

Blackstone Alternative Multi-Strategy Fund (BXMIX)

As of September 30, 2019

Multiple hedge fund strategies and investment styles with the aim of capturing opportunities across asset classes and geographies, but at significantly lower fees than traditional hedge funds¹

Established Leader

Experienced team⁵

- World's largest discretionary investor in hedge funds²
- \$81B in AUM³
- 25+ year track record
- 105 investment professionals⁵

Strong partnerships

- Deep, differentiated relationships with hedge fund talent
- Access to hedge fund managers not typically available in daily liquid format

Multi-Alternative, Multi-Manager

21 sub-advisers⁴

- 6 of BAAM's largest 10 manager relationships^{4,5}
- 15 dedicated relationships^{4,6}

\$34 billion

- Existing BAAM capital invested with these managers across BAAM's principal solutions and IIS platform (55% of AUM)⁵

Dynamic Asset Allocation & Opportunistic Trades

Dedicated macro team

- Allocation Strategy Team focused on formulating top-down views
- Proprietary scenario analysis underpins manager research and portfolio construction

Integration with Blackstone

- Opportunistic trades sourced from BAIA's network of sub-advisers
- Access to broader Blackstone (Real Estate, Private Equity, Credit, Strategic Partners)⁷

BXMIX

Customized Solution

Strategy optimization

- Managers' core competencies are defined, isolated and adapted to fit into a '40 Act mutual fund
- Seeks to maximize overlap between sub-advisers' hedge fund strategies and mutual fund mandates

Open architecture

- Open architecture operating framework enables trading across all asset classes / geographies
- '40 Act guidelines applied at the fund level, enhancing sub-advisers flexibility to execute strategies

1. Based on standard hedge fund fees of 2% on assets under management and 20% on performance. There may be a number of differences between traditional hedge funds and BXMIX, including investment objectives, liquidity, fluctuation of principal and tax treatment.

2. InvestHedge Billion Dollar Club. Based on AUM (as of December 31, 2018).

3. As of 6/30/2019, estimated and unaudited.

4. Data as of 9/30/2019. Sub-adviser count is representative of discretionary sub-advisers; does not count BAIA as a sub-advisor. BAIA manages a portion of the Fund's assets directly. Such investments include allocations to funds managed by Glenview Capital Management LLC, EJF Capital LLC, Aeolus Capital Management Ltd, opportunistic trades and hedging. BAIA's fees on directly managed assets are not reduced by a payment to a sub-adviser.

5. Refers to Blackstone Alternative Asset Management L.P. ("BAAM"), the largest (by AUM) investment manager in Blackstone's Hedge Fund Solutions Group. Blackstone Alternative Investment Advisors LLC ("BAIA"), the investment manager for BXMIX, shares employees, facilities and processes with BAAM. AUM data represents BAAM Principal Solutions and Individual Investor Solutions platforms. Investment professional and asset under management information represents HFS platform. As of 9/30/2019.

6. Refers to the number of managers that currently do not sub-advise any mutual funds other than the Blackstone Alternative Multi-Strategy Fund or managers who provide a materially different strategy to other mutual funds that they sub-advise.

7. Subject to Blackstone's Information Wall policy.

Role of alternatives and implementation



Portfolio Diversification¹

BXMIX invests in a variety of hedge fund strategies in an effort to provide diversified exposures that are less dependent on market movements



Volatility Mitigation¹

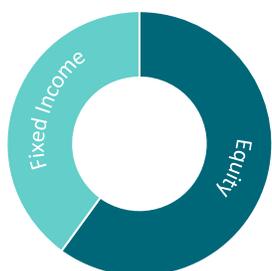
BXMIX seeks to mitigate market risk particularly when there are significant declines in either equity or fixed income markets



Risk-Adjusted Performance¹

BXMIX seeks to deliver steady growth with a focus on maximizing risk-adjusted returns over a full market cycle

Portfolio **without** Alternatives

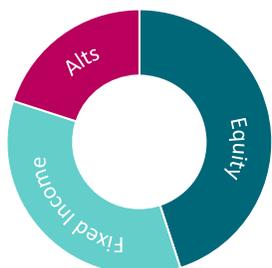


BXMIX

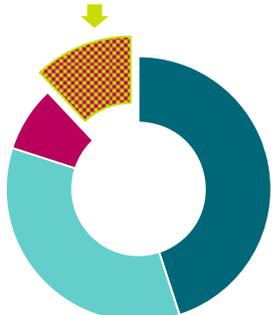


- Equity markets can be volatile and **avoiding large drawdown losses is critical** to accumulating wealth
- Replacing fixed income exposures with more **diversifying allocations could help protect investors** from the negative impact of rising interest rates

Portfolio **with** Alternatives



BXMIX



- Due to liquidity, transparency and lower fees, BXMIX is a **potential replacement for illiquid, non-transparent existing funds²**
- Given its broadly diversified mandate, BXMIX represents a core allocation that is designed to stand on its own or provide a **complement to other tactical alternative allocations**

Note: for illustrative purposes only.

1. There can be no assurance that the Fund will achieve its goals or avoid significant losses.

2. Based on standard hedge fund structures.