Profiles of Sub-Advisers

August 2018

Blackstone Alternative Multi-Strategy Fund (BXMIX)

A series of Blackstone Alternative Investment Funds, a Massachusetts business trust registered under the Investment Company Act of 1940 as an open-end management investment company.

The Fund may shift allocations among Sub-Advisers and strategies at any time. The Fund may also add new Sub-Advisers or strategies and/or determine to not employ one or more Sub-Advisers or strategies. Accordingly, the information contained herein is for illustrative purposes only and should not be viewed as predictive of the Fund's portfolio (and its Sub-Advisers).

Certain information contained in these Sub-Adviser Profiles (the "Profiles") has been provided by, or is based on information provided by, the Sub-Advisers that are the subject of these Reviews (the "Sub-Advisers"). Blackstone has not independently verified such information and makes no representation or warranty as to the accuracy or completeness of such information. The materials contained herein are for informational purposes only and do not constitute an offer to sell or a solicitation of an offer to purchase any interest in any investment vehicle managed by Blackstone or its affiliates or by the Sub-Advisers. Past performance is not indicative of future results. There can be no assurance the Sub-Advisers will achieve their investment objectives or avoid significant losses. Opinions expressed reflect the current opinions of Blackstone as of the date appearing in this material only. Prepared by Blackstone Advisory Partners L.P., a member of FINRA and an affiliate of Blackstone Alternative Investment Advisors LLC, the investment adviser of the Fund.

Blackstone

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Disclosure

Important Disclosure Information:

The materials contained herein are for informational purposes only and do not constitute an offer to sell or a solicitation of an offer to purchase any interest in any investment vehicles (the "Blackstone Funds") managed by Blackstone Alternative Investment Advisors LLC. or any of its investment advisory affiliates (together, "Blackstone"). Any such offer or solicitation shall be made only pursuant to the prospectus or confidential private placement memorandum for such Blackstone Fund, which qualifies in its entirety the information set forth herein and contains a description of the risks of investing. These materials are also qualified by reference to the governing documents and the subscription agreement relating to the relevant Blackstone Fund. All such documents should be reviewed carefully by all prospective investors prior to an investment in that Fund.

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

All investors should consider the investment objectives, risks, charges and expenses of the Blackstone Alternative Multi-Strategy Fund (the "Fund") carefully before investing. The prospectus and the summary prospectus contain this and other information about the Fund. You can obtain the prospectus and the summary prospectus, from the Fund's website (www.bxmix.com). All investors are urged to carefully read the prospectus and the summary prospectus, in its entirety before investing.

Performance data quoted represents past performance and is no guarantee of future results. Investment returns and principal values may fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. All returns include dividend and capital gain distributions. Information about the Fund, including current month-end performance, is available on the Fund's website at www.bxmix.com or by calling 855-890-7725.

Important Risks*:* An investment in the Fund should be considered a speculative investment that entails substantial risks; you may lose part or all of your investment or your investment may not perform as well as other investments. The Fund's investments involve special risks including, but not limited to, loss of all or a significant portion of the investment due to leveraging, short-selling, or other speculative practices, lack of liquidity and volatility of returns. The following is a summary description of certain additional principal risks of investing in the Fund:

Allocation Risk **–** Blackstone's judgment about the attractiveness, value or market trends affecting a particular asset class, investment style, sub-adviser or security may be incorrect and this may have a negative impact upon performance. ***Derivatives Risk*** **–** the use of derivatives involves the risk that their value may not move as expected relative to the value of the relevant underlying assets, rates, or indices. Derivatives can be subject to counterparty credit risk and may entail investment exposure greater than their notional amount. ***Distressed Securities Risk*** **–** investments in securities of business enterprises involved in workouts, liquidations, reorganizations, bankruptcies and similar situations involve a high degree of risk of loss since there is typically substantial uncertainty concerning the outcome of such situations. ***Event-Driven Trading Risk*** **–** involves the risk that the specific event identified may not occur as anticipated and that this may have a negative impact upon the market price of the securities involved. ***Foreign Investments/Emerging Markets Risk*** – involves special risks caused by foreign political, social and economic factors, including exposure to currency fluctuations, less liquidity, less developed and less efficient trading markets, political instability and less developed legal and auditing standards. ***High Portfolio Turnover Risk*** – active trading of securities can increase transaction costs (thus lowering performance) and taxable distributions. ***Model and Technology Risk*** **–** involves the risk that model-based strategies, data gathering systems, order execution and trade allocation systems and risk management systems may not be successful on an ongoing basis or could contains errors, omissions, imperfections or malfunctions. ***Multi-Manager Risk***– managers may make investment decisions which conflict with each other and as a result, the Fund could incur transaction costs without accomplishing any net investment result.

In addition, you should be aware of the following risks and conflicts relating specifically to the Fund:

- The fees paid by the Fund to Blackstone will be reduced by the full amount of any fees paid to the Fund's underlying managers. This compensation offset arrangement may give Blackstone an incentive to favor underlying managers that charge lower fees.
- Subject to applicable law, the Fund is not restricted from selecting underlying managers in which Blackstone, Blackstone Clients or their affiliates have a financial interest.

The following 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. If you are an individual retirement investor, contact your financial advisor or other fiduciary unrelated to BAIA about whether any given investment idea, strategy, product or service described herein may be appropriate for your circumstances.

Blackstone Alternative Investment Advisors LLC[(1)] ("BAIA")

Firm Background

Strategy	Multi-Strategy
Sub-Strategy	N/A
Geographic Focus	Global
Portfolio Manager(s)	BAIA IC[(2)]
Headquarters	New York, NY
Firm Inception	2012
Firm AUM[(3)]	$8.3b

Strategy Overview

BAIA allocates its assets among a variety of discretionary investment advisers ("Sub-Advisers") with experience managing non-traditional or "alternative" investment strategies. BAIA is responsible for selecting the strategies, for identifying and retaining Sub-Advisers with expertise in the selected strategies, and for determining the amount of Fund assets to allocate to each strategy and to each Sub-Adviser. In addition, BAIA monitors the overall risk levels and investment concentrations of the Fund that are produced by the various sleeves managed by the Sub-Advisers. If BAIA identifies that the risks and/or concentrations, when aggregated at the Fund level, are undesirable, BAIA may enter into portfolio overlay hedging that seeks to mitigate those risks or concentrations. This overlay hedging may seek to hedge excessive market, interest rate, currency, issuer or other investment risk.

BAIA manages a portion of the Fund's assets directly. Such investments presently include allocations to a systematic risk premia trading strategy and funds managed by Glenview Capital Management LLC, and may include other opportunistic trades in the future.

The risk premia strategy seeks to generate returns by capturing well defined and well understood risk premia expressed across multiple asset classes. The risk premia strategy aims to equally allocate risk across twelve strategy/asset class pairs, including value, carry and momentum, and the asset classes traded include bonds, commodities, currencies and equities.

Note: Past performance may not be a reliable guide to future performance. The value of Blackstone Alternative Multi-Strategy Fund (the "Fund") shares may go down as well as up and there can be no assurance that the Fund will achieve its investment objectives or avoid significant losses.

(1) BAIA is the Fund's Investment Manager and manages a portion of the Fund's assets directly. BAIA's fees on directly managed assets are not reduced by a payment to a sub-advisor.

(2) The BAIA Investment Committee consists of Gideon Berger, Min Htoo, Robert Jordan, David Mehenny, Ian Morris, Alberto Santulin and Stephen Sullens.

(3) BAIA's AUM is as of 3/31/2018 and is an estimate and unaudited.

Bayview Asset Management, LLC ("Bayview")

Firm Background

Strategy	Relative Value
Sub-Strategy	Fixed Income – Asset Backed
Geographic Focus	North America
Portfolio Manager(s)	David Ertel Matt Miller
Headquarters	Coral Gables, FL
Firm Inception	1993
Firm AUM(1)	$13b

Strategy Overview

Bayview is a mortgage-focused manager that aims to generate capital appreciation by investing in undervalued senior residential and commercial mortgage-backed securities, senior consumer asset-backed securities and related derivatives originated after 2009.

In sourcing ideas for the strategy, the manager leverages the experience, deep team and infrastructure of the broader Bayview firm in sourcing, purchasing, special servicing and divesting whole loans. Bayview is an active purchaser of large and small pools of seasoned real-estate backed (performing and non-performing) loans from a variety of banks and government agencies. It is also an active seller of mortgage loans, including seasoned, performing assets to regional and community banks that find it advantageous to purchase performing assets in their footprints to supplement their loan originations.

Note: Past performance may not be a reliable guide to future performance. The value of Blackstone Alternative Multi-Strategy Fund (the "Fund") shares may go down as well as up and there can be no assurance that the Fund will achieve its investment objectives or avoid significant losses. The data presented above is based on information obtained or derived from the Sub-Adviser. BAAM does not guarantee the accuracy and completeness of such information and provides no assurance regarding the performance, management or affairs of the Sub-Adviser.

(1) AUM as of 3/31/2018.

Boussard & Gavaudan Investment Management, LLP (“Boussard & Gavaudan”)

Firm Background

Strategy	Event Driven
Sub-Strategy	Multi-Strategy
Geographic Focus	Europe
Portfolio Manager(s)	Emmanuel Boussard Etienne Becker
Headquarters	London, United Kingdom
Firm Inception	2003
Firm AUM[(1)]	$4.4b

Strategy Overview

Boussard & Gavaudan is a multi-strategy manager that seeks to generate alpha by integrating its cross-asset class fundamental expertise with its dynamic volatility trading approach, focusing on “value with catalyst” special situations and capital asset mispricing.

Boussard & Gavaudan’s deep experience in equity derivatives trading and rigorous risk management approach provide the manager with a broadened toolkit for trade structuring and implementation, a key component to its volatility and arbitrage strategies.

Capital allocation is managed opportunistically, driven by Boussard & Gavaudan’s views on the corporate business cycle and the attractiveness of valuations.

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(1) AUM as of 3/31/2018.

Caspian Capital LP ("Caspian")

Firm Background

Strategy	Event Driven
Sub-Strategy	Distressed/ Restructuring
Geographic Focus	North America
Portfolio Manager(s)	Adam Cohen David Corleto
Headquarters	New York, NY
Firm Inception	1997
Firm AUM(1)	$2.8b

Strategy Overview

Caspian is a credit manager that focuses on capital structure arbitrage strategies and stressed/distressed investing. Caspian seeks attractive, long-term, risk-adjusted returns by applying a flexible and opportunistic approach to investing which involves evaluating the current attractiveness of various asset classes.

Caspian invests in a variety of securities but has historically focused on three trading strategies: 1) stressed/distressed corporate situations; 2) capital structure arbitrage; and 3) value shorting.

Most strategies are based on fundamental analysis with valuation work focusing on going concern and asset liquidation scenarios. Caspian creates comprehensive models to evaluate important fundamental characteristics such as asset quality, market share, industry value chain dynamics, free cash flow, liquidity, capital structure and/or possible near-term catalysts. After comparing the potential risk/reward of various credit outcomes on the entire corporate capital structure, Caspian seeks to implement favorable risk/reward strategies on a credit by credit basis, which could be expressed as stressed/distressed long, value short, or intra-capital structure long/short positions.

Note: Past performance may not be a reliable guide to future performance. The value of Blackstone Alternative Multi-Strategy Fund (the "Fund") shares may go down as well as up and there can be no assurance that the Fund will achieve its investment objectives or avoid significant losses. The data presented above is based on information obtained or derived from the Sub-Adviser. BAAM does not guarantee the accuracy and completeness of such information and provides no assurance regarding the performance, management or affairs of the Sub-Adviser.

(1) AUM as of 3/31/2018.

Cerberus Sub-Advisory I, LLC[1] ("Cerberus")

Firm Background

Strategy	Relative Value
Sub-Strategy	Fixed Income – Asset Backed
Geographic Focus	United States
Portfolio Manager(s)	Joshua Weintraub Brendan Garvey
Headquarters	New York, NY
Firm Inception[2]	1992
Firm AUM[3]	$33.3b

Strategy Overview

Cerberus' investment strategy focuses on agency and non-agency mortgage-backed securities, interest rate products and synthetic indices.

Cerberus seeks to generate attractive risk-adjusted returns for the portfolio from both current income and capital appreciation through investments in mortgage instruments.

Idea generation for the portfolio begins with top down views and fundamental credit analysis; however, Cerberus has historically generated value for the portfolio through trade execution.

Positions are constructed for the portfolio with the goal of understanding the motivations of various market participants in order to arbitrage structures and ratings. Cerberus looks for securities for the portfolio that are fundamentally cheap but also have technicals working in their favor. Technical analysis is focused on liquidity and flows.

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(1) Sub-Adviser is not currently managing any Fund assets. Allocations may change at any time without notice.

(2) Refers to Cerberus Capital Management, L.P. ("CCM")

(3) Refers to the AUM of Cerberus Capital Management, L.P and its affiliated management entities, including Cerberus Sub-Advisory I, LLC, as of 3/31/2018.

Cerebellum GP, LLC[1] ("Cerebellum")

Firm Background

Strategy	Equity Hedge
Sub-Strategy	Equity Market Neutral
Geographic Focus	United States
Portfolio Manager(s)	David Andre
Headquarters	San Francisco, CA
Firm Inception[2]	2010
Firm AUM[3]	$31.1m

Strategy Overview

Cerebellum's investment strategy focuses on buying stocks that experience technical dislocations in price around year-end. Cerebellum seeks to identify the most attractive opportunities through the use of proprietary filters, including both longer-term and shorter-term price signals.

Investment decisions are driven by a variety of internal and external resources, including an artificial intelligence discipline known as "machine learning." Cerebellum uses a proprietary hedging and portfolio optimization process in an effort to minimize exposure to market and sector risks, thereby structuring an equity market neutral portfolio. Due to the specific nature of the opportunity set, Cerebellum's strategy is seasonal and short-term.

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(1) Sub-Adviser is not currently managing any Fund assets. Allocations may change at any time without notice.

(2) Cerebellum was formed in 2010 and is an affiliate of Cerebellum Capital, which was founded in 2008.

(3) AUM as of 3/31/2018.

D. E. Shaw Investment Management, L.L.C. ("DESIM")

Firm Background

Strategy	Multi-Strategy
Sub-Strategy	N/A
Geographic Focus	Global
Portfolio Manager(s)	Anne Dinning Philip Kearns
Headquarters	New York, NY
Firm Inception[(1)]	1988
Firm AUM[(2)]	$22b

Strategy Overview

DESIM is a member of the D. E. Shaw group, a global investment and technology development firm that combines a rigorous quantitative approach with a complementary strategic focus on qualitative strategies. The strategy that DESIM deploys on behalf of the Fund seeks dynamic exposures to risk premia in core global assets along with the potential capture of more exotic forms of risk premia and opportunistic alpha. The strategy's objective is to produce, across a variety of market conditions, attractive long-term risk-adjusted returns with moderate beta to the S&P 500 and various other major asset classes.

The strategy uses a combination of both qualitative and quantitative approaches to forecast expected returns for global assets based on modeling time-varying risk premia and various other dynamics in asset prices. The resulting portfolio is bucketed into five categories: credit, nominal rates, equities, inflation, and opportunistic.

The strategy also employs DESIM's rigorous risk management process, which involves the application of a proprietary optimizer supplemented by a scenario-based framework focused on managing tail risk.

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(1) Inception date for the D. E. Shaw group. DESIM, a member of the D.E. Shaw group, was formed in 2005.

(2) AUM is for DSIM as of 3/31/2018.

Emso Asset Management Limited ("Emso")

Firm Background

Strategy	Macro
Sub-Strategy	Discretionary Thematic
Geographic Focus	Global
Portfolio Manager(s)	Mark Franklin John Hynes
Headquarters	London, United Kingdom
Firm Inception	2003
Company AUM(2)	$6.1b

Strategy Overview

Emso is an emerging markets manager focused on credit, rates and currencies. It combines a value-oriented investment approach with a macro overlay.

Emso's investment strategy typically pursues value-oriented investments and transactions in the securities of sovereign and corporate obligors, principally in emerging markets, which are primarily rated non-investment grade. The emphasis is on securities that are undervalued either due to insufficient research coverage of the obligor or due to the complexity of their structure. Emso monitors special situations, such as debt restructurings, as well as mispricings due to forced liquidations of substantial holdings.

Emso evaluates investment opportunities and performs an assessment of the risks related to those investments as well as the opportunities to mitigate them. In addition, Emso endeavors to reduce risk and enhance returns by opportunistically hedging the credit, interest rate, currency and other risks related to investing principally in emerging markets.

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(1) AUM as of 3/31/2018.

Endeavour Capital Advisors Inc. ("Endeavour")

Firm Background

Strategy	Equity Hedge
Sub-Strategy	Equity Market Neutral
Geographic Focus	United States
Portfolio Manager(s)	Laurence Austin Mitchell Katz Jonah Marcus
Headquarters	Greenwich, CT
Firm Inception	1994
Company AUM[(2)]	$944m

Strategy Overview

Endeavour is an equity market neutral manager that invests across the financial services sector, with a style that combines bottom-up fundamental research with perspective on the macroeconomic, regulatory, and financial conditions that impact the industry.

Endeavour primarily invests in securities within the banking, insurance, mortgage, specialty finance, and brokerage/asset management sectors. Endeavour evaluates investment opportunities with a stock specific lens, understanding how industry trends, economic data, and competitive dynamics impact company fundamentals to inform idea generation, analysis, and risk management.

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(1) AUM as of 3/31/2018.

Good Hill Partners LP ("Good Hill")

Firm Background

Strategy	Relative Value
Sub-Strategy	Fixed Income – Asset Backed
Geographic Focus	United States
Portfolio Manager(s)	Franklin Collins Brant Brooks
Headquarters	Westport, CT
Firm Inception	2007
Firm AUM(1)	$1.7b

Strategy Overview

Good Hill is a fixed income manager that seeks to achieve attractive risk-adjusted returns by pursuing a relative value, long-biased investment strategy, primarily through investments in mortgage-backed and asset-backed securities.

Good Hill's investment process combines research-driven fundamental analysis with experienced portfolio management and disciplined surveillance. Good Hill's investment strategy relies on three primary components: 1) ability to identify appropriate investments; 2) prudent asset liability management; and 3) an intensive analytical approach to risk management.

Good Hill uses the trading experience of its personnel and numerous analytical tools to identify investments that it believes present an attractive risk/reward profile. A significant portion of the investment return has historically been comprised of current income. Additionally, to the extent that securities increase in value relative to the market, positions may realize capital appreciation.

Good Hill aims to identify and capture yield spread differentials over time that may enable the portfolio to be profitable in both rising and declining fixed income markets.

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(1) AUM as of 3/31/2018.

GSA Capital Partners LLP (“GSA”)

Firm Background

Strategy	Macro
Sub-Strategy	Systematic Diversified
Geographic Focus	Global
Portfolio Manager(s)	Pavel Zhlobich David Khabie-Zeitoune
Headquarters	London, United Kingdom
Firm Inception	2004
Firm AUM	$9.3b(1)

Strategy Overview

GSA is a quantitative investment manager with over $7.8bn in AUM. GSA applies quantitative techniques aimed at delivering attractive risk adjusted returns over different market cycles.

The GSA Trend Strategy leverages GSA’s expertise in quantitative investing to offer a systematic and robust trend following strategy. The strategy employs a range of signals that seek to capture medium to long term trends in a diverse range of liquid futures markets globally (including equity indices, commodities, fixed income and foreign exchange). The strategy benefits from GSA’s expertise in portfolio optimization and the firm’s efficient execution platform.

Note: Past performance may not be a reliable guide to future performance. The value of Blackstone Alternative Multi-Strategy Fund (the “Fund”) shares may go down as well as up and there can be no assurance that the Fund will achieve its investment objectives or avoid significant losses. The data presented above is based on information obtained or derived from the Sub-Adviser. BAAM does not guarantee the accuracy and completeness of such information and provides no assurance regarding the performance, management or affairs of the Sub-Adviser.

(1) AUM as of 3/31/2018.

H2O AM LLP(1) ("H2O")

Firm Background

Strategy	Macro
Sub-Strategy	Discretionary Thematic
Geographic Focus	Global
Portfolio Manager(s)	Vincent Chailley
Headquarters	London, United Kingdom
Firm Inception	2010
Firm AUM	$22.6b (1)

Strategy Overview

H2O is a global macro discretionary asset manager, with a global multi-asset, active, top-down, value and unconstrained style of investing. The firm focuses on three main asset classes: fixed income, equities and currencies.

H2O's team is organized around the Chief Investment Officer and five domain specialists (macro, micro, valuation & flows, technicals & positioning, as well as volatility) rather than asset class specialists. Trade expressions are mainly through relative value strategies to make the most of the connection between asset classes, geographical and sector arbitrages.

The macro views are evaluated across five key drivers to make thematic decisions that form the basis for the strategic portfolio allocation. H2O then implements a portfolio optimization process to turn the views into trading positions. This process takes into account past correlations and volatilities to ensure optimal diversification. H2O targets a balanced portfolio that strives to minimize correlation vs. bond and equity indices, as well as CTAs. In addition to this long term strategic allocation, H2O employs active short term trading overlays across the three aforementioned asset classes and volatility. At H2O risk is an input in the portfolio construction process rather than the outcome of asset allocation.

Note: Past performance may not be a reliable guide to future performance. The value of Blackstone Alternative Multi-Strategy Fund (the "Fund") shares may go down as well as up and there can be no assurance that the Fund will achieve its investment objectives or avoid significant losses. The data presented above is based on information obtained or derived from the Sub-Adviser. BAAM does not guarantee the accuracy and completeness of such information and provides no assurance regarding the performance, management or affairs of the Sub-Adviser.

(1) Sub-Adviser is not currently managing any Fund assets. Allocations may change at any time without notice.

(2) AUM as of 3/31/2018.

HealthCor Management, L.P. ("HealthCor")

Firm Background

Strategy	Equity Hedge
Sub-Strategy	Equity Long Short
Geographic Focus	Global
Portfolio Manager(s)	Art Cohen Joe Healey
Headquarters	New York, NY
Firm Inception	2005
Firm AUM(1)	$3.4b

Strategy Overview

HealthCor is a long/short equity manager primarily focused on the Biotech, Pharma, Medtech, and Services sub-sectors of Healthcare. While the team has the ability to evaluate investments from a scientific perspective, the strategy is grounded in translating how industry trends and competitive dynamics may impact company fundamentals, with an emphasis on financial metrics. Specifically, they look to identify situations where an underappreciated fundamental driver results in a divergence between their estimates and consensus expectations, such that a sufficient margin of safety exists.

HealthCor's investment objective is to achieve superior risk-adjusted growth primarily through investments in equity and equity-related instruments. Each investment position is generally judged on its own ability to generate profits consistent with its risk profile.

HealthCor seeks to maintain a hedged exposure. While the long book is expected to be the primary driver of alpha over time, the short side of the portfolio is positioned to be accretive to overall performance as well. From a risk management perspective, the portfolio managers are risk conscious and can be expected to reduce exposures when they are uncomfortable with the market environment.

Note: Past performance may not be a reliable guide to future performance. The value of Blackstone Alternative Multi-Strategy Fund (the "Fund") shares may go down as well as up and there can be no assurance that the Fund will achieve its investment objectives or avoid significant losses. The data presented above is based on information obtained or derived from the Sub-Adviser. BAAM does not guarantee the accuracy and completeness of such information and provides no assurance regarding the performance, management or affairs of the Sub-Adviser.

(1) AUM as of 3/31/2018.

IPM Informed Portfolio Management AB (“IPM”)

Firm Background

Strategy	Macro
Sub-Strategy	Systematic Diversified
Geographic Focus	Global
Portfolio Manager(s)	Björn Österberg / Mattias Jansson
Headquarters	Stockholm, Sweden
Firm Inception	1998
Firm AUM[(1)]	$8.9b

Strategy Overview

IPM implements systematic investment strategies across currency, fixed income and equity markets. IPM applies value, risk premia, macroeconomic and market dynamics models in order to identify relative attractiveness of financial instruments with the aim of exploiting divergences in fundamentals, taking medium- to long-term views.

The portfolio is focused on relative value systematic strategies, with some exposure to directional strategies, using models that are based on economic theories, investor behavioral economics, and empirical observations. The models use the same calibration across all markets within the same asset class.

IPM’s macroeconomic and market dynamics models, in comparison with more standard carry and value strategies, have the potential to be more “alpha generative” and to enable the strategy to add value over a generic risk premia implementation. The macroeconomic models attempt to capture different markets’ reactions to changes in global economic activity while the market dynamics models aim to exploit market specific characteristics such as cross-border capital flows.

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(1) AUM as of 3/31/2018.

Magnetar Asset Management LLC[1] ("Magnetar")

Firm Background

Strategy	Event Driven
Sub-Strategy	Risk Arbitrage
Geographic Focus	North America, Western Europe, and Australia
Portfolio Manager(s)	Devin Dallaire
Headquarters	Evanston, IL
Firm Inception[2]	2016
Firm AUM[3]	$13.4b

Strategy Overview

Magnetar manages a portion of the Fund's assets using a risk arbitrage strategy. The strategy involves investing in equity securities of companies that are the targets of merger transactions in an effort to capture the difference in the value of the target company and its price in the marketplace. Magnetar employs a process driven and quantitative approach to value complex merger offers and to measure and manage risk.

Magnetar primarily invests in companies with a broad range of market capitalizations that are targets of announced merger transactions, with a focus on North America, Western Europe, and Australia, but with potential to invest worldwide.

Note: Past performance may not be a reliable guide to future performance. The value of Blackstone Alternative Multi-Strategy Fund (the "Fund") shares may go down as well as up and there can be no assurance that the Fund will achieve its investment objectives or avoid significant losses. The data presented above is based on information obtained or derived from the Sub-Adviser. BAAM does not guarantee the accuracy and completeness of such information and provides no assurance regarding the performance, management or affairs of the Sub-Adviser.

(1) The principal owner of Magnetar Asset Management LLC is Magnetar Capital Partners LP, in which Blackstone Strategic Capital Holdings, LP ("BSCH") holds a minority interest. BSCH is managed by Blackstone Strategic Capital Advisors LLC, an affiliate of BAIA.

(2) Magnetar was formed in 2016 and is an affiliate of Magnetar Financial LLC, which was founded in 2005.

(3) AUM as of 3/31/2018. AUM reflects approximate investor capital managed by Magnetar and its affiliated investment managers, on a discretionary and non-discretionary basis, including designated investments in side pockets and unfunded commitments (money committed to any fund managed by Magnetar and its affiliated investment managers as of the report date, but not yet transferred by the investors.

Nephila Capital, Ltd.[1] ("Nephila")

Firm Background

Strategy	Event Driven
Sub-Strategy	Reinsurance
Geographic Focus	Global
Portfolio Manager(s)	Adolfo Pena Chris Parish
Headquarters	Bermuda
Firm Inception	1997
Firm AUM[2]	$11.5b

Strategy Overview

Nephila manages a variety of portfolios focusing on different natural catastrophe insurance-linked instruments that provide varying levels of risk profiles to investors. As a firm, Nephila's edge is derived from its underwriting and structuring expertise in reinsurance and its ability to dynamically allocate capital to what it believes are opportunities in the market, including private transactions, CAT Bonds, ILWs, Indemnity Reinsurance and Retro.

The strategy that Nephila executes for Blackstone's mutual fund is opportunistic in nature and focuses on reinsurance—specifically Catastrophe Bonds ("CAT"). The strategy seeks to provide an attractive risk-adjusted return that is largely uncorrelated with other asset classes.

Nephila leverages its CAT models, proprietary risk systems, meteorological forecasts and industry relationships to evaluate the reinsurance market. Nephila has the ability to identify both long and short opportunities (writing and buying reinsurance) to create a balanced portfolio with an attractive risk/reward profile across geographies.

Note: Past performance may not be a reliable guide to future performance. The value of Blackstone Alternative Multi-Strategy Fund (the "Fund") shares may go down as well as up and there can be no assurance that the Fund will achieve its investment objectives or avoid significant losses. The data presented above is based on information obtained or derived from the Sub-Adviser. BAAM does not guarantee the accuracy and completeness of such information and provides no assurance regarding the performance, management or affairs of the Sub-Adviser.

(1) Sub-Adviser is not currently managing any Fund assets. Allocations may change at any time without notice.

(2) AUM as of 3/31/2018.

NWI Management, L.P.[1] ("NWI")

Firm Background

Strategy	Macro
Sub-Strategy	Discretionary Thematic
Geographic Focus	Global
Portfolio Manager(s)	Nellapalli ("Hari") Hariharan
Headquarters	New York, NY
Firm Inception	1999
Company AUM[2]	$5.3b

Strategy Overview

NWI is a global macro manager focused on interest rates, credit and currencies across emerging markets.

NWI's strategy typically pursues investments and transactions in the securities of sovereign and corporate obligors, principally in emerging markets. NWI aims to capture dislocations and invests in trades that reflect a stabilization and recovery of emerging markets.

NWI looks to develop proprietary trading ideas through market analysis or negotiated transactions sourced from its extensive network of relationships. As a result NWI is often an anchor participant in emerging market new issues. NWI seeks to reduce risk by opportunistically hedging the interest rate, currency and other risks.

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(1) Blackstone Alternative Asset Management L.P. ("BAAM"), an affiliate of BAIA, has entered into a joint venture with NWI Management L.P. ("NWI") to create Blackstone NWI Asset Management L.L.C. ("BNAM"), an emerging markets hedge fund manager. BNAM, BAAM and NWI share certain personnel and infrastructure.

(2) AUM as of 3/31/2018.

Sorin Capital Management, LLC ("Sorin")

Firm Background

Strategy	Relative Value
Sub-Strategy	Fixed Income – Asset Backed
Geographic Focus	United States
Portfolio Manager(s)	Jim Higgins Thomas Digan
Headquarters	Stamford, CT
Firm Inception	2004
Firm AUM(1)	$1.0b

Strategy Overview

Sorin is an investment adviser specializing in liquid U.S. Commercial Real Estate securities (primarily CMBS, REIT debt, and REIT equity).

Sorin's strategy is based on fundamental analysis and opportunistic investing and seeks to take advantage of mispriced risk caused by periodic inefficiencies in the liquid markets for these securities. Sorin's fundamental credit analysis is augmented by in-depth structural analysis and an understanding of market trading conditions.

In the U.S., CMBS and REITs comprise a $1.2 trillion investment universe, historically abundant in alpha opportunities. Sorin believes pricing of risk tends to be very inefficient because the majority of participants are either beta/index investors or speculators investing in the space based on macroeconomic theses rather than fundamental analysis. While these participants provide valuable liquidity, their beta focus or lack of specialist investment skill potentially results in less crowded alpha opportunities. CMBS and REIT securities have exhibited a tendency for recurring and substantial short-term mispricing of risk which, in Sorin's view, provides attractive risk/reward investment opportunities.

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(1) AUM as of 3/31/2018.

Two Sigma Advisers, LP (“Two Sigma Advisers”)

Firm Background

Strategy	Equity Hedge
Sub-Strategy	Equity Market Neutral
Geographic Focus	United States
Portfolio Manager(s)	Geoff Duncombe, Vikram Modi
Headquarters	New York, NY
Firm Inception	2009
Firm AUM(1)	$52.6b

Strategy Overview

Two Sigma Advisers primarily uses systematic and quantitative mathematical models to implement its strategies. These models rely on patterns inferred from historical prices and other financial data in evaluating prospective investments.

These formulas and models are typically developed and implemented using high-powered computers that may generate buy or sell indications to assist Two Sigma Advisers in the purchase and sale of securities and other financial instruments or alternatively may send buy or sell orders directly to brokers.

The models used are often complex and rely on quantitative (and to a lesser extent, technical) analysis of large amounts of real-time and historic data with a view towards identifying pricing discrepancies, inefficiencies and/or anomalies.

Note: Past performance may not be a reliable guide to future performance. The value of Blackstone Alternative Multi-Strategy Fund (the “Fund”) shares may go down as well as up and there can be no assurance that the Fund will achieve its investment objectives or avoid significant losses. The data presented above is based on information obtained or derived from the Sub-Adviser. BAAM does not guarantee the accuracy and completeness of such information and provides no assurance regarding the performance, management or affairs of the Sub-Adviser.

(1) AUM as of 3/31/2018. AUM reflects total AUM of Two Sigma and its affiliate Two Sigma Investments, LP and includes employee and proprietary capital.

Waterfall Asset Management, LLC [1] ("Waterfall")

Firm Background

Strategy	Relative Value
Sub-Strategy	Fixed Income – Asset Backed
Geographic Focus	United States
Portfolio Manager(s)	Jack Ross Tom Capasse
Headquarters	New York, NY
Firm Inception	2005
Firm AUM[1]	$6.9b

Strategy Overview

Waterfall is a specialist credit manager focused on high-yield asset-backed securities, real estate and consumer debt investments.

Waterfall's general investment strategy looks to develop proprietary trading ideas through quality information or negotiated transactions sourced from its extensive network of relationships and market analysis.

The Waterfall team performs intensive cash flow stress testing and due diligence on distressed situations. Waterfall's proprietary investment process employs fundamental, technical, and cyclical analysis to analyze an investment opportunity.

Following investment, Waterfall seeks to reduce market risks through conservative use of leverage and hedging strategies, and also seeks to reduce downside risk related to unanticipated credit events by proactively managing positions.

Note: Past performance may not be a reliable guide to future performance. The value of Blackstone Alternative Multi-Strategy Fund (the "Fund") shares may go down as well as up and there can be no assurance that the Fund will achieve its investment objectives or avoid significant losses. The data presented above is based on information obtained or derived from the Sub-Adviser. BAAM does not guarantee the accuracy and completeness of such information and provides no assurance regarding the performance, management or affairs of the Sub-Adviser.

(1) Sub-Adviser is not currently managing any Fund assets. Allocations may change at any time without notice.

(2) AUM as of 3/31/2018.

Glossary of Terms

Strategy Definitions:

Equity Hedge Strategies, which employ both long and short positions in primarily equity securities and equity security derivatives. A wide variety of investment processes, including both fundamental and quantitative techniques, can be employed to arrive at an investment decision. Investment strategies can be broadly diversified or narrowly focused on specific sectors and can range broadly in terms of the levels of net exposure, leverage employed, holding periods, concentrations of market capitalizations, and valuation ranges of typical portfolios.

Event-Driven Strategies, which focus on event-linked, reinsurance-related, and other types of securities and instruments that are currently or may be prospectively affected by transactions or events, including mergers, restructurings, financial distress, tender offers, shareholder buybacks, debt exchanges, security issuance or, other capital structure adjustments, shareholder activism, or triggering events relating to weather, natural disasters and other catastrophes. The investment focus is predicated on fundamental analysis of the anticipated effect of such transactions or events on the price of the securities of a company. Security types can range from the most senior in the capital structure to the most junior or subordinated, and frequently involve additional derivative securities.

Macro Strategies, which seek to profit from movements in underlying macroeconomic variables and the impact those variables, have on equity, fixed income, currency, and/or commodity markets. These strategies employ a variety of techniques, including discretionary and systematic approaches, combinations of top-down and bottom up analysis, fundamental and quantitative techniques, and long- and short -term holding periods. These strategies invest across various countries, markets, sectors, and companies, and have the flexibility to invest in numerous financial instruments, including derivatives.

Relative Value, which focus on potential valuation discrepancies in related financial instruments. These strategies generally involve taking a position in one financial instrument and simultaneously taking an offsetting position in a related instrument in an attempt to profit from incremental changes in the price differential. Investment managers seek to exploit these discrepancies while achieving a low correlation to the market. These strategies employ a variety of fundamental and quantitative techniques and financial instruments may range broadly across asset classes and security types.

Multi-Strategy, which employ a wide variety of strategies, including some or all of those described above.

Sub-strategies

Equity Long/Short Strategies, which combine core long and short positions in stocks, stock indices, or derivatives related to the equity markets. Equity long/short investment managers attempt to generate capital appreciation by developing and actively managing equity portfolios that include both long and short positions. Long/short equity strategies generally seek to generate capital appreciation through the establishment of both long and short positions in equities by purchasing perceived undervalued securities and selling perceived overvalued securities to generate returns and to reduce a portion of general market risk. In generating non-market related returns, this investment approach emphasizes an investment manager’s discretionary approach based on fundamental research. Investment managers employing equity long/short strategies may focus on a particular sector of the market or invest in a broad range of investments.

Equity Market Neutral Strategies, which employ fundamental or quantitative techniques of analyzing price data to seek to ascertain information about future price movement and relationships between securities. Equity market neutral investment managers attempt to generate capital appreciation by developing and actively managing equity portfolios that contain relatively balanced long and short positions. This strategy can, among other things, include an investment approach based on company-specific fundamental valuation and analysis. This strategy can include the systematic analysis of common relationships between securities. Additionally, this strategy can include statistical arbitrage/trading strategies that seek to exploit pricing anomalies and new information the investment manager believes has not been fully, completely, or accurately discounted into current security prices.

Distressed/Restructuring Strategies, which focus on corporate fixed income instruments, primarily corporate credit instruments of companies trading at significant discounts to their value at issuance or obliged (par value) at maturity as a result of either formal bankruptcy or restructuring proceeding or financial market perception of near term proceedings. Managers typically employ fundamental credit processes focused on valuation and asset coverage of securities of distressed firms. In some cases portfolio exposures are concentrated in instruments that are publicly traded, in some cases actively and in others under reduced liquidity.

Event-Driven Multi-Strategy Strategies, which focus on positions in companies currently or prospectively involved in corporate transactions or events of a wide variety including mergers, restructurings, financial distress, tender offers, shareholder buybacks, debt exchanges, security issuance or other capital structure adjustments. Event-driven exposure includes a combination of sensitivities to equity markets, credit markets, and idiosyncratic, company specific developments.

Glossary of Terms

Sub-strategies

Risk Arbitrage Strategies, which focus on securities of companies that are targets of merger transactions in order to capture the difference in the value of the target company and its price in the marketplace. Managers typically employ a process driven and quantitative approach to value complex merger offers and to measure and manage risk. Risk arbitrage transactions are generally affected by (i) the risk-free rate of return at the time a position is established; (ii) the likelihood a transaction is completed or fails, and the gains or losses associated with each outcome; (iii) market risk; and (iv) a risk arbitrage premium.

Reinsurance Strategies, which focus on investing in reinsurance-related securities, including, but not limited to, event-linked bonds and certain derivatives. The performance of reinsurance-related securities and the reinsurance industry itself are tied to the occurrence of various triggering events, including weather, natural disasters (hurricanes, earthquakes, etc.), non-natural large catastrophes, and other specified events causing physical and/or economic loss. Investment decisions are typically not based on prospects for the economy or based on movements of traditional equities and debt securities markets.

Discretionary Thematic Strategies, which focus on the evaluation of market data, relationships, and influences, as interpreted by investment personnel, to identify themes in markets that are expected to outperform the relevant market as a whole. These strategies employ investment processes primarily influenced by top-down analysis of macroeconomic variables. Investment managers may trade actively in developed and emerging markets, focusing on both absolute and relative levels on equity markets, interest rates/fixed income markets, currency, and/or commodity markets. Investment managers frequently employ spread trades to isolate a differential between instruments identified by the investment manager to be inconsistent with expected value.

Systematic Diversified Strategies, which employ mathematical, algorithmic, and technical models, with little or no influence of investment personnel over the portfolio positioning. These strategies typically seek to identify opportunities in markets exhibiting trending or momentum, value, or carry characteristics across individual instruments or asset classes. Such strategies typically employ a quantitative process that focuses on statistically robust or technical patterns in the return series of the asset and highly liquid instruments, including strategies that seek risk to profit from premia caused by factors such as risk aversion, behavior biases, or structural limitations.

Fixed Income – Asset Backed Strategies, which focus on the realization of a spread between related instruments, at least one of which is a fixed income instrument backed by physical collateral or other financial obligations other than those of a specific corporation. These strategies seek to isolate attractive opportunities between a variety of fixed income instruments specifically securitized by collateral commitments which frequently include loans, pools and portfolios of loans, receivables, real estate, machinery, or other tangible financial commitments. In many cases, investment managers hedge, limit, or offset interest rate exposure in the interest of isolating the risk of the position to strictly the yield disparity of the instrument relative to the lower risk instruments.

Fixed Income – Corporate Strategies, which focus on realization of a spread between related instruments, at least one of which is a corporate fixed income instrument. These strategies employ an investment process designed to isolate attractive opportunities between a variety of fixed income instruments, typically realizing an attractive spread between multiple corporate bonds or between a corporate and risk free government bond.

Glossary of Terms

Additional Definitions:

Risk premium: The return in excess of the risk-free rate of return that an investment is expected to yield. An asset's risk premium is a form of compensation for investors who tolerate the extra risk - compared to that of a risk-free asset - in a given investment.

Beta: A measure of the volatility, or systematic risk, of a security or a portfolio in comparison to the market as a whole. Beta is used in the capital asset pricing model (CAPM), a model that calculates the expected return of an asset based on its beta and expected market returns.

Capital structure arbitrage: Investment strategy in which an undervalued security is bought and the same firm's overvalued security is sold. Its objective is to profit from the pricing inefficiency in the issuing firm's capital with the expectation that the pricing disparity between the two securities will cancel out (converge).

Distressed debt investing: is the purchase (or sale) of equity or debt securities, bank debt, CDS, trade claims, options etc. of companies under financial distress. Unfortunately there is no hard and fast rule to what the definition of financial distress really means.

Short sale: A market transaction in which an investor sells borrowed securities in anticipation of a price decline and is required to return an equal number of shares at some point in the future.

Synthetic index: The purchase of futures contracts and/or options such that one's exposure and potential payout resemble that of an index. One creates a synthetic index if one believes doing so will result in a higher return than a security tracking a real index.

Commercial mortgage-backed securities (CMBS): are a type of mortgage-backed security backed by commercial mortgages rather than residential real estate. CMBS tend to be more complex and volatile than residential mortgage-backed securities due to the unique nature of the underlying property assets.

REIT, or Real Estate Investment Trust: is a company that owns or finances income-producing real estate. Modeled after mutual funds, REITs provide investors of all types regular income streams, diversification and long-term capital appreciation.

Alpha: A measure of performance on a risk-adjusted basis. Alpha takes the volatility (price risk) of a mutual fund and compares its risk-adjusted performance to a benchmark index. The excess return of the fund relative to the return of the benchmark index is a fund's alpha.

High Yield: Description of investments with high rates of return. Generally, a high yield bond will be ranked very low by a rating agency, because these are bonds which have a relatively high chance of default, and therefore have to offer higher returns. Similarly, a stock will offer a high dividend yield in order to compensate for lower expected capital gains, for example a large company in a mature industry which is no longer growing.

Asset-backed securities, called ABS: are bonds or notes backed by financial assets. Typically these assets consist of receivables other than mortgage loans, such as credit card receivables, auto loans, manufactured-housing contracts and home-equity loans.

Leverage: The use of various financial instruments or borrowed capital, such as margin, to increase the potential return of an investment.

Hedge: Making an investment to reduce the risk of adverse price movements in an asset. Normally, a hedge consists of taking an offsetting position in a related security, such as a futures contract.

Non-agency mortgage backed securities: mortgage backed securities sponsored by private companies other than government sponsored enterprises

Mortgage-backed securities: are bonds that are backed by pools of mortgage loans. In the most basic type of MBS, homeowners' mortgage payments are passed through to the bondholder, meaning the bondholder receives monthly payments that include both principal and interest.

Agency mortgage backed securities: the purchase of mortgage-backed securities issued by government sponsored enterprises such as Ginnie Mae, Fannie Mae or Freddie Mac

Volatility: Volatility measures how far returns stray from an average. The higher the standard deviation, the larger the difference among individual returns and the greater the financial risk. Volatility indicates the dispersion of the range of returns where low volatility means the returns are tightly clustered around the average return and higher volatility means the returns are dispersed at greater distances from the average.

Horizontal & Vertical Asset allocation: Methods of allocating an investment portfolio across asset classes, geographies and sectors to achieve a desired balance of risk/reward that is appropriate for the end investor’s goals, risk tolerance and investment horizon. Horizontal asset allocation refers to asset allocation across broader categories such as asset class and geography, while vertical asset allocation refers to more focused asset allocation within a sector, sub-sector, asset class, or geography.

Technical Analysis: A method of evaluating securities by analyzing statistics generated by market activity, such as past prices and volume. Technical analysts do not attempt to measure a security's intrinsic value, but instead use charts and other tools to identify patterns that can suggest future activity.

Yield Spread: The difference between yields on differing debt instruments, calculated by deducting the yield of one instrument from another. The higher the yield spread, the greater the difference between the yields offered by each instrument. The spread can be measured between debt instruments of differing maturities, credit ratings and risk.

Tail risk: The risk of an asset or portfolio of assets moving more than three standard deviations from its current price.