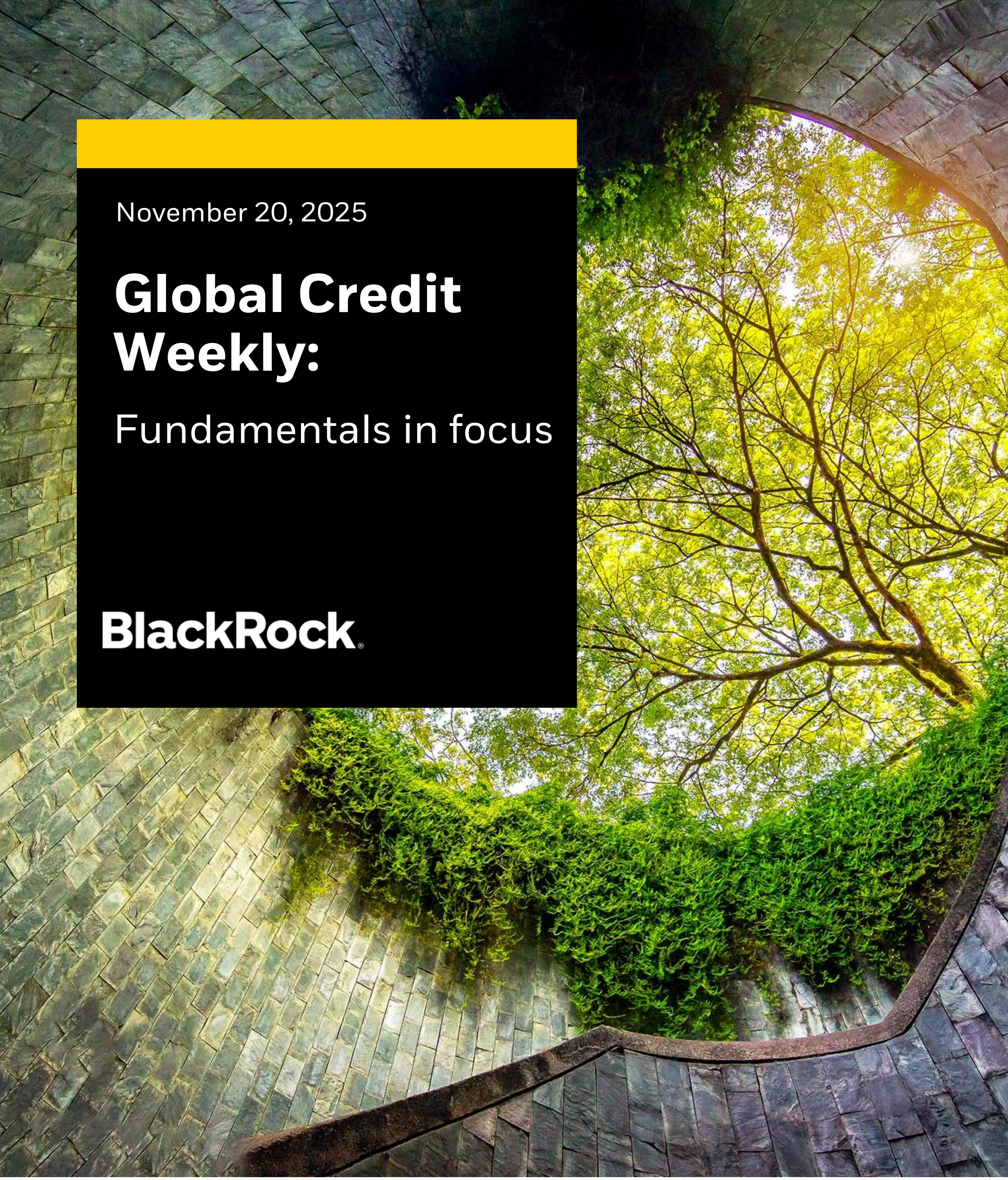


November 20, 2025

Global Credit Weekly:

Fundamentals in focus

BlackRock

Market insights contributors

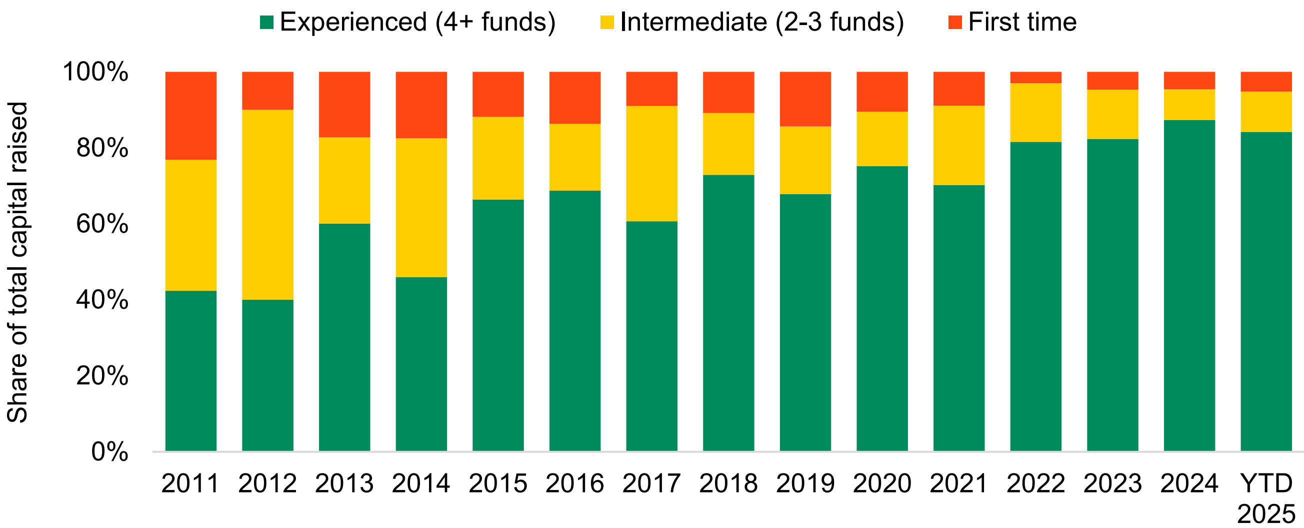
Amanda Lynam, CPA
Head of Macro Credit Research

Dominique Bly
Macro Credit Research Strategist

Key takeaways

- Fundamental trends in the liquid and private credit markets remain front and center. In this *Global Credit Weekly*, we provide an update on key private credit metrics using recently released 3Q2025 results from a variety of third-party data sources that we track.
- The takeaway? 3Q2025 data highlighted incremental improvement across a range of aggregate metrics, including covenant defaults and interest coverage ratios. Closely watched trends related to payment-in-kind (PIK) also remained stable vs. last quarter – especially when isolating PIK added *after origination* (the so-called 'bad PIK'). That said, under the surface, dispersion remains evident across a range of dimensions, including borrower size, sector and vintage year.
- We expect dispersion in private credit to persist, underscoring the importance of manager selection. Most important, in our view, are experienced underwriting teams, diversified origination pipelines, and dedicated workout capabilities, as these are attributes we believe can help preserve value and maximize recovery through times of stress. This focus has already been reflected in allocation trends, especially amid the backdrop of higher interest rates in recent years (Exhibit 1). For asset allocators, private credit's income generating and diversification aspects are also valuable attributes, in our view.
- As we highlighted in our *4Q2025 Global Credit Outlook*, we believe the peak in defaults in the public credit market (i.e., syndicated leveraged loans and HY bonds) is behind us, driven by a combination of 'supportive enough' economic growth, moderating debt service costs, and corporates' demonstrated ability (so far) to navigate a dynamic backdrop with resilience. The most recent data reinforces this point, with continued *declines* in aggregate issuer-weighted default rates in October (Exhibit 2). We expect many of these same macroeconomic dynamics to serve as tailwinds for private credit fundamentals going forward, given the increased fluidity between the two markets (Exhibit 3).

Exhibit 1: Fundraising has favored experienced private credit managers
Share of total private credit capital raised by manager experience



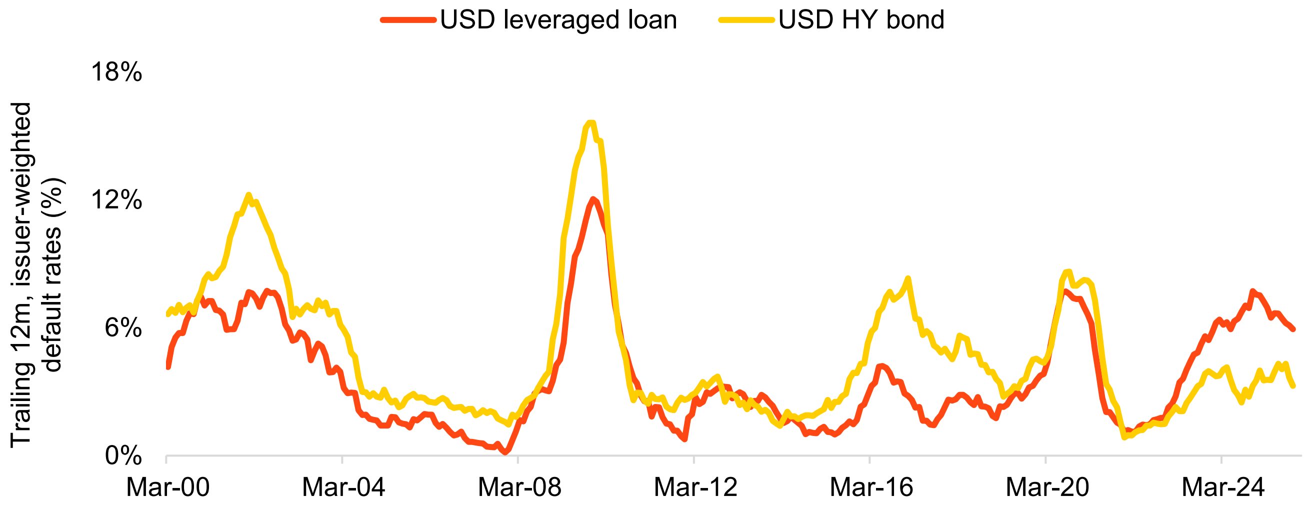
Source: BlackRock, Preqin. Captures data as of November 10, 2025. Captures closed-ended private debt funds.

A focus on fundamentals

Fundamental trends in the liquid and private credit markets remain front and center. In this *Global Credit Weekly*, we provide an update on key private credit metrics using recently released figures from a variety of third-party data sources that we track. The takeaway? While aggregate metrics remain solid, dispersion is evident – underscoring the importance of granular credit selection, underwriting strength, manager experience (Exhibit 1) and restructuring expertise.

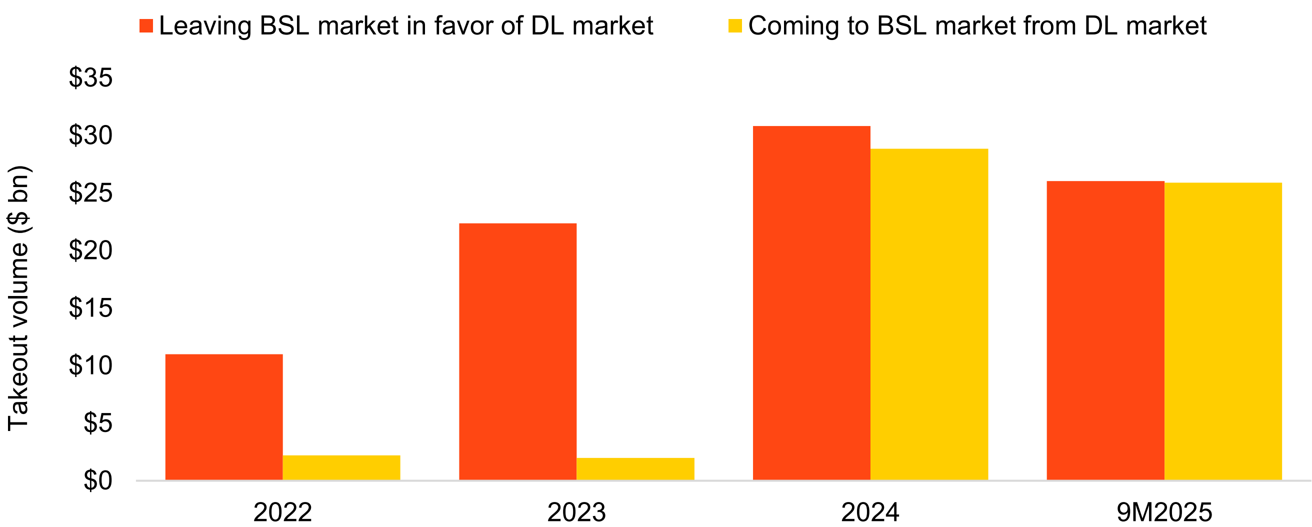
As we highlighted in our *4Q2025 Global Credit Outlook*, we believe the peak in defaults in the syndicated credit market (i.e., leveraged loans and HY bonds) is likely behind us, driven by a combination of 'supportive enough' economic growth, moderating debt service costs, and corporates' demonstrated ability (so far) to navigate a dynamic backdrop with resilience. The most recent default data from Moody's reinforces this point, with continued declines in issuer-weighted default rates in October (Exhibit 2). We expect many of these same macroeconomic dynamics to serve as tailwinds for private credit fundamentals, especially given the increased fluidity between the two markets (Exhibit 3).

Exhibit 2: Defaults in the syndicated leveraged loan market peaked in November 2024
Trailing 12-month, issuer-weighted default rates for the universe of USD HY bonds and USD leveraged loans tracked by Moody's



Source: BlackRock, Moody's. As of October 31, 2025 (most recent available as of November 17, 2025).

Exhibit 3: Refinancing highlights the fluidity between syndicated and private credit markets
Broadly syndicated leveraged loan (BSL) and direct lending (DL) 'takeouts' by year



Source: PitchBook LCD, BlackRock. Captures data through September 30, 2025.

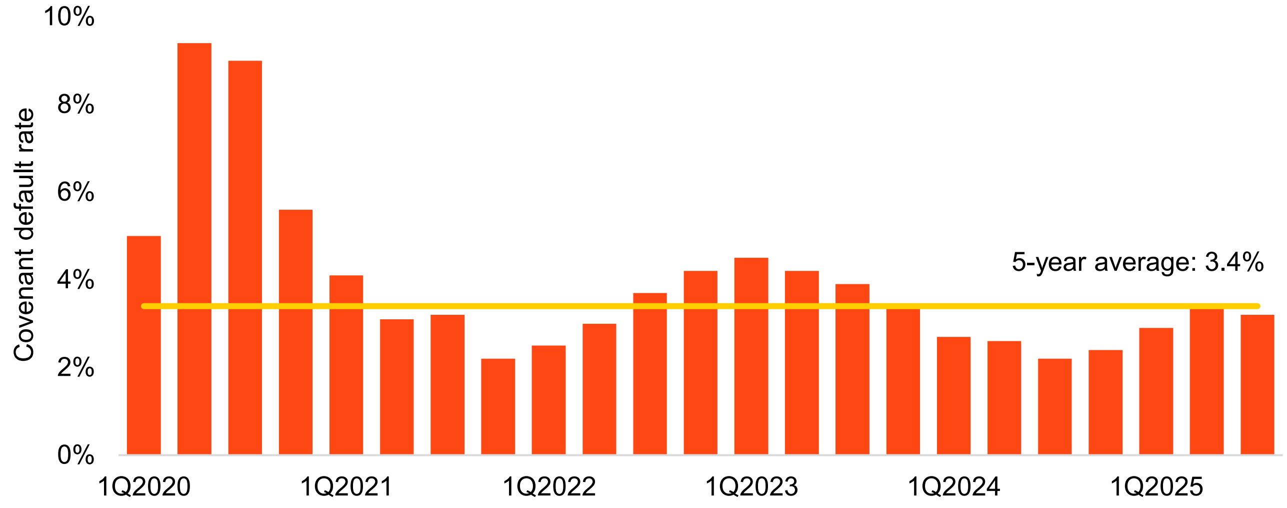
3Q private credit fundamental data – incremental improvement, in aggregate

To dive deeper into private credit fundamental trends, we first turn to recently released 3Q2025 data from Lincoln International's Proprietary Private Market Database, which encompasses over 6,500 privately held portfolio company valuations and an incremental 2,500+ asset backed finance investments.

As Exhibit 4 illustrates, the covenant default[1] rate improved modestly in 3Q2025, dropping to 3.2% (from 3.4% in 2Q2025). And as Exhibit 5 shows, the aggregate size-weighted interest coverage ratio for the universe tracked by Lincoln improved for a sixth consecutive quarter in 3Q2025. This is partly driven, in our view, by the 150bp of interest rate cuts delivered by the Federal Reserve since September 2024, which have provided some debt servicing relief to floating rate borrowers.

Exhibit 4: Private credit covenant defaults fell in 3Q2025

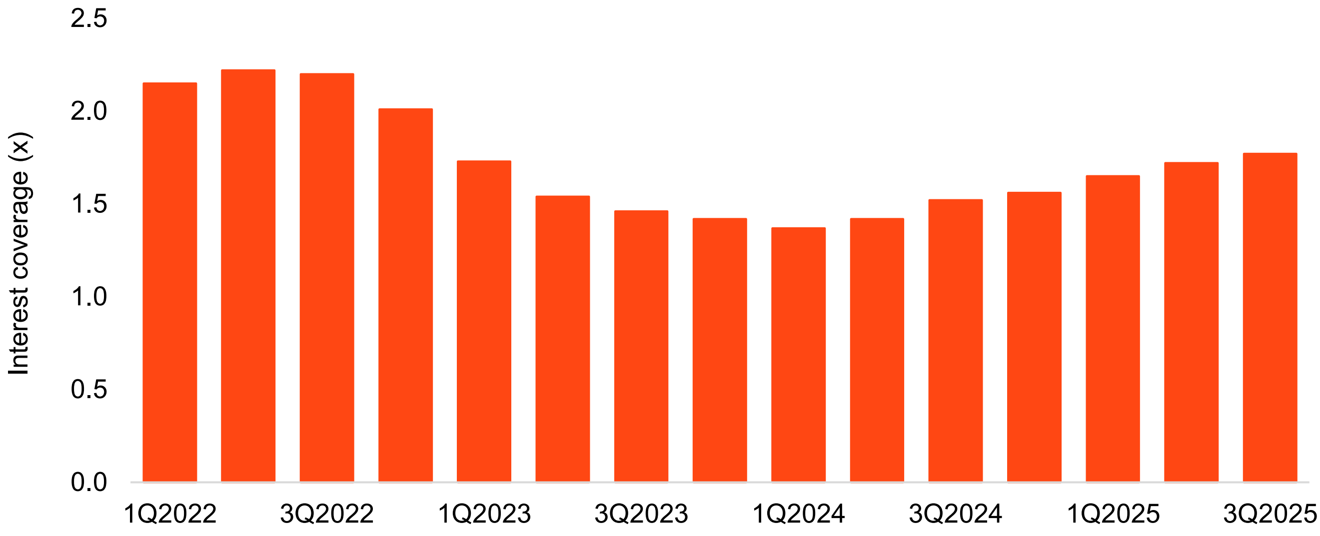
Aggregate size-weighted covenant default rate, and the 5-year historical average, for the U.S. portfolio companies included in the Lincoln International Proprietary Private Market Database



Source: Lincoln International Valuations & Opinions Group Proprietary Private Market Database, BlackRock. As of 3Q2025. A default is defined by Lincoln as a covenant default (not necessarily a monetary default). The calculation is size-weighted and considers the total net debt balance for each of the portfolio companies that had a defaulting security in the respective quarter.

Exhibit 5: Interest coverage has improved for six consecutive quarters

Aggregate size-weighted interest coverage ratio for the U.S. portfolio companies included in the Lincoln International Proprietary Private Market Database



Source: Lincoln International Valuations & Opinions Group Proprietary Private Market Database, BlackRock. As of 3Q2025. Interest coverage = LTM EBITDA / Interest.

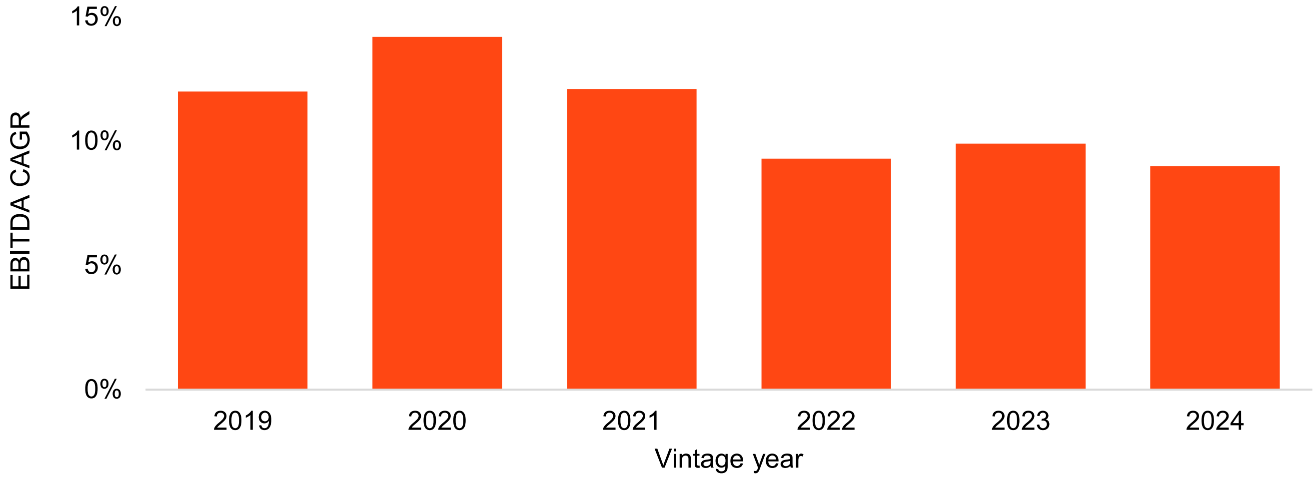
[1] A covenant default does not necessarily lead to a monetary loss. For this reason, we track covenant defaults alongside realized loss metrics provided by Cliffwater.

Earnings growth has also contributed to the incremental improvement in aggregate metrics. Exhibit 6 demonstrates the last-twelve-month (LTM) average adjusted EBITDA compound annual growth rate (CAGR) from the initial deal closing to 3Q2025, for companies valued by Lincoln International. EBITDA growth has been 9.0% or higher across all vintage funds, averaging 10.7% growth since closing.

Beyond the data from Lincoln International, we are awaiting 3Q2025 data from the Cliffwater Direct Lending Index (CDLI), which tracks over 20,000 USD loan holdings representing roughly $485 billion in assets under management. As of 2Q2025, the non-accrual rate for the CDLI – which captures loans that are no longer current in paying interest income and would be considered in default – was 1.2% (at the low end of the historical range). Similarly, realized loss rates were also contained – both in absolute terms and relative to interest income (Exhibit 7).

Exhibit 6: EBITDA growth has averaged 10.7% since closing, across vintage years

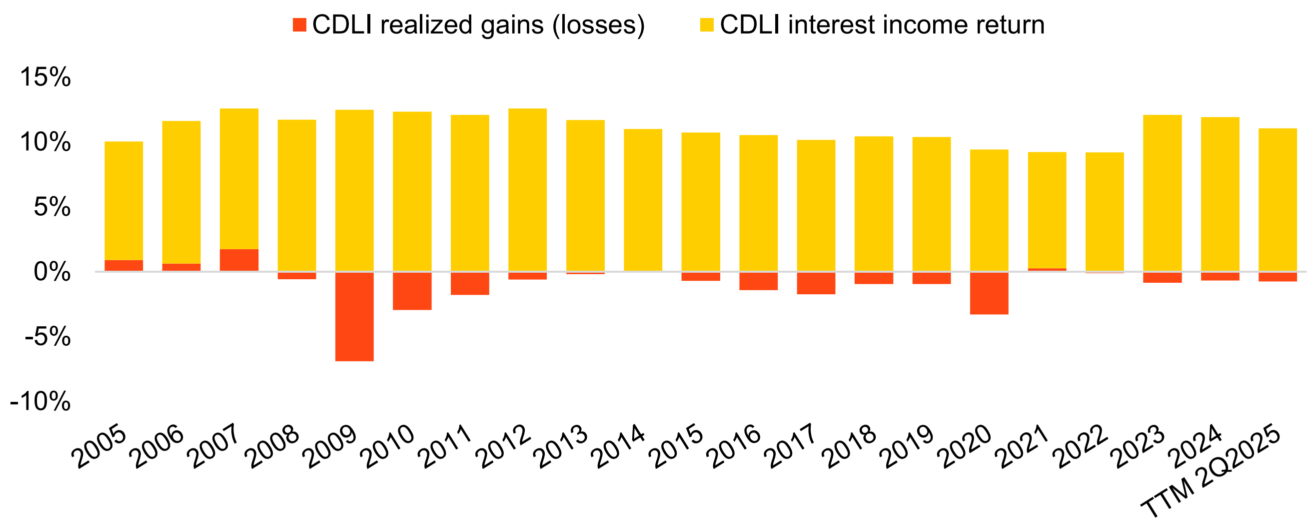
Last-twelve-month (LTM) average adjusted EBITDA compound annual growth rate (CAGR) between initial deal closing and today, aggregated by vintage year, for U.S. firms in Lincoln's Private Market Database



Source: Lincoln International Valuations & Opinions Group Proprietary Private Market Database, BlackRock. As of 3Q2025. Note: Adjusted EBITDA includes all Adjustments as defined by the Credit Agreement. Adjusted EBITDA is also representative of organic and inorganic growth (i.e., it includes acquisitions). Analysis may also be biased by survivorship bias.

Exhibit 7: Realized losses for private credit remain contained through 2Q2025

Trailing 12-month income return and realized gains (losses) for the Cliffwater Direct Lending Index



Source: Cliffwater Direct Lending Index, BlackRock. As of June 30, 2025. Realized gains can be driven by equity stubs, warrants, and gains on exited investments. These were more common in 2005-2007, when second lien and mezzanine loans were a greater portion of the CDLI. The figures shown relate to past performance. **Past performance is not a reliable indicator of current or future results.** Index performance returns do not reflect any management fees, transaction costs or expenses. Indices are unmanaged and one cannot invest directly in an index. We exclude unrealized gains and losses in this chart. Long-term unrealized gains (losses) are approximately zero, as they either convert to net realized losses upon a credit default, or are reversed when principal is fully repaid.

Dispersion persists

Still, the pattern of fundamental dispersion persists across various dimensions, including borrower size and sector. In our view, this underscores the importance of credit selection, active portfolio management, and robust underwriting.

Exhibit 8 demonstrates how LTM adjusted EBITDA growth has varied across borrower sizes. Over the last three years, larger borrowers have grown faster than smaller ones, likely reflecting the incremental financial flexibility and resources often available to more scaled companies.

Exhibit 9 demonstrates this dispersion through another angle – by borrower sector. Here, the pattern is more mixed. Growth has varied meaningfully over time and across industries, reflecting differing macroeconomic drivers. For example, the consumer sector has experienced significant year-over-year fluctuations, driven by shifts in wage growth, pricing power and adjustments to purchasing patterns in response to higher price levels – especially when inflation was running at a more elevated pace a few years ago. By contrast, the Telco/Media/Technology (TMT) sector has delivered consistently strong EBITDA growth over the last three years.

Exhibit 8: Larger companies continue to grow EBITDA at a faster pace than smaller peers
Year-over-year, last-twelve-months' adjusted EBITDA growth, by company size (annual EBITDA)

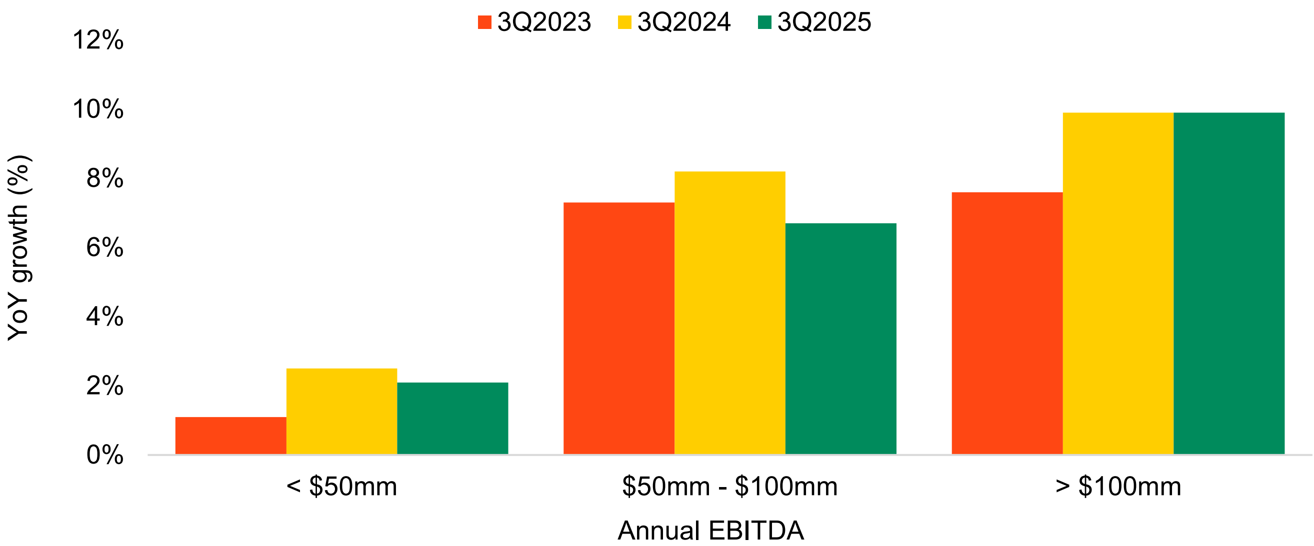
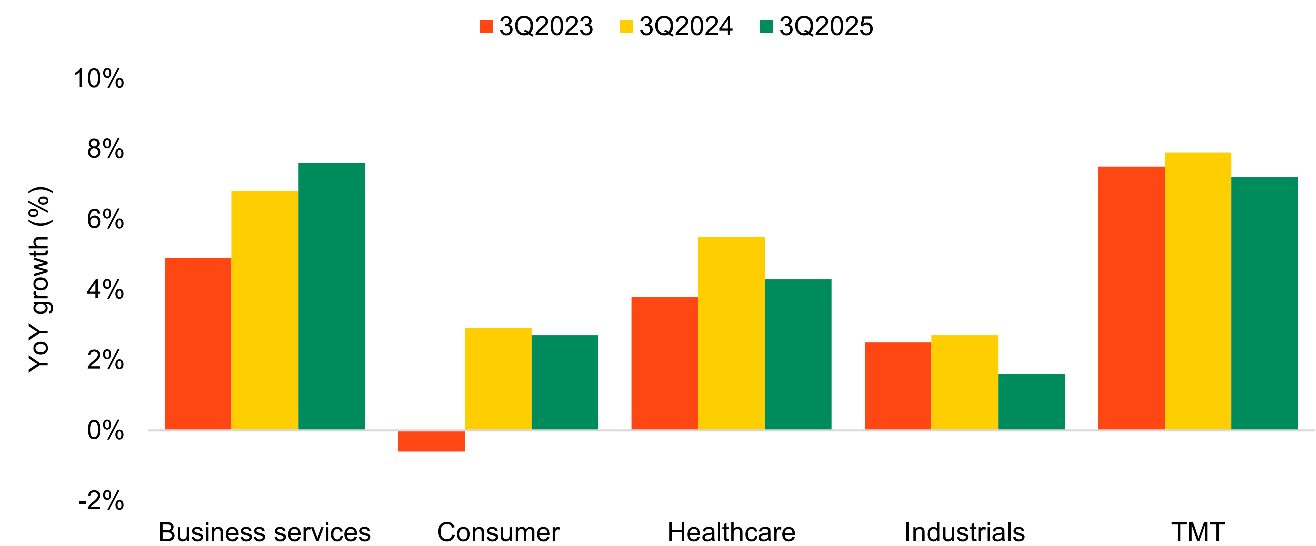


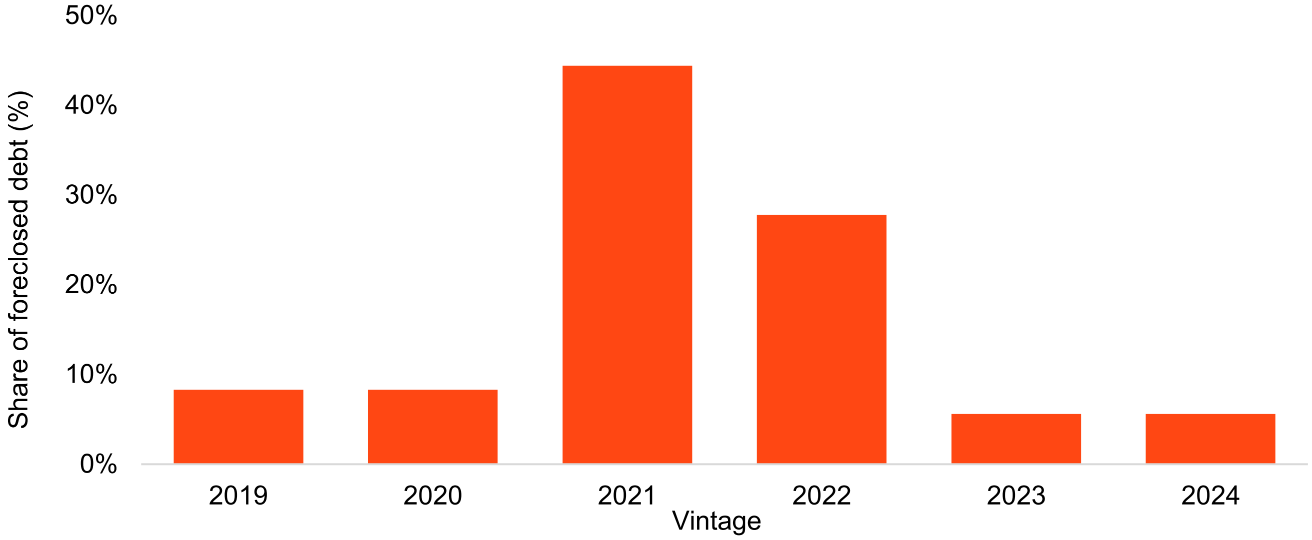
Exhibit 9: EBITDA growth has favored select industries
Year-over-year, last-twelve-months' adjusted EBITDA growth, by industry



For both charts: Source: Lincoln International Proprietary Private Market Database, BlackRock. As of 3Q2025.

Exhibit 10 demonstrates another dimension of dispersion, tracking foreclosures by loan vintage. Foreclosures in the first nine months of 2025 totaled $24.7 billion, up from $9.4 billion for full-year 2024. While these foreclosures have been relatively dispersed across sectors, they are most concentrated among 2021 and 2022 vintage loans, which represent 70% of foreclosures this year. These loans were underwritten in a lower interest rate environment, prior to (or at the beginning of) the Federal Reserve's rate hiking cycle, which began in March 2022 and ultimately delivered 525bp of rate hikes.

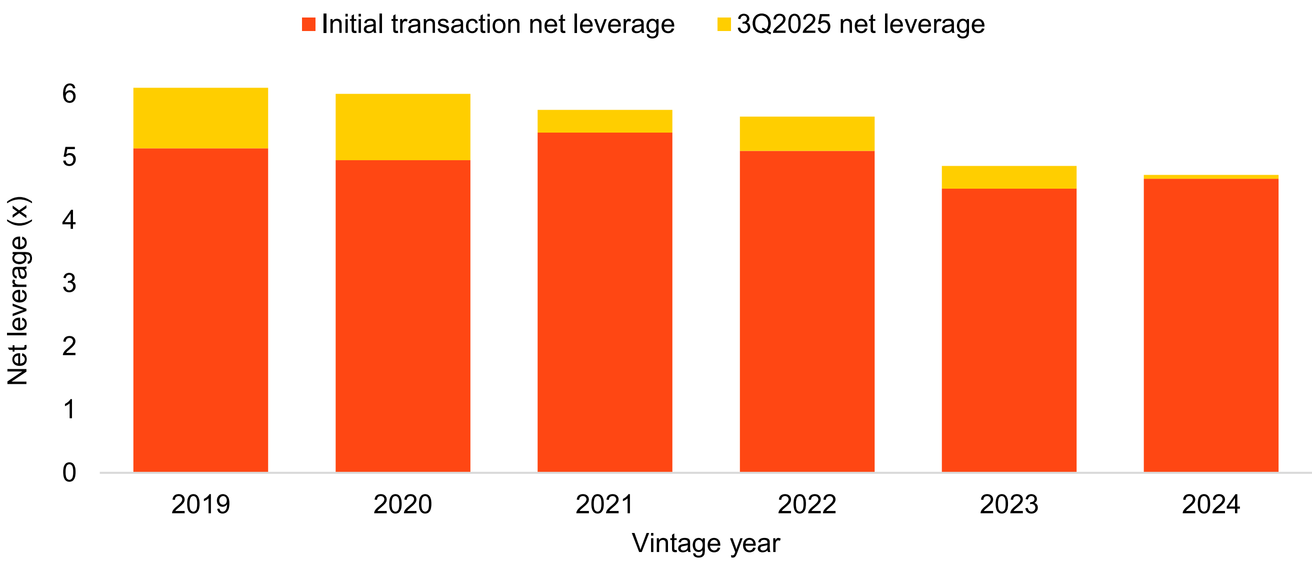
Exhibit 10: Debt foreclosures totaled $24.7 billion in the first nine months of 2025
Share of debt foreclosed in 2025, by vintage, in the Lincoln International Private Market Database



Source: Lincoln International Valuations & Opinions Group Proprietary Private Market Database, BlackRock. As of 3Q2025. Lincoln defines debt foreclosure as companies in which lenders had either taken control or were imminently expecting to take control from the sponsor.

We believe the foreclosure trends can be explained, in part, by elevated net leverage dynamics. As Exhibit 11 illustrates, aggregate net leverage has increased from initial closing (to 3Q2025), for all vintage years. But initial leverage was highest for the 2021 vintage. Increases in leverage could be driven by challenges "growing into" debt capital structures, by add-on acquisition activity, or by "survivorship bias" in older vintages (i.e., a sponsor-owned business with a 2019 vintage loan may be struggling to find an attractive refinancing or exit opportunity).

Exhibit 11: Average net leverage has increased since closing across all vintage years
Change in net leverage multiple between initial deal closing and today, aggregated by vintage year



Source: Lincoln International Valuations & Opinions Group Proprietary Private Market Database, BlackRock. As of 3Q2025. Analysis may be biased by survivorship bias.

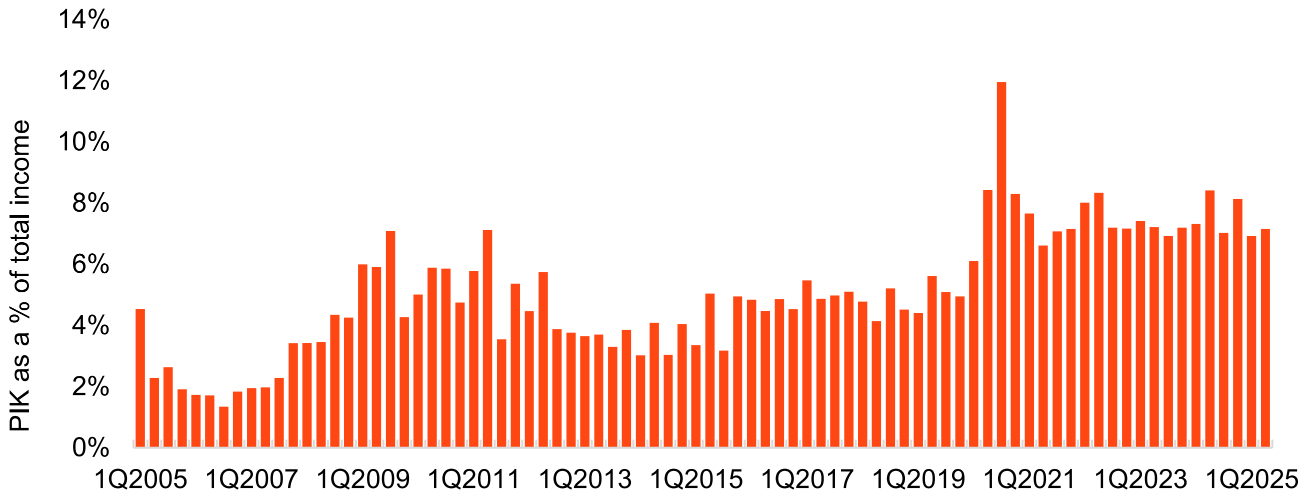
A closer look at PIK

Payment-in-kind, or PIK, interest (i.e., interest 'paid' in the form of additional debt, as opposed to cash) has long been considered a 'marker of stress' in private credit. But analyzing PIK requires granularity and nuance, in our view. For example, we have previously emphasized the difference between 1) 'good PIK', which is included in the original credit documents to provide a borrower additional flexibility to invest in near-term growth prospects, and 2) 'bad PIK' which is amended into a credit agreement *after origination* and may indicate (unanticipated) financial stress for the borrower.

As we outline below, data from three different data providers – Lincoln International, Cliffwater, and KBRA DLD – fails to show deterioration in PIK trends, using the most recent quarter available. That said, the trend warrants watching.

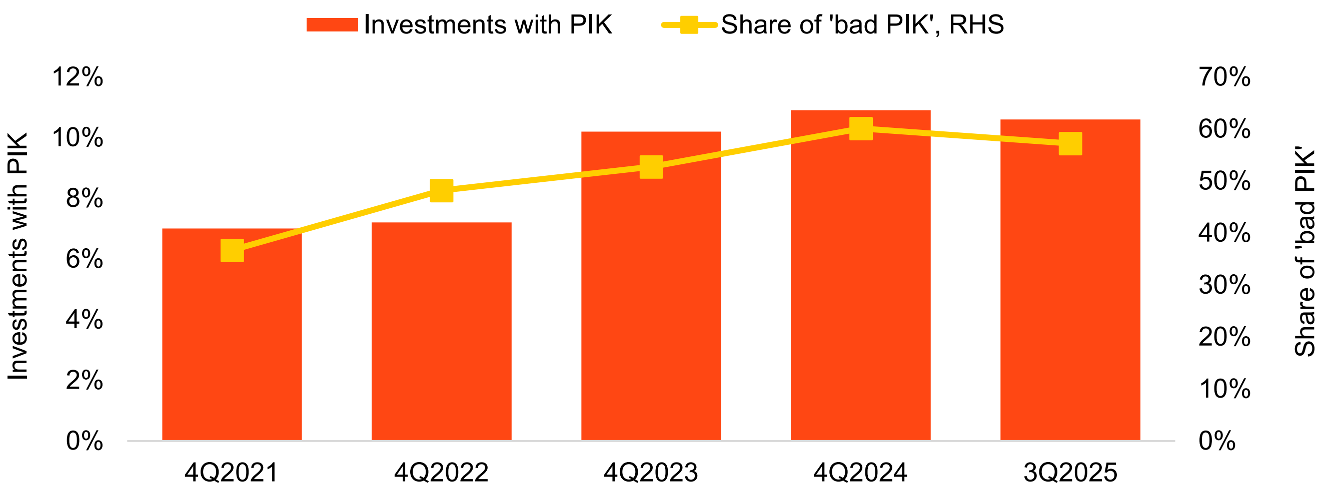
We first start with PIK as a percentage of total interest income, using the CDLI. As Exhibit 12 illustrates, this has remained in the 7-8% range since early 2021. Exhibit 13 demonstrates the trends around 'bad PIK' for the universe of loans tracked by Lincoln International. The share of so-called 'bad PIK' has fallen slightly since 4Q2024, from 60% at YE2024 to 57% at 3Q2025. As we have highlighted previously, 'bad PIK' remains most concentrated among smaller borrowers.

Exhibit 12: PIK as a percentage of total interest income has been range-bound since 2021
Payment-In-Kind (PIK) as a percentage of total interest income for the Cliffwater Direct Lending Index



Source: Cliffwater, BlackRock. As of 2Q2025 (most recent available).

Exhibit 13: 57% of investments with PIK have the 'bad PIK' variety
Share of total investments with PIK interest, and share of PIK-paying investments with 'bad PIK', RHS



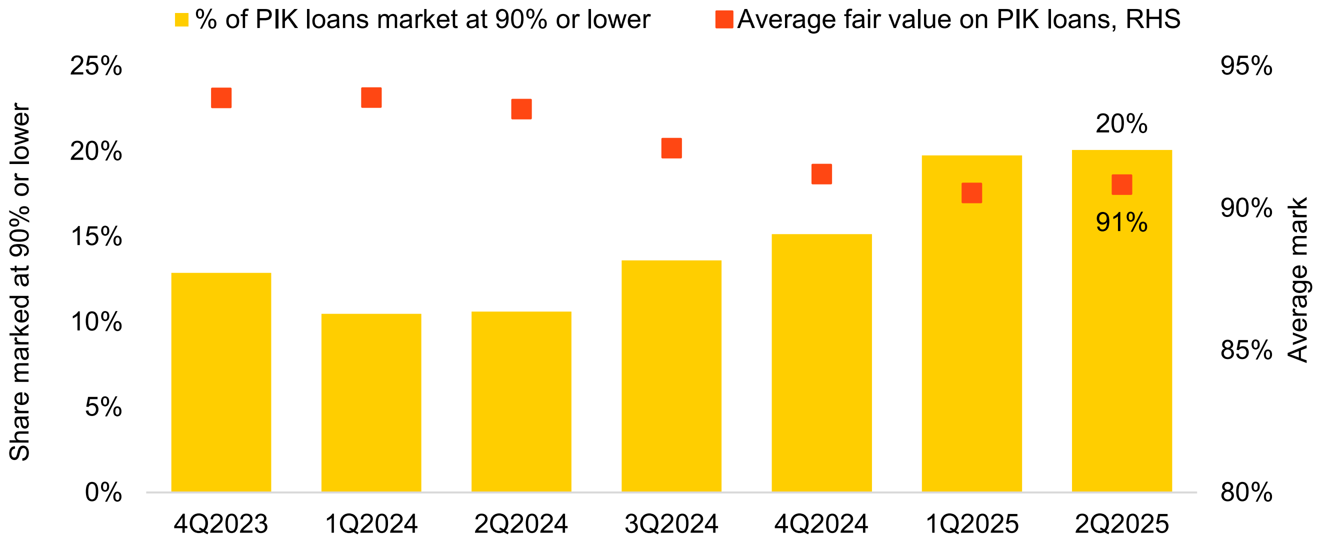
Source: Lincoln International Valuations & Opinions Group Proprietary Private Market Database, BlackRock. As of 3Q2025.

An analysis of the CDLI, as of 2Q2025, highlights how the average fair value mark on PIK loans has fallen since 4Q2023, reaching 91% in 2Q2025, with 20% of the PIK-paying universe marked at 90% or lower (Exhibit 14). Notably, 2Q2025 levels are roughly steady vs. 1Q2025 levels.

Data from the KBRA Direct Lending Index (DLD), an index of 2,800 U.S. companies with more than $225 billion outstanding in private loans, reveals that 58.2% of loans (by count) on the 'default radar' had a PIK component as of October 2025 (vs. only 13.7% from their broader index).

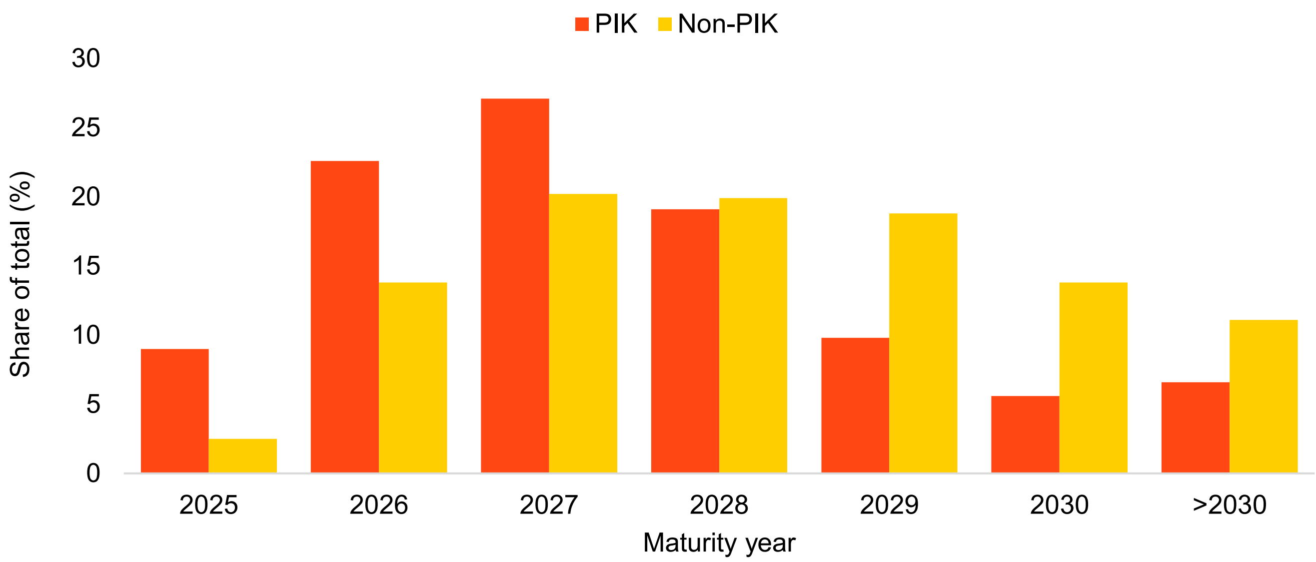
Further, KBRA DLD data shows that upcoming maturities for loans with PIK tend to skew more near-term than those without PIK (Exhibit 15). This, in our view, is likely because borrowers under stress (who also likely require PIK) may have found less success in refinancing their existing loans.

Exhibit 14: 20% of PIK loans in the CDLI were marked at or below $90, as of 2Q2025
Percent of term loans in the CDLI that have PIK and are marked at or below 90% of par (as a proxy for distress), and the average fair value mark of term loans with PIK, RHS



Source: Cliffwater, BlackRock. As of 2Q2025 (most recent available for the CDLI).

Exhibit 15: Loans with PIK skew toward near-term maturities
Share of loan maturities each year, by count, for loans with and without PIK interest



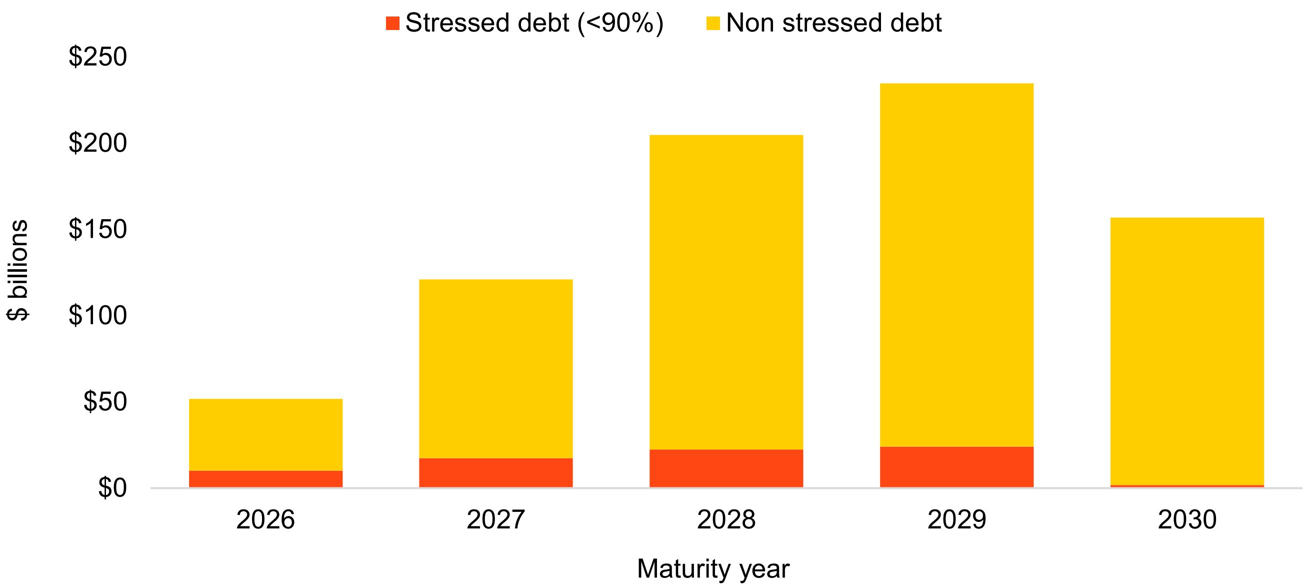
Source: KBRA DLD Default Research, BlackRock. As of October 21, 2025.

Near-term maturities are modest for the Lincoln International database, with $52 billion scheduled in 2026. That said, an analysis from Lincoln highlights the share of stressed debt (defined as loans marked at or below 90% of par) as a share of total maturity volume in each year (Exhibit 16). While 2026 maturities are low in absolute terms, nearly 20% of the loan value set to mature is currently stressed.

Additionally, approximately 30-40% of the debt maturing in 2026 and 2027 has been previously amended. Amendments can be a tool for lenders, helping to 'course correct' an outstanding loan as needed, or in times of stress, to maximize recoveries.

That said, amendments for loans without a clear path toward improvement are misplaced, in our view. For private credit investors, this underscores the importance of manager selection, focusing on those with robust underwriting, active portfolio management, and experienced workout teams to minimize principal loss.

Exhibit 16: Nearly 20% of 2026 maturities are stressed
Portion of stressed capital structures by maturity year, in $ billions



Source: Lincoln International Valuations & Opinions Group Proprietary Private Market Database, BlackRock. As of 3Q2025.

The read-through for investor decision-making

We expect dispersion in private credit to persist, underscoring the importance of manager selection. Most important, in our view, are experienced underwriting teams, diversified origination pipelines, and dedicated workout capabilities, as these are attributes we believe can help preserve value and maximize recovery through times of stress. This focus has already been reflected in allocation trends, especially in recent years (again, Exhibit 1).

For asset allocators, private credit's income generating and diversification aspects are also valuable attributes, in our view.

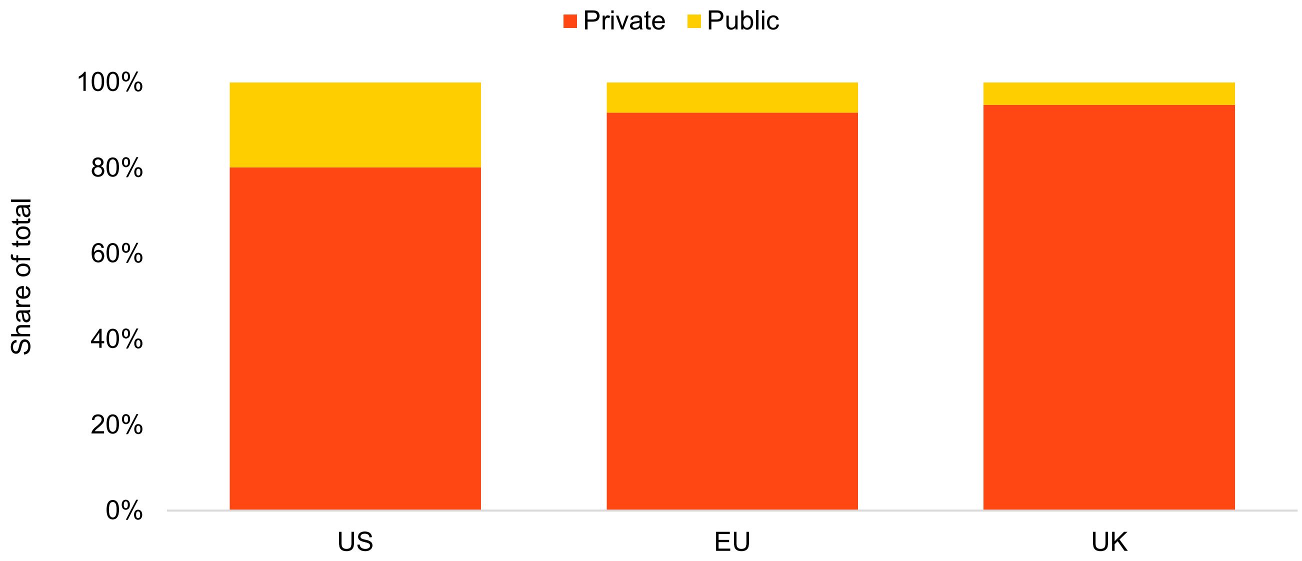
As we highlighted in late October, private credit spreads continue to offer a 'premium' over syndicated markets. And although the magnitude of the differential between public and private spreads fluctuates with broader risk sentiment, the excess spread has generally persisted over time.

GPDH1125E/M-4994439-10/15

Private credit also offers investors access to a large and growing opportunity set. For context, there are 44,000 private companies generating revenues over $100 million in the U.S., E.U., and U.K. (Exhibit 17). These private companies represent $41 trillion in aggregate revenue (Exhibit 18). And as companies stay private for longer, and syndicated credit markets shift to serve larger borrowers, the opportunity set is increasingly differentiated. This, coupled with structural protections which select private credit strategies can provide, drives private credit's diversification benefit, in our view.

Exhibit 17: The addressable opportunity for private credit is vast

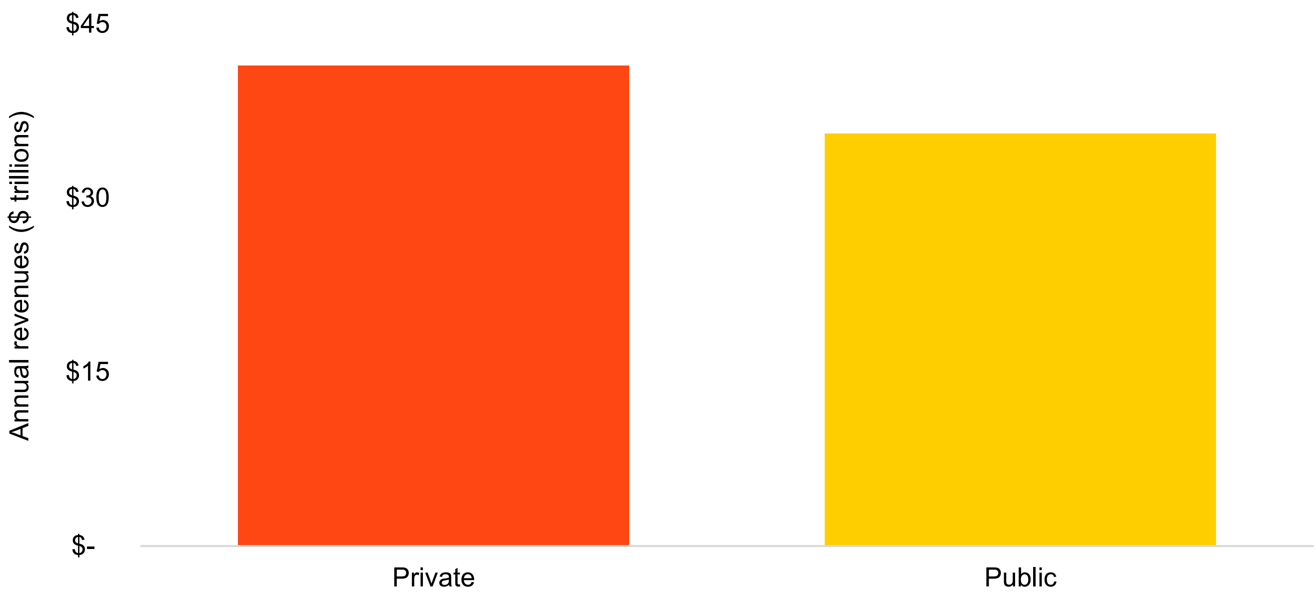
Share of private and public companies with revenue greater than $100 million, by count, in the U.S., E.U., and U.K.



Source: S&P Capital IQ, BlackRock. As of November 19, 2025.

Exhibit 18: Private company annual revenues total $41 trillion and outpace public company revenue, in aggregate

Aggregate annual revenues for private and public companies, with revenues greater than $100 million, in the U.S., E.U., and U.K.



Source: S&P Capital IQ, BlackRock. As of November 19, 2025.

Unless otherwise stated, all reference to $ are in USD.

Risk Warnings:

Capital at risk. The value of investments and the income from them can fall as well as rise and are not guaranteed. You may not get back the amount originally invested.

Past performance is not a reliable indicator of current or future results and should not be the sole factor of consideration when selecting a product or strategy.

Changes in the rates of exchange between currencies may cause the value of investments to diminish or increase. Fluctuation may be particularly marked in the case of a higher volatility fund and the value of an investment may fall suddenly and substantially. Levels and basis of taxation may change from time to time.

Cliffwater Direct Lending Index (CDLI) is an index that assists investors to better understand private credit as an asset class. The CDLI seeks to measure the unlevered, gross of fees performance of U.S. middle market corporate loans, as represented by the underlying assets of Business Development Companies ("BDCs"), including both exchange-traded and unlisted BDCs, subject to certain eligibility criteria. The CDLI is an asset-weighted index that is calculated on a quarterly basis using financial statements and other information contained in the U.S. Securities and Exchange Commission ("SEC") filings of all eligible BDCs. Eligibility is set as all assets held by BDCs that (1) are regulated by the SEC as a BDC under the Investment Company Act of 1940; (2) have a substantial majority (approximately 75%) of reported total assets represented by direct loans made to corporate borrowers, as categorized by each BDC and subject to Cliffwater's discretion, and (3) file SEC form 10-Q (or 10-K, as applicable) within 75 (or 90) calendar days following the current Valuation Date. If a BDC meets the eligibility criteria, but has not filed its report on Form 10-K or 10-Q with the SEC at the time the index is reconstituted, asset information from its report will be included in the index at the time of the next reconstitution. This information is derived from sources that are considered reliable, but BlackRock does not guarantee the veracity, currency, completeness or accuracy of this information.

Important Information:

In the U.S., this material is for institutional use only – not for public distribution.

In Canada, this material is intended for permitted clients as defined under Canadian securities law, is for educational purposes only, does not constitute investment advice and should not be construed as a solicitation or offering of units of any fund or other security in any jurisdiction.

In **China,** this material may not be distributed to individuals resident in the People's Republic of China ("PRC", for such purposes, not applicable to Hong Kong, Macau and Taiwan) or entities registered in the PRC unless such parties have received all the required PRC government approvals to participate in any investment or receive any investment advisory or investment management services.

In **Singapore**, this document is provided by BlackRock (Singapore) Limited (company registration number:200010143N） for use only with institutional investors as defined in Section 4A of the Securities and Futures Act, Chapter 289 of Singapore. This advertisement or publication has not been reviewed by the Monetary Authority of Singapore.

In **Hong Kong**, this material is issued by BlackRock Asset Management North Asia Limited and has not been reviewed by the Securities and Futures Commission of Hong Kong. This material is for distribution to "Professional Investors" (as defined in the Securities and Futures Ordinance (Cap.571 of the laws of Hong Kong) and any rules made under that ordinance.) and should not be relied upon by any other persons or redistributed to retail clients in Hong Kong.

In **Japan**, this is issued by BlackRock Japan. Co., Ltd. (Financial Instruments Business Operator: The Kanto Regional Financial Bureau. License No375, Association Memberships: Japan Investment Advisers Association, The Investment Trusts Association, Japan, Japan Securities Dealers Association, Type II Financial Instruments Firms Association) for Institutional Investors only. All strategies or products BLK Japan offer through the discretionary investment contracts or through investment trust funds do not guarantee the principal amount invested. The risks and costs of each strategy or product we offer cannot be indicated here because the financial instruments in which they are invested vary each strategy or product. Therefore, before deciding to receive our strategies or products, please refer to the document provided prior to the execution of agreement, prospectus, terms and conditions of investment trust and the explanatory document, etc. that will be delivered to you in accordance with each offering model and confirm the contents thereof.

In **South Korea**, this information is issued by BlackRock Investment (Korea) Limited. This material is for distribution to the Qualified Professional Investors (as defined in the Financial Investment Services and Capital Market Act and its sub-regulations) and for information or educational purposes only and does not constitute investment advice or an offer or solicitation to purchase or sells in any securities or any investment strategies.

In **Brunei**, BlackRock does not hold a Capital Markets Services License and is therefore not licensed for conducting business in any regulated activity under the Securities Market Order, 2013. This document has been issued by BlackRock and is intended for the exclusive use of the recipient. The distribution of the information contained herein may be restricted by law and persons who access it are required to comply with any such restrictions. The information provided herein information is directed solely at persons who would be regarded as “Accredited Investors”, “Expert Investors” or “Institutional Investors” in accordance with the Securities Market Order 2013.

In **Australia & New Zealand**, issued by BlackRock Investment Management (Australia) Limited ABN 13 006 165 975, AFSL 230 523 (BIMAL) for the exclusive use of the recipient, who warrants by receipt of this material that they are a wholesale client as defined under the Australian Corporations Act 2001 (Cth) and the New Zealand Financial Advisers Act 2008 respectively. BIMAL is not licensed by a New Zealand regulator to provide 'Financial Advice Service' 'Investment manager under an FMC offer' or 'Keeping, investing, administering, or managing money, securities, or investment portfolios on behalf of other persons'. BIMAL's registration on the New Zealand register of financial service providers does not mean that BIMAL is subject to active regulation or oversight by a New Zealand regulator. This material provides general advice only and does not take into account your individual objectives, financial situation, needs or circumstances. Before making any investment decision, you should therefore assess whether the material is appropriate for you and obtain financial advice tailored to you having regard to your individual objectives, financial situation, needs and circumstances. Refer to BIMAL's Financial Services Guide on its website for more information. This material is not a financial product recommendation or an offer or solicitation with respect to the purchase or sale of any financial product in any jurisdiction. This material is not intended for distribution to, or use by, any person or entity in any jurisdiction or country where such distribution or use would be contrary to local law or regulation. BIMAL is a part of the global BlackRock Group which comprises of financial product issuers and investment managers around the world. BIMAL is the issuer of financial products and acts as an investment manager in Australia. BIMAL does not offer financial products to persons in New Zealand who are retail investors (as that term is defined in the Financial Markets Conduct Act 2013 (FMCA)). This material does not constitute or relate to such an offer. To the extent that this material does constitute or relate to such an offer of financial products, the offer is only made to, and capable of acceptance by, persons in New Zealand who are wholesale investors (as that term is defined in the FMCA). BIMAL, its officers, employees and agents believe that the information in this material and the sources on which it is based (which may be sourced from third parties) are correct as at the date of publication. While every care has been taken in the preparation of this material, no warranty of accuracy or reliability is given and no responsibility for the information is accepted by BIMAL, its officers, employees or agents. Except where contrary to law, BIMAL excludes all liability for this information.

In **Central America**, these securities have not been registered before the Securities Superintendence of the Republic of Panama, nor did the offer, sale or their trading procedures. The registration exemption has made according to numeral 3 of Article 129 of the Consolidated Text containing of the Decree-Law No. 1 of July 8, 1999 (institutional investors). Consequently, the tax treatment set forth in Articles 334 to 336 of the Unified Text containing Decree-Law No. 1 of July 8, 1999, does not apply to them. These securities are not under the supervision of the Securities Superintendence of the Republic of Panama. The information contained herein does not describe any product that is supervised or regulated by the National Banking and Insurance Commission (CNBS) in Honduras. Therefore any investment described herein is done at the investor's own risk. This is an individual and private offer which is made in Costa Rica upon reliance on an exemption from registration before the General Superintendence of Securities ("SUGEVAL"), pursuant to articles 7 and 8 of the Regulations on the Public Offering of Securities ("Reglamento sobre Oferta Pública de Valores"). This information is confidential, and is not to be reproduced or distributed to third parties as this is NOT a public offering of securities in Costa Rica. The product being offered is not intended for the Costa Rican public or market and neither is registered or will be registered before the SUGEVAL, nor can be traded in the secondary market. If any recipient of this documentation receives this document in El Salvador, such recipient acknowledges that the same has been delivered upon his request and instructions, and on a private placement basis. For Guatemala Investors, This communication and any accompanying information (the "Materials") are intended solely for informational purposes and do not constitute (and should not be interpreted to constitute) the offering, selling, or conducting of business with respect to such securities, products or services in the jurisdiction of the addressee (this "Jurisdiction"), or the conducting of any brokerage, banking, or other similarly regulated activities ("Financial Activities") in the Jurisdiction. Neither BLACKROCK, nor the securities, products and services described herein, are registered (or intended to be registered) in the Jurisdiction. Furthermore, neither BLACKROCK, nor the securities, products, services, or activities described herein, are regulated, or supervised by any governmental or similar authority in the Jurisdiction. The Materials are private, confidential and are sent by BLACKROCK only for the exclusive use of the addressee. The Materials must not be publicly distributed and any use of the Materials by anyone other than the addressee is not authorized. The addressee is required to comply with all applicable laws in the Jurisdiction, including, without limitation, tax laws and exchange control regulations if any.

The information provided within this document is for education purposes only in **Bermuda**. This information is not intended for distribution to, or use by, any person or entity in any jurisdiction or country where such distribution would be unlawful under the securities laws of such jurisdiction or country.

In **Latin America**, for institutional investors and financial intermediaries only (not for public distribution). This material is for educational purposes only and does not constitute investment advice or an offer or solicitation to sell or a solicitation of an offer to buy any shares of any fund or security and it is your responsibility to inform yourself of, and to observe, all applicable laws and regulations of your relevant jurisdiction. If any funds are mentioned or inferred in this material, such funds may not been registered with the securities regulators of Argentina, Brazil, Chile, Colombia, Mexico, Panama, Peru, Uruguay or any other securities regulator in any Latin American country and thus, may not be publicly offered in any such countries. The securities regulators of any country within Latin America have not confirmed the accuracy of any information contained herein. No information discussed herein can be provided to the general public in Latin America. The contents of this material are strictly confidential and must not be passed to any third party.

In **Colombia**, the promotion of each product discussed herein is carried out through the Representative Office of BlackRock Fund Advisors, authorized by the Colombian Financial Superintendence. The transmission of this information does not constitute a securities public offering in Colombia. The products discussed herein may not be promoted or marketed in Colombia or to Colombian residents unless such promotion and marketing is made in compliance with Decree 2555 of 2010 and other applicable rules and regulations related to the promotion of foreign financial and/or securities related products or services in Colombia. With the receipt of these materials, and unless the Client contacts BlackRock with additional requests for information, the Client agrees to have been provided the information for due advisory required by the marketing and promotion regulatory regime applicable in Colombia.

In **Chile**, The securities if any described in this document are foreign securities, therefore: i) their rights and obligations will be subject to the legal framework of the issuer's country of origin, and therefore, investors must inform themselves regarding the form and means through which they may exercise their rights; and that ii) the supervision of the Commission for the Financial Market (Comisión para el Mercado Financiero or "CMF") will be concentrated exclusively on compliance with the information obligations established in General Standard No. 352 of the CMF and that, therefore, the supervision of the security and its issuer will be mainly made by the foreign regulator; In the case of a fund not registered with the CMF is subject to General Rule No. 336 issued by the SVS (now the CMF). The subject matter of this sale may include securities not registered with the CMF; therefore, such securities are not subject to the supervision of the CMF. Since the securities are not registered in Chile, there is no obligation of the issuer to make publicly available information about the securities in Chile. The securities shall not be subject to public offering in Chile unless registered with the relevant registry of the CMF.

IN MEXICO, FOR INSTITUTIONAL AND QUALIFIED INVESTORS USE ONLY. INVESTING INVOLVES RISK, INCLUDING POSSIBLE LOSS OF PRINCIPAL. THIS MATERIAL IS PROVIDED FOR EDUCATIONAL AND INFORMATIONAL PURPOSES ONLY AND DOES NOT CONSTITUTE AN OFFER OR SOLICITATION TO SELL OR A SOLICITATION OF AN OFFER TO BUY ANY SHARES OF ANY FUND OR SECURITY**.** This information does not consider the investment objectives, risk tolerance or the financial circumstances of any specific investor. This information does not replace the obligation of financial advisor to apply his/her best judgment in making investment decisions or investment recommendations. It is your responsibility to inform yourself of, and to observe, all applicable laws and regulations of Mexico. If any funds, securities or investment strategies are mentioned or inferred in this material, such funds, securities or strategies have not been registered with the Mexican National Banking and Securities Commission (Comisión Nacional Bancaria y de Valores, the "CNBV") and thus, may not be publicly offered in Mexico. The CNBV has not confirmed the accuracy of any information contained herein. The provision of investment management and investment advisory services ("Investment Services") is a regulated activity in Mexico, subject to strict rules, and performed under the supervision of the CNBV. These materials are shared for information purposes only, do not constitute investment advice, and are being shared in the understanding that the addressee is an Institutional or Qualified investor as defined under Mexican Securities (Ley del Mercado de Valores). Each potential investor shall make its own investment decision based on their own analysis of the available information. Please note that by receiving these materials, it shall be construed as a representation by the receiver that it is an Institutional or Qualified investor as defined under Mexican law. BlackRock México Operadora, S.A. de C.V., Sociedad Operadora de Fondos de Inversión ("BlackRock México Operadora") is a Mexican subsidiary of BlackRock, Inc., authorized by the CNBV as a Mutual Fund Manager (Operadora de Fondos), and as such, authorized to manage Mexican mutual funds, ETFs and provide Investment Advisory Services. For more information on the Investment Services offered by BlackRock Mexico, please review our Investment Services Guide available in www.blackrock.com/mx. This material represents an assessment at a specific time and its information should not be relied upon by the you as research or investment advice regarding the funds, any security or investment strategy in particular. Reliance upon information in this material is at your sole discretion. BlackRock México is not authorized to receive deposits, carry out intermediation activities, or act as a broker dealer, or bank in Mexico. For more information on BlackRock México, please visit: www.blackRock.com/mx. BlackRock receives revenue in the form of advisory fees for our advisory services and management fees for our mutual funds, exchange traded funds and collective investment trusts. Any modification, change, distribution or inadequate use of information of this document is not responsibility of BlackRock or any of its affiliates. Pursuant to the Mexican Data Privacy Law (Ley Federal de Protección de Datos Personales en Posesión de Particulares), to register your personal data you must confirm that you have read and understood the Privacy Notice of BlackRock México Operadora. For the full disclosure, please visit www.blackRock.com/mx and accept that your personal information will be managed according with the terms and conditions set forth therein.

In **Peru**, this private offer does not constitute a public offer, and is not registered with the Securities Market Public Registry of the Peruvian Securities Market Commission, for use only with institutional investors as such term is defined by the Superintendencia de Banca, Seguros y AFP.

This material is for distribution to Professional Clients (as defined by the Financial Conduct Authority or MiFID Rules) only and should not be relied upon by any other persons.

In the UK and Non-European Economic Area (EEA) countries: this is Issued by BlackRock Investment Management (UK) Limited, authorised and regulated by the Financial Conduct Authority. Registered office: 12 Throgmorton Avenue, London, EC2N 2DL. Tel: + 44 (0)20 7743 3000. Registered in England and Wales No. 02020394. For your protection telephone calls are usually recorded. Please refer to the Financial Conduct Authority website for a list of authorised activities conducted by BlackRock.

In the European Economic Area (EEA): This document is marketing material. This is Issued by BlackRock (Netherlands) B.V. and is authorised and regulated by the Netherlands Authority for the Financial Markets. Registered office Amstelplein 1, 1096 HA, Amsterdam, Tel: 020 – 549 5200, Tel: 31-20-549-5200. Trade Register No. 17068311 For your protection telephone calls are usually recorded.

In **Switzerland**: This document shall be exclusively made available to, and directed at, qualified investors as defined in Article 10 (3) of the CISA of 23 June 2006, as amended, at the exclusion of qualified investors with an opting-out pursuant to Art. 5 (1) of the Swiss Federal Act on Financial Services ("FinSA"). For information on art. 8 / 9 Financial Services Act (FinSA) and on your client segmentation under art. 4 FinSA, please see the following website: www.blackrock.com/finsa.

In Israel: BlackRock Investment Management (UK) Limited is not licenced under Israel's Regulation of Investment Advice, Investment Marketing and Portfolio Management Law, 5755-1995 (the "Advice Law"), nor does it carry insurance thereunder.

In the DIFC: This document is intended strictly for Professional Clients as defined under the Dubai Financial Services Authority ("DFSA") Conduct of Business (COB) Rules. Blackrock Advisors (UK) Limited -Dubai Branch is a DIFC Foreign Recognised Company registered with the DIFC Registrar of Companies (DIFC Registered Number 546), with its office at Unit L15 - 01A, ICD Brookfield Place, Dubai International Financial Centre, PO Box 506661, Dubai, UAE, and is regulated by the DFSA to engage in the regulated activities of 'Advising on Financial Products' and 'Arranging Deals in Investments' in or from the DIFC, both of which are limited to units in a collective investment fund (DFSA Reference Number F000738).

In **Saudi Arabia**, This document is intended for Institutional and Qualified Clients (as defined by the Capital Market Authority) only and should not be relied upon by any other persons. BlackRock Saudi Arabia, authorised and regulated by the Capital Market Authority (License Number 18- 192-30). Registered office: 7976 Salim Ibn Abi Bakr Shaikan St, 2223 West Umm Al Hamam District Riyadh, 12329 Riyadh, Kingdom of Saudi Arabia, Tel: +966 11 838 3600. CR No, 1010479419. For your protection telephone calls are usually recorded. Please refer to the Capital Market Authority website for a list of authorised activities conducted by BlackRock Saudi Arabia.

In Bahrain: The information contained in this document is intended strictly for sophisticated institutions

In the United Arab Emirates (UAE) (excluding the Dubai International Financial Centre (DIFC) and the Abu Dhabi Global Market (ADGM)): The information contained in this document is intended to Professional Investors.

Abu Dhabi Global Markets

This communication is sent strictly within the context of, and constitutes, an Exempt Communication under the Financial Services and Markets Regulations 2015 (as amended).

BlackRock Advisors (UK) Limited - ADGM Branch is a Branch of a Foreign Company registered with the Abu Dhabi Global Market Registration Authority (Registered number 21523), with its office at Floor 25, Al Sila Tower, Abu Dhabi Global Market Square, Al Maryah Island, Abu Dhabi, UAE, and is regulated by the ADGM Financial Services Regulatory Authority ("FSRA") to engage in the regulated activities of 'Arranging Deals in Investments'; 'Advising on Investments or Credit' 'Managing Assets'; and 'Managing in a Collective Investment Fund' (FRSA Reference 240099.

In the **State of Qatar and the Qatar Financial Centre (QFC):** This document is intended strictly for sophisticated institutions.

In **Kuwait:** This document is intended strictly for sophisticated institutions that are 'Professional Clients' as defined under the Kuwait Capital Markets Law and its Executive Bylaws.

The information contained in this document, does not constitute and should not be construed as an offer of, invitation or proposal to make an offer for, recommendation to apply for or an opinion or guidance on a financial product, service and/or strategy. Whilst great care has been taken to ensure that the information contained in this document is accurate, no responsibility can be accepted for any errors, mistakes or omissions or for any action taken in reliance thereon. You may only reproduce, circulate and use this document (or any part of it) with the consent of BlackRock Investment Management (UK). The information contained in this document is for information purposes only. It is not intended for and should not be distributed to, or relied upon by, members of the public.

The information contained in this document, may contain statements that are not purely historical in nature but are "forward-looking statements". These include, amongst other things, projections, forecasts or estimates of income. These forward-looking statements are based upon certain assumptions, some of which are described in other relevant documents or materials. If you do not understand the contents of this document, you should consult an authorised financial adviser. Any research in this document has been procured and may have been acted on by BlackRock for its own purpose. The results of such research are being made available only incidentally. The views expressed do not constitute investment or any other advice and are subject to change. They do not necessarily reflect the views of any company in the BlackRock Group or any part thereof and no assurances are made as to their accuracy. Any opinions, forecasts represent an assessment of the market environment at a specific time and is not intended to be a forecast of future events or a guarantee of future results. This information should not be relied upon by the reader as research, investment advice or a recommendation. This document is for information purposes only and does not constitute an offer or invitation to anyone to invest in any BlackRock funds and has not been prepared in connection with any such offer. If you are an intermediary or third-party distributor, you must only disseminate this material to other Professional Investors as permitted in the above-specified jurisdictions and in accordance with applicable laws and regulations. Certain information contained herein has been obtained from published sources and from third parties, including without limitation, market forecasts, internal and external surveys, market research, publicly available information and industry publications. In addition, certain information contained herein may have been obtained from companies in which investments have been made by entities affiliated with BlackRock. Although such information is believed to be reliable for the purposes used herein, neither the Fund nor BlackRock assumes any responsibility for the accuracy or completeness of such information. Reliance upon information in this material is at the sole discretion of the reader. Certain information contained herein represents or is based upon forward-looking statements or information. BlackRock and its affiliates believe that such statements and information are based upon reasonable estimates and assumptions. However, forward-looking statements are inherently uncertain, and factors may cause events or results to differ from those projected. Therefore, undue reliance should not be placed on such forward-looking statements and information.