

Blackstone Alternative Investment Funds plc
(an umbrella fund with segregated liability between sub-funds)
(the “Company”)

Shareholder Rights Directive Engagement Policy

1. Introduction

- 1.1 Directive (EU) 2017/828 of the European Parliament and of the Council of 17 May 2017 amending Directive 2007/36/EC (together with the relevant national implementing regulations in Ireland, the “SRD”) requires “asset managers” to develop and publicly disclose an engagement policy that describes how they integrate shareholder engagement in their investment strategy. As a self-managed UCITS investment company authorised in accordance with Directive 2009/65/EC, the Company is an asset manager and has adopted this policy in accordance with the SRD.
- 1.2 This policy seeks to describe how the Company integrates shareholder engagement in its investment strategy. It applies to the Company’s investments in companies which have their registered office in a European Union member state (a “Member State”) and the shares of which are admitted to trading in a regulated market situated or operating in a Member State (“investee companies”). This policy describes how the Company monitors investee companies in respect of the matters set out in section 2 below (the “relevant matters”). In this policy, the “Company” shall be deemed to refer, as appropriate, to each fund under management by the Company and/or the investment manager(s) responsible for the implementation of the Company’s investment strategy. Nothing in this policy shall modify or qualify the Company’s investment objective and policies as set out in the prospectus and key investor information document (the “Investment Strategy”).
- 1.3 This policy will be available free of charge on the Company’s website at <https://www.blackstone.com/UCITS>.

2. Monitoring of relevant matters affecting investee companies

- 2.1 The Company shall, to the extent determined appropriate by the Company and having regard to, among other things, the Investment Strategy and the nature and size of its exposure to the relevant investee company, monitor the investee company’s approach towards matters such as the investee company’s business strategy, financial and non-financial performance and risk, capital structure, and social, environmental impact and corporate governance. The Company may base such monitoring on a variety of sources and mechanisms including, without limitation:
- (a) reviewing financial and non-financial information such as annual reports, financial statements and public announcements released on the relevant regulated market by the investee company; and
 - (b) engaging in dialogue with the board of directors and management of the investee company; and
 - (c) considering third party analysis of the investee company, wider market developments and competitors of the investee company.

- 2.2 For the avoidance of doubt, the Company does not assume any responsibility for the investee company's conduct of its business or compliance with its legal, regulatory, corporate governance and other obligations.

3. Engagement with investee companies

- 3.1 The Company may, at its discretion and having regard to the Investment Strategy, engage with the investee company when the Company has concerns about any of the relevant matters.
- 3.2 In such case, the Company may seek to engage with the investee company by way of dialogue with its board of directors or management and/or take any one or more of the following actions:
- (a) express concerns with the investee company's advisors;
 - (b) meet with the chairman or other board members of the investee company;
 - (c) submit resolutions and speak at shareholder meetings or vote against, or abstain from voting on, resolutions at shareholder meetings;
 - (d) reduce, or dispose of its holding in, or otherwise adjust its exposure to, the investee company; and
 - (e) undertake such other engagement as it determines to be appropriate in the circumstances.

4. Exercise of voting rights and other rights attached to shares

- 4.1 Pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011, as amended and the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2015 (together, the "UCITS Rules"), the Company has adopted a policy in relation to the exercise of voting rights.
- 4.2 Blackstone Alternative Investment Advisors LLC (the "Investment Manager") exercises voting rights on behalf of the Company. The Investment Manager has, in turn, delegated proxy voting authority relating to portfolio holdings of the Company to Institutional Shareholder Services Inc. ("ISS") or, with respect to assets allocated to certain Sub-Advisers, to such Sub-Adviser. ISS shall vote proxies pursuant to the ISS U.S. Socially Responsible Investing (SRI) Proxy Voting Guidelines, as amended from time to time. To the extent proxy voting authority is delegated to a Sub-Adviser, the Sub-Adviser shall act in a fiduciary capacity and may apply its own proxy voting policies and procedures or retain an independent third-party proxy agent to recommend how to vote a proxy.
- 4.3 The Company intends to exercise any other rights attaching to shares in investee companies in a manner consistent with the Investment Strategy.

5. Cooperation and communication with other shareholders and stakeholders in investee companies

- 5.1 The Company may, at its discretion and having regard to the Investment Strategy, enter into dialogue and/or collaborate with shareholders and other stakeholders in investee companies (e.g. employees, suppliers, creditors, etc.).

5.2 Any such collaboration must be carried out in accordance with the applicable law and regulation and the Company's policy on conflicts of interest.

6. Management of actual and potential conflicts of interest

6.1 The Company has adopted a conflicts of interest policy in accordance with the UCITS Rules which identifies, with reference to the collective portfolio management activities carried out by or on behalf of the Company, the circumstances which constitute or may give rise to a conflict of interest entailing a material risk of damage to the interests of the Company and sets out procedures to be followed and measures to be adopted to manage such conflicts.

6.2 In addition, the Company has adopted a connected party transaction policy as required under the UCITS Rules which require that any transaction carried out with a "connected party" of the Company must be: (a) conducted at arms' length; and (b) in the best interests of shareholders in the Company. A "connected party" includes the Company's investment manager and depositary, the delegates and sub-delegates of the investment manager and depositary, and any associated or group company of the foregoing.

7. Annual disclosure on implementation of this policy and review of policy

7.1 The Company shall, to the extent required by applicable law and regulation, disclose on its website at <https://www.blackstone.com/UCITS> and/or by other means, on an annual basis:

- (a) how it has implemented this policy, including a general description of voting behaviour, an explanation of the most significant votes and the use of services of proxy advisors; and
- (b) how it cast votes in the general meetings of investee companies. Such a disclosure may exclude votes that are insignificant due to the subject matter of the vote or the size of the holdings in the investee company.

7.2 The board of directors of the Company and the relevant Designated Person(s) will review this policy, as appropriate and on at least an annual basis.