the indices presented is likely to be materially different from that of the Fund. In addition, the indices employ different investment guidelines and criteria than the Fund; as a result, the holdings in the Fund and the liquidity of such holdings may differ significantly from the securities that comprise the indices. The indices are not subject to fees or expenses and it may not be possible to invest in the indices.

Interest Rate Duration: A measure of a portfolio's sensitivity to changes in interest rates. The Interest Rate Duration is calculated as the weighted average maturity of the portfolio cashflows expressed in present value terms.

LIBOR: London Interbank Offer Rate determined by ICE Benchmark Administration Limited.

Market Cycle: Determination of "a Market Cycle" can be subjective and varying in length.

Maturity: Rounded down to the nearest year. For example, any bond with a maturity of greater than 6 years but less than 10.99 years will fall in the 6-10yr bucket.

Net Assets: The total assets minus the total liabilities of the account as estimated by Blackstone using third party valuations. For this measure the accounting (mark to market) value of all derivative exposures is used. The change in net assets from period to period may differ slightly from the published returns because of valuation or timing differences. Published returns are calculated using net asset values produced by the Fund's administrator or the Account's custodian.

Net: Net returns shown after fees and expenses. The fixed investment management fee for the share class presented (ISIN: IE00BD6CD126) is 0.25%. Performance is estimated by Blackstone and is subject to change. The information contained herein is unaudited and preliminary. Final amounts will not be available until a later date. The difference between the preliminary and the final amounts could be material. **Past performance is not indicative of future results and there can be no assurance that any Blackstone fund, account or investment will achieve its objectives and avoid significant losses.** Please see Important Disclosure Information.

Performance Decomposition (Gross): An estimated attribution based on the model characteristics of the underlying assets and is subject to change. The returns and values are based on internal Blackstone pricing sources and analytics, they may deviate materially from the strategy administrator or third party index provider.

Portfolio Statistics: Calculated on the credit portfolio only and excludes cash (or cash equivalents). All statistics are calculated by Blackstone.

S&P 500: Standard and Poor's 500 Index is a capitalization-weighted index of 500 stocks. The index is designed to measure performance of the broad domestic economy through changes in the aggregate market value of 500 stocks representing all major industries. All performance data regarding the index are historical and are not indicative of future results, and there can be no assurance that these or comparable results will actually be achieved by the Fund or that the Fund's investment objective will be achieved. The volatility and risk profile of the indices presented is likely to be materially different from that of the Fund. In addition, the indices employ different investment guidelines and criteria than the Fund; as a result, the holdings in the Fund and the liquidity of such holdings may differ significantly from the securities that comprise the indices. The indices are not subject to fees or expenses and it may not be possible to invest in the indices.

Spread: The average spread represents the market value weighted average of the spread of positions in the credit portfolio. The spread over LIBOR for corporate bonds is the additional premium needed such that the discounted cashflows of the corporate bond are equal to the market value. For CDS, the par spread is the premium paid/received such that the CDS contract is valued at par.

Strategy Assets: Includes all High Yield Corporate Bond Systematic strategies managed by Blackstone which may differ materially in implementation but are in the systematic high yield corporate bond strategy category.

Total DTS Exposure: DTS (Duration Times Spread) is a portfolio risk metric which measures the sensitivity to a relative change in spread. Total DTS risk is weighted with respect to the bond equivalent value of the total portfolio.

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Total Return: The combination of the Default Free Return and Credit Return. The Total Return reflects the reinvestment of all distributions, coupons and other earnings. The Total Return is chain-linked geometrically across periods using the formula [(1 + Total Return1) * (1 + Total ReturnN)]-1. Total returns are gross of all fees, expenses, currency hedging and any additional class-specific attribution. The Performance Decomposition (Gross) does not include the effect of foreign exchange exposures which may result in a total that is materially different from the Performance section. Performance Decomposition (Gross) is an estimated attribution calculated by Blackstone based on the model characteristics of the underlying assets and is subject to change.

Tracking Error: The tracking error or tracking error volatility is the annualized standard deviation of the differential monthly net returns of the fund or account and the Index since inception. Tracking error is shown after the account has been active for one year.

VIX: The Chicago Board Options Exchange Volatility Index.

Volatility: An estimation of the standard deviation of monthly returns. Volatility is shown after the account has been active for one year.

Yield to Maturity: The market value weighted average of the yield to maturity (the total return anticipated on the instrument if it is held until it matures) of the positions held in the portfolio. For interest rate swaps, the yield to maturity is calculated as the differential yield of the floating and fix leg of the swap. For futures, the yield to maturity is the yield to maturity of the underlying cheapest to deliver bond. For FX forwards, the yield to maturity is the differential between the forward rate and the current spot rate.

Yield to Worst: Is the lowest yield an investor can expect when investing in a callable bond. For non-callable securities it is calculated in the same manner as yield to maturity.