Goldman Sachs | Asset Management

Supplement

# Goldman Sachs Funds SICAV

An undertaking for collective investment organised under the laws of the Grand Duchy of Luxembourg (S.I.C.A.V)

Supplement II to the Prospectus

- Specialist Portfolios

1124

Asset Management

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November 2024

## Supplement II to the Prospectus

- Specialist Portfolios

# This Supplement

The purpose of this Supplement is to describe in more detail those Specialist Portfolios of the Fund.

This Supplement must always be read in conjunction with the Prospectus. The Prospectus contains detailed information on the Fund including: a description of Share Classes; the risks associated with an investment in the Fund; information on the management and administration of the Fund and in respect of those third parties providing services to the Fund; the purchase, redemption and exchange of Shares; the determination of net asset value; dividend policy; fees and expenses of the Fund; general information on the Fund; meetings of and reports to Shareholders; and taxation. In addition, the Prospectus contains, in its Appendices, information on derivatives and efficient portfolio management techniques, applicable investment restrictions and overall risk exposure and risk management.

Potential investors are advised to read the Prospectus and this Supplement, as amended from time to time, together with the latest annual and semi-annual report before making an investment decision. The rights and duties of the investor as well as the legal relationship with the Fund are set out in the Prospectus.

This Supplement provides information on each of the Specialist Portfolios including details of the Share Classes within each Specialist Portfolio that are available as of the date of the Prospectus.

**Before purchasing, redeeming, transferring or exchanging any Shares, the Board of Directors strongly encourages all potential and current Shareholders to seek appropriate professional advice on the legal and taxation requirements of investing in the Fund, together with advice on the suitability and appropriateness of an investment in the Fund or any of its Portfolios. The Fund, its Directors and (unless such duties are separately and expressly assumed by them in writing in respect of investment matters only) the Management Company, the Investment Adviser, Sub-Advisers and other Goldman Sachs entities shall not have any responsibility in respect of these matters. As more particularly described in the Prospectus, certain distributors may be remunerated by Goldman Sachs or the Fund for distributing Shares and any advice received by them should not, in consequence, be assumed to be free of conflict.**

# Table of Contents

# Definitions

In this Supplement the following capitalised words and phrases will have the meanings set out below. Capitalised words and phrases used but not otherwise defined herein shall have the meaning given to such term in the Prospectus. In the event of a conflict, the meaning in the Supplement shall prevail.

| | |
|---|---|
| "**Emerging Markets**" | means all markets that are included in the International Finance Corporation Composite and/or in the MSCI Emerging Markets Index and/or the MSCI Frontier Markets Index and/or the JPMorgan EMBI Global Diversified Index and/or the JPMorgan GBI-EM Diversified Index, as well as other countries which are at a similar level of economic development or in which new equity markets are being constituted; |
| "**EPM**" | means "efficient portfolio management"; |
| "**Primarily**" | means, where referring to a Portfolio's investment objective or investment policy, at least two thirds of the net assets of that Portfolio unless expressly stated to the contrary in respect of a Portfolio; |
| "**PRC Debt Securities**" | means:<br>(1) the following fixed income Transferable Securities:<br>a) Debt securities traded in the CIBM;<br>b) Dim Sum Bonds (bonds issued outside of the PRC but denominated in RMB);<br>c) Urban Investment Bonds;<br>(2) other fixed income Transferable Securities providing exposure to RMB; |
| "**Specialist Portfolios**" | means those Specialist Portfolios of the Fund which are set out in this Supplement. |

# 1. Goldman Sachs Funds - Summary Table of Portfolios

| Appendix | Specialist Portfolios | Launch Date |
|---|---|---|
| 1. | Goldman Sachs Emerging Markets Total Return Bond Portfolio | November 2017 |
| 2. | Goldman Sachs Global Absolute Return Portfolio | August 2015 |
| 3. | Goldman Sachs Global Dynamic Bond Plus Portfolio | March 2011 |
| 4. | Goldman Sachs Global Fixed Income Plus Portfolio (Hedged) | January 2006 |
| 5. | Goldman Sachs Global Strategic Macro Bond Portfolio | October 2014 |

For those Portfolios where no exact launch date has been stated, please contact your usual Goldman Sachs representative or the Management Company to establish whether the Portfolio has been launched since the date of this Prospectus. Investors may request information about the Fund as well as the creation of additional Share Classes at the registered office of the Fund.

Hereinafter, the above Portfolios may be referred to without being preceded by the full name of the Portfolio.

# 2. Goldman Sachs Funds - Calculation of Global Exposure and Expected Level of Leverage

Each Portfolio's description includes a table, at Paragraph 4 "Calculation of Global Exposure and Expected Level of Leverage", setting out:

1. Market Risk Calculation: this is the methodology that the Management Company has adopted to calculate the Global Exposure to comply with the UCITS Regulations;

2. Limit: this is the limit on Global Exposure that the Portfolio must comply with. These are:

   a. Relative VaR: VaR is limited to twice the VaR of a reference portfolio;
   b. Absolute VaR: VaR is limited to 20% of the net asset value of the Portfolio. The calculation of the VaR is conducted on the basis of a one-sided confidence interval of 99%, and a holding period of 20 days;
   c. Commitment: Global Exposure related to positions on financial derivative instruments may not exceed the total net value of the portfolio.

3. Reference Portfolio/Benchmark: this is to comply with the UCITS Regulations where Relative VaR approach is used and for information purposes only for the other Portfolios. Shareholders should be aware that such Portfolios might not be managed to the reference portfolio/benchmark and that investment returns may deviate materially from the performance of the specified reference portfolio/benchmark. Shareholders should also be aware that the reference benchmark referred to may change over time; and

4. Expected Level of Leverage: the method used for the determination of the expected level of leverage of the Portfolios, using the Relative VaR or Absolute VaR approach for the purpose of calculating their Global Exposure, is derived from expected gross sum of notionals of the financial derivative instruments used for each Portfolio. Shareholders should be aware that a Portfolio's leverage may, from time to time, exceed the range disclosed. The expected level of leverage takes into account the financial derivative instruments entered into by the Portfolio, the reinvestment of collateral received (in cash) in relation to operations of EPM and any use of collateral in the context of any other operations of EPM, e.g. securities lending.

Shareholders should note that leverage resulting from the use of financial derivative instruments may result in magnified losses. However, the expected level of leverage disclosed at the table at Paragraph 4 "Calculation of Global Exposure and Expected Level of Leverage" in each Appendix does not necessarily provide an appropriate illustration of the overall risk profile of the Portfolio as financial derivative instruments are used to manage risk as well as to seek return. This is largely due to the fact that the gross sum of notionals exposure calculation simply aggregates the absolute sum of all long and short financial derivative instrument positions, even if the financial derivative instruments are for hedging or offsetting purposes. Further the gross sum of notionals exposure calculation uses just notional values rather than measures that calculate the overall contributions to risk which will often explain why the leverage levels under this method appear high. By way of illustration, to achieve a desired level of investment risk in interest rate markets, the amount of gross leverage used to achieve this risk will vary significantly depending on the underlying market risk (or 'duration') of the instrument chosen to implement this investment decision. For example, using an instrument with less duration risk - such as a shorter maturity interest rate derivative - requires more leverage to achieve the higher amount of required notional market exposure, compared to using a longer maturity instrument with higher duration risk. In this example, a 2 year maturity interest rate derivative would require approximately 4 times as much notional exposure compared to using a 10 year maturity instrument. Shareholders should note that the actual leverage levels may vary and deviate from this range significantly and further details on the average leverage levels, as calculated using the gross sum of notionals exposures, will be disclosed in the Fund's annual financial statements for the relevant accounting period.

As further detailed in Paragraph 2 "Investment Policies" of each Appendix for the relevant Portfolios and also in Appendix C – "Derivatives and Efficient Portfolio Management Techniques" of the Prospectus, Portfolios may use financial derivative instruments for hedging purposes, in order to manage risk relating to a Portfolio's investments and/or to establish speculative positions. The Investment Adviser may use a wide range of strategies with financial derivative instruments which, depending on the Portfolio, may be similar but not necessarily identical and may be used in varying amounts to generate returns and/or manage risk. Such strategies may mainly include, but are not limited to:

1. interest rate swaps and futures are often used to manage or hedge interest rate risk and yield curve exposure, implement relative value positions, or establish speculative views;

2. forward currency contracts are often used to hedge currency exposures or establish active foreign exchange views;

3. total return swaps are often used to hedge certain exposure, to gain synthetic exposure to certain markets or to implement long and short views on certain issuers or sectors in various asset classes;

4. credit default swaps are often used to hedge certain sector or individual issuers exposures and risks or establish speculative views.

When used to calculate leverage implied by the use of such financial derivative instruments, the gross sum of notionals exposure can result in high levels even where the net exposure in the relevant Portfolio could actually be reduced, as demonstrated below.

1. **Interest rate swaps and futures:** the gross sum of notionals exposure calculation can result in high levels for interest rate strategies despite the overall net duration impact not necessarily being that high depending on the nature of the strategy the Investment Adviser is pursuing. For instance, if one was to employ 90-day Eurodollar interest rate futures to reduce the interest rate risk of a portfolio of bonds, for instance by reducing the duration profile of a Portfolio by one year, in notional exposure terms that could equate to approximately 400% leverage despite the overall risk profile of the Portfolio having been reduced as it relates to interest rate risk.

2. **Forward currency contracts:** in cases where forward currency contracts are used to establish speculative views on currencies or for hedging purposes and the Investment Adviser wishes to remove such exposures due to a change in view or Shareholder redemptions, the inability or inefficiencies that may arise in cancelling such transactions may require such exposures to be offset by equal and opposite transactions, which can lead to high levels of leverage when using the gross method of calculation despite the net exposure being reduced.

3. **Total return swaps:** total return swaps involve the exchange of payments based on set rate, either fixed or floating, with the right to receive the total return, coupons plus capital gains or losses, of a specified reference asset, index or basket of assets. The value of a total return swap may change as a result of fluctuations in the underlying investment exposure. The gross sum of notionals exposure calculation can suggest levels of leverage even where the market exposure has sought to be achieved more efficiently than a physical position. For instance, if one was to employ a total return swap to gain exposure to an Emerging Market rather than buy securities issued in such market, when using the gross sum of notionals exposure to calculate leverage it would indicate a level of leverage whilst the alternative of buying the physical securities for the equivalent exposure would not.

4. **Credit default swaps:** the gross sum of notionals exposure calculation can suggest levels of leverage even in cases where credit risk has sought to be reduced. For instance, if one was to employ an index credit default swap in order to reduce the credit risk of a portfolio of bonds, when using the gross sum of notionals exposure to calculate leverage it would indicate a level of leverage despite the overall risk profile of the Portfolio having been reduced as it relates to credit risk.

Please refer to Appendix C – “Derivatives and Efficient Portfolio Management Techniques” together with Section 4 “Risk Considerations” (in particular Paragraph 4.6 “Investment in derivatives”) in the Prospectus for further information on the use of financial derivative instruments, their purposes and some of the risk considerations associated with them.

Please refer to Paragraph 1 “Investment Objective” and Paragraph 2 “Investment Policies” of each Portfolio for further information on the relevant Portfolio’s strategy and the Synthetic Risk and Reward Indicator (SRRI) in the KIID of the relevant Portfolio for details on the Portfolio’s historic risk profile where applicable.

# Appendix

# 1. Goldman Sachs Emerging Markets Total Return Bond Portfolio

**1. Investment Objective**

The Portfolio seeks to achieve total returns through both capital appreciation and income generation from a portfolio of investments primarily in Emerging Markets fixed income securities and currency. The Portfolio will mainly invest in currencies and publicly traded securities of Emerging Markets as well as financial derivative instruments.

**2. Investment Policies**

The Portfolio will mainly invest in fixed income and currency markets, across Investment Grade and below Investment Grade sectors (including up to 10% in distressed securities) of Emerging Markets government and corporate issuers as well as financial derivative instruments.

The Investment Adviser implements a multi-faceted approach to Environmental, Social and Governance (ESG) considerations ("ESG Criteria") into its fundamental investment process. Further details of the ESG characteristics of the Portfolio can be found in the Portfolio's relevant Appendix in Supplement V of the Prospectus.

Fixed income securities may include, but are not limited to, government bonds, government agency bonds, supranational bonds, asset-backed securities, mortgage-backed securities, collateralised loan obligations, collateralised debt obligations, corporate bonds (including corporate high yield bonds and CoCos (see below)), and Emerging Markets debt.

The Portfolio may invest in PRC Debt Securities, including via Bond Connect and/or the CIBM Direct Access as applicable. Please refer to Paragraph 4.2.11 "Investments in China" of the Prospectus.

The Portfolio will not invest more than one quarter of its net assets in convertible debt obligations, including up to 10% in CoCos. For further information on CoCos and the associated risks, please refer to Section 4 "Risk Considerations" of the Prospectus.

The Portfolio may invest up to one tenth of its net assets in equity and/or equity related Transferable Securities. Please note that this limit does not apply to investment in preferred stock.

The Portfolio will not invest more than 10% of its net assets in Permitted Funds.

The Portfolio may invest in excess of 20% of its net assets in mortgage and asset-backed securities either directly or indirectly via a financial index, including but not limited to CMBX. The issuers of such mortgage and asset-backed securities may include but are not limited to government agencies and/or government sponsored enterprises and special purpose vehicles sponsored by banks. For further information on the use of mortgage and asset-backed securities and associated risks, please refer to Section 2.2 "Fixed Income Portfolios" together with Section 4 "Risk Considerations" in the Prospectus.

The Portfolio may also hold bank deposits at sight, such as cash held in current accounts with a bank accessible at any time. Such holdings may only temporarily exceed 20% of the net assets of the Portfolio under exceptionally unfavourable market conditions. Moreover, cash equivalents such as deposits, Money Market Instruments and other short-term debt obligations, money market funds and repurchase agreements with banks and broker-dealers may be used for the purpose of cash management and in case of unfavourable conditions, provided that the Investment Adviser considers this to be in the best interests of the Shareholders.

The Investment Adviser intends to engage in SFTR techniques on, amongst other things, equity securities, markets, interest rates, credit, currencies, commodity indices and other Permitted Investments in line with the exposures set out below (in each case as a percentage of net asset value).

| Type of transaction | Under normal circumstances it is generally expected that the principal amount of such transactions would represent a proportion of the Portfolio's net asset value indicated below.* | Under normal circumstances, it is generally expected that the principal amount of the Portfolio's assets that can be subject to the transaction may represent up to a maximum of the proportion of the Portfolio's net asset value indicated below. |
|---|---|---|
| Total return swaps | 3% | 50% |
| Repurchase, including reverse repurchase, transactions | 0% | 50% |
| Securities lending transactions | 0% | 15% |

***In certain circumstances this proportion may be higher.**

## 3. Investment Techniques

The Investment Adviser in particular may use certain techniques, through the use of financial derivative instruments, as described in Section 2 "Goldman Sachs Funds - Calculation of Global Exposure and Expected Level of Leverage" of the Supplement, which may result in both net long and net short exposures in, amongst other things, fixed income securities, markets, interest rates, credit, currencies, commodity indices and other Permitted Investments as part of the Portfolio's general investment policy, to generate returns and/or for hedging purposes. Furthermore, the Portfolio may engage in financial derivative transactions including, but not limited to, swaps (including interest rate swaps, credit default swaps and total return swaps), futures contracts, options, foreign currency forward contracts, reverse repurchase agreements, and other transactions involving currency and interest rate hedging, security hedging or other strategies to manage risk relating to the Portfolio's investments, to leverage the Portfolio and to establish speculative positions.

The financial derivative instruments will enable the Investment Adviser to, amongst other things:

(i) hedge an exposure;

(ii) use as a substitute for taking a position in the underlying asset;

(iii) establish or adjust interest rate exposure; and/or

(iv) establish or adjust an exposure to a particular issuer, sector, currency, country or index.

Please also refer to Appendix C – "Derivatives and Efficient Portfolio Management Techniques" together with Section 4 "Risk Considerations" in the Prospectus (and in particular Paragraph 4.6 "Investments in derivatives") and Section 2 "Goldman Sachs Funds - Calculation of Global Exposure and Expected Level of Leverage" of the Supplement for further information on the use of financial derivative instruments, their purposes and some of the risk considerations associated with them.

## 4. Calculation of Global Exposure and Expected Level of Leverage

The table below sets out for this Portfolio the information mentioned in Section 2 "Goldman Sachs Funds – Calculation of Global Exposure and Expected Level of Leverage" of the Supplement.

| Market Risk Calculation | Limit | Reference Portfolio/Benchmark* | Expected Level of Leverage<br>Gross Sum of Notionals<br>(Gross Exposure) |
|---|---|---|---|
| Absolute VaR | 20% | ICE BofA 3 month US T-Bill* | 0%-1500%** |

***The Portfolio may offer Share Classes which are denominated in or hedged into currencies other than the Base Currency of the Portfolio. Accordingly, the Reference Portfolio/Benchmark noted above may be denominated in or hedged into the relevant currency of a particular Share Class.**

**For performance reporting purposes, the Portfolio will use the ICE BofA 3 month US T-Bill as a reference benchmark. The Portfolio is actively managed and is not designed to track its reference benchmark. Therefore the performance of the Portfolio and the reference benchmark may deviate.**

****This expected range of leverage is not a limit and may vary over time particularly as a result of effecting certain investment exposures and also as a result of investor redemptions that can result in offsetting financial derivative instruments trades being placed which whilst they reduce investment exposure can increase leverage based on the gross sum of notionals calculation.**

Given that many of the strategies used by the Portfolio are implemented through the use of financial derivative instruments, including those referred to in Section 2 “Goldman Sachs Funds - Calculation of Global Exposure and Expected Level of Leverage” of the Supplement, the expected level of leverage, as calculated under the gross sum of notionals exposures, may be relatively high. This is particularly emphasised in the Emerging Markets, currency and duration strategies which often involve the use of swaps, such as interest rate swaps, total return swaps or equity swaps, futures contracts and forward currency contracts which may result in relatively higher levels of notional exposure. For further information on the use of financial derivative instruments and associated risks, please refer to Section 4 “Risk Considerations” and Appendix C “Derivatives and Efficient Portfolio Management Techniques” in the Prospectus. It also means that the expected level of leverage may exceed the stated range, particularly as a result of effecting certain investment exposures and also as a result of investor redemptions that can result in offsetting financial derivative instruments trades being placed which whilst they reduce investment exposure can increase leverage based on the gross sum of notionals calculation.

Shareholders should note that leverage resulting from the use of financial derivative instruments may result in magnified losses. However, the “Expected Level of Leverage” using the gross sum of notionals in the table above does not necessarily provide an appropriate illustration of the overall risk profile of the Portfolio as financial derivative instruments are used to manage risk as well as to seek return. This is largely due to the fact that the gross sum of notional exposure calculation simply aggregates the absolute sum of all long and short financial derivative instrument positions, even if the financial derivative instruments are for hedging or offsetting purposes. Further the gross sum of notionals calculation uses just notional values rather than measures that calculate the overall contributions to risk which will often explain why the leverage levels under this method appear high. By way of illustration, to achieve a desired level of investment risk in interest rate markets, the amount of gross leverage used to achieve this risk will vary significantly depending on the underlying market risk (or ‘duration’) of the instrument chosen to implement this investment decision. For example, using an instrument with less duration risk - such as a shorter maturity interest rate derivative - requires more leverage to achieve the higher amount of required notional market exposure, compared to using a longer maturity instrument with higher duration risk. In this example, a 2 year maturity interest rate derivative would require approximately 4 times as much notional exposure compared to using a 10 year maturity instrument.

Please refer to Paragraph 1 “Investment Objective” and Paragraph 2 “Investment Policies” of this Appendix for further information on the relevant Portfolio’s strategy and the Synthetic Risk and Reward Indicator (SRRI) in the KIID of the Portfolio for details on such Portfolio’s historic risk profile where applicable. Further details on the average leverage levels, as calculated using the gross sum of notionals exposures, will be disclosed in the Fund's annual financial statements for the relevant accounting period.

## 5. Performance Fees

The Investment Adviser is entitled to receive a performance fee for certain Share Classes of the Portfolio (the "Performance Fee") equal to 15 percent of the amount by which the net asset value per Share (please see Section 17 "Determination of Net Asset Value" in the Prospectus) exceeds the Adjusted High Water Mark (as more fully described under Section 19 “Fees and Expenses” of the Prospectus). The Performance Fee is calculated and accrues daily and is payable either annually in arrears or when a redemption takes place out of the assets attributable to the Share Class. A separate Performance Fee calculation shall be carried out in respect of each relevant Share Class of the Portfolio.

## 6. Principal Risks of the Portfolio

Investing in the Portfolio implies (without limitation) the following risk factors which are listed in the same order as in the Prospectus:

- 4.2 Investment risks and in particular 4.2.9 Emerging Markets and 4.2.11 Investments in China

- 4.4 Investment in debt securities
- 4.6 Investment in derivatives
- 4.7 Other investments
- 4.9 Leverage and hedging
- 4.10 Currency risks
- 4.11 Currency hedging

The Portfolio may be exposed to sustainability risks from time to time. A sustainability risk is defined in the EU Sustainable Finance Disclosure Regulation as an environmental, social or governance event or condition that could cause an actual or a potential material negative impact on the value of investments. The universe of sustainability events or conditions is very broad, and their relevance, materiality and impact on investments will depend on a number of factors such as the investment strategy pursued by the Portfolio, asset class, asset location and asset sector. Depending on the circumstances, examples of sustainability risks can include physical environmental risks, climate change transition risks, supply chain disruptions, improper labour practices, lack of board diversity and corruption. If they materialise, sustainability risks can reduce the value of underlying investments held within the Portfolio and could have a material impact on the performance and returns of the Portfolio.

The Investment Adviser does not operate a risk framework that is specifically tailored to sustainability risks. Rather relevant sustainability risks may be considered as part of the processes adopted by the Investment Adviser to monitor and manage general market risks. Accordingly, the Investment Adviser may integrate sustainability risks in its investment decision making process by having regard to material sustainability events that cause or are reasonably expected to cause broad disruption to economic growth, investor sentiment and asset flows in its ongoing assessment and monitoring of financial markets and the investment risk profile of the Portfolio.

The Investment Adviser may utilise proprietary and/or third-party tools and research to assess and monitor market risks that are relevant to the Portfolio.

Please refer to the relevant paragraphs of Section 4 “Risk Considerations” in the Prospectus which includes further relevant risk considerations.

## 7. Portfolio Share Class Table

The following table sets out the different Share Classes of the Portfolio and relevant fees and expenses. For further details on the Share Classes, please refer to Section 3 “Description of Share Classes” of the Prospectus.

<table>
<tr><td>Base Currency:</td><td colspan="8">USD</td></tr>
<tr><td>Additional Notes:</td><td colspan="8">Each type of Share Class listed may also be offered:<br>(i) Denominated in or hedged into the following currencies: USD, EUR, GBP, ISK, JPY, CHF, HKD, SGD, CAD, SEK, NOK, DKK, AUD, NZD, INR, BRL, PLN and RMB. The Sales Charge, Management Fee, distribution fee, Performance Fee and operating expenses (in each case, where applicable) for these additional Share Classes are the same as for the relevant Share Class type in the below table. The amount of the investment minimum for these Share Classes in each of the following currencies is the same amount in the relevant currency as the amount quoted for that Share Class type’s USD or EUR class in the below table: USD, EUR, GBP, CHF, HKD, SGD, CAD, AUD, NZD (e.g., the minimum for the Class I Shares (GBP) class is GBP 1m). In the case of JPY, INR, BRL and RMB, the investment minimum will be equal to the amount quoted for that Share Class type’s USD or EUR class multiplied by 100, 40, 2 and 6 respectively. In the case of DKK, NOK and SEK, the investment minimum will be equal to the amount quoted for that Share Class type’s USD or EUR class multiplied by 6, 7 and 8 respectively. In the case of ISK, the investment minimum will be equal to the amount quoted for that Share Class type’s USD or EUR class multiplied by 150.<br>(ii) As accumulation or distribution classes. Please refer to Section 18 “Dividend Policy” of the Prospectus.</td></tr>
<tr><td>Share Class</td><td>Share Class Currency</td><td>Sales Charge</td><td>Contingent Deferred Sales Charge[1]</td><td>Management Fee</td><td>Distribution Fee</td><td>Performance Fee[2]</td><td>Operating Expenses[3]</td><td>Minimum Investment</td></tr>
<tr><td>Base Shares</td><td>USD</td><td>Up to 5.50 %</td><td>Nil</td><td>1.20 %</td><td>Nil</td><td>15 % of cumulative net excess return</td><td>Variable</td><td>USD 5,000</td></tr>
</table>

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Base (Flat) Shares | USD | Up to 5.50 % | Nil | Up to 2.15 % | Nil | Nil | Variable | USD 5,000 |
| Other Currency Shares | EUR | Up to 5.50 % | Nil | 1.20 % | Nil | 15 % of cumulative net excess return | Variable | EUR 5,000 |
| Other Currency (Flat) Shares | EUR | Up to 5.50 % | Nil | Up to 2.15 % | Nil | Nil | Variable | EUR 5,000 |
| Class A Shares | USD | Up to 4.00 % | Nil | Up to 1.75 % | Up to 0.50 % | Up to 15 % of cumulative net excess return | Variable | USD 1,500 |
| Class A (Flat) Shares | USD | Up to 4.00 % | Nil | Up to 2.15 % | Up to 0.50 % | Nil | Variable | USD 1,500 |
| Class C Shares | USD | Nil | Up to 4.00 % | Up to 1.75 % | Up to 1.00 % | Up to 15 % of cumulative net excess return | Variable | USD 1,500 |
| Class C (Flat) Shares | USD | Nil | Up to 4.00 % | Up to 2.15 % | Up to 1.00 % | Nil | Variable | USD 1,500 |
| Class E Shares | EUR | Up to 4.00 % | Nil | 1.20 % | 0.50 % | Up to 15 % of cumulative net excess return | Variable | EUR 1,500 |
| Class E (Flat) Shares | EUR | Up to 4.00 % | Nil | Up to 1.65 % | Up to 1.00 % | Nil | Variable | EUR 1,500 |
| Class P Shares | USD | Up to 5.50 % | Nil | Up to 1.50 % | Nil | Up to 15 % of cumulative net excess return | Variable | USD 50,000 |
| Class P (Flat) Shares | USD | Up to 5.50 % | Nil | Up to 1.90 % | Nil | Nil | Variable | USD 50,000 |
| Class R Shares | USD | Up to 5.50 % | Nil | 0.60 % | Nil | 15 % of cumulative net excess return | Variable | USD 5,000 |
| Class RS Shares | USD | Up to 5.50 % | Nil | Up to 0.60 % | Nil | 15 % of cumulative net excess return | Variable | USD 5,000 |
| Class R (Flat) Shares | USD | Up to 5.50 % | Nil | 0.60 % | Nil | Nil | Variable | USD 5,000 |
| Class RS (Flat) Shares | USD | Up to 5.50 % | Nil | Up to 0.60 % | Nil | Nil | Variable | USD 5,000 |
| Class S Shares | USD | Up to 5.50 % | Nil | Up to 1.00 % | Nil | Up to 15 % of cumulative net excess return | Variable | USD 10,000 |
| Class S (Flat) Shares | USD | Up to 5.50 % | Nil | Up to 1.40 % | Nil | Nil | Variable | USD 10,000 |
| Class I Shares | USD | Nil | Nil | 0.60 % | Nil | Up to 15 % of cumulative net excess return | Variable | USD 1m |
| Class I (Flat) Shares | USD | Nil | Nil | Up to 1.40 % | Nil | Nil | Variable | USD 1m |
| Class IP Shares | USD | Nil | Nil | Up to 0.60 % | Nil | Up to 15 % of cumulative net excess return | Variable | USD 1m |
| Class IP (Flat) Shares | USD | Nil | Nil | Up to 0.60 % | Nil | Nil | Variable | USD 1m |
| Class IS Shares | USD | Nil | Nil | Up to 1.00 % | Nil | Up to 15 % of cumulative net excess return | Variable | USD 500m |
| Class IS (Flat) Shares | USD | Nil | Nil | Up to 1.40 % | Nil | Nil | Variable | USD 500m |
| Class II Shares | USD | Nil | Nil | Up to 1.75 % | Nil | Up to 15 % of cumulative net excess return | Variable | USD 5,000 |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Class II (Flat) Shares | USD | Nil | Nil | Up to 2.15 % | Nil | Nil | Variable | USD 5,000 |
| Class IX Shares | USD | Nil | Nil | Up to 1.00 % | Nil | Up to 15 % of cumulative net excess return | Variable | USD 5m |
| Class IX (Flat) Shares | USD | Nil | Nil | Up to 1.40 % | Nil | Nil | Variable | USD 5m |
| Class IO Shares | USD | Nil | Nil | Nil | Nil | Nil | Variable | On application |
| Class IXO Shares | USD | Nil | Nil | Nil | Nil | Up to 15 % of cumulative net excess return | Variable | On application |

**[1] A Contingent Deferred Sales Charge is imposed on Class C and Class C (Flat) Shares. Please refer to Section 3 “Description of Share Classes” of the Prospectus for further information.**

**[2] Investors should be aware that for Share Classes which charge performance fees, the total fees paid by a Shareholder in the performance fee Share Class may be higher than the total fees paid by a Shareholder invested in the equivalent Share Class type without performance fees in the event a Portfolio performs above a certain threshold but may be lower if the Portfolio performs below a certain threshold. It should be noted that where swing pricing has been applied to the Net Asset Value of a share class, performance fees are accrued based on the Net Asset Value of the share class before the application of swing pricing. Please refer to Section 17 “Determination of Net Asset Value” of the Prospectus for further information on swing pricing.**

**[3] The Portfolio pays transaction costs, including taxes and brokerage commissions, each time it buys and sells securities or instruments and may also pay Borrowing Costs. Shareholders should note that these costs are not reflected in the Portfolio’s operating expenses, but will be reflected in the Portfolio’s performance.**

## 8. Subscriptions, Redemptions and Exchanges

Subject to the terms outlined in the Prospectus, subscriptions, redemptions and exchanges of Shares of the Portfolio may take place on any Business Day. The cut-off time for subscriptions, redemptions and exchanges of Shares of the Portfolio is 2:00 p.m. Central European time on the same Business Day.

# 2. Goldman Sachs Global Absolute Return Portfolio

**Additional Definition for Supplement:**

"**Factor(s)**" means core risk factor exposure(s), which may include exposures to equities, fixed income, currencies and commodity indices in order to achieve the investment objective of the Portfolio.

**1. Investment Objective**

The Portfolio will seek to achieve absolute returns over a rolling three-year period from a portfolio of investments in equity, equity-related securities, fixed income securities, fixed income-related securities, and financial derivative or other instruments on interest rates, credit, currencies and commodity indices, and other Permitted Investments. Absolute returns are not guaranteed.

**2. Investment Policies**

The Investment Adviser will seek to employ a number of diverse investment strategies in order to achieve the investment objective and policy of the Portfolio. The Investment Adviser will seek to implement investment ideas that are generally derived from its short-term or medium-term market views, on a variety of asset classes and instruments ("Tactical Exposures"). The Investment Adviser will also seek to allocate capital to underlying assets comprised in certain Factors, markets, sectors or assets ("Risk Premia Exposures").

Equity securities may include, but are not limited to, equity and/or equity related Transferable Securities, which includes common stock, preferred stock, warrants and other rights to acquire stock, ADRs, EDRs and GDRs.

Fixed income securities and fixed income-related securities may include, but are not limited to, government bonds, government agency bonds, supranational bonds, asset-backed securities, mortgage-backed securities, collateralised loan obligations, collateralised debt obligations, corporate bonds (including corporate high yield bonds), and Emerging Markets debt.

The Portfolio may invest in PRC Debt Securities, including via Bond Connect and/or the CIBM Direct Access as applicable. Please refer to Paragraph 4.2.11 "Investments in China" of the Prospectus.

The Portfolio may also hold bank deposits at sight, such as cash held in current accounts with a bank accessible at any time. Such holdings may only temporarily exceed 20% of the net assets of the Portfolio under exceptionally unfavourable market conditions. Moreover, cash equivalents such as deposits, Money Market Instruments and other short-term debt obligations, money market funds and repurchase agreements with banks and broker-dealers may be used for the purpose of cash management and in case of unfavourable conditions, provided that the Investment Adviser considers this to be in the best interests of the Shareholders.

The Portfolio may invest up to 10% of its net assets in Permitted Funds.

**Overview of Investment Process in respect of the Tactical Exposures**

The Investment Adviser will generally seek to implement its Tactical Exposures utilising passive investment management strategies. Passive investment management strategies generally will be implemented through the use of ETFs, financial derivative instruments, or other products with strategies designed to seek passive exposure to a particular asset class or sector in line with a stated benchmark. Any such passive implementation would only use products or instruments sponsored or managed by, or the counterparty for which is, a person not affiliated with Goldman Sachs ("Third Party Products and Instruments"). If the Investment Adviser determines that the implementation of a Tactical Exposure cannot be obtained by passive implementation using a Third Party Product and Instrument, or the Investment Adviser deems that investing in a Third Party Product and Instrument may subject the Portfolio and its investors to suboptimal transaction costs, liquidity provisions or significant return and volatility deviations from an index that the product is managed against, the Investment Adviser will seek to implement the Tactical Exposure by investing in a product that employs active investment strategies. When selecting actively-managed investment products for the Portfolio, the Investment Adviser will select investment products sponsored or managed by the Management Company, the Investment Adviser or their affiliates ("Goldman Sachs Products") unless a Goldman Sachs Product is not available in the relevant asset class/sub-asset class.

**Overview of Investment Process in respect of the Risk Premia Exposures**

The Investment Adviser will generally seek to implement the Risk Premia Exposures by seeking to replicate the returns of an asset class or a basket of asset classes relevant to the Portfolio and for that purpose, the Investment Adviser generally expects to use statistical analysis of historical performance data in respect of such asset class, along with public market information obtained from databases, regulatory filings and other sources, to identify relevant Factors for such asset classes. The investment strategy of the Portfolio reflects the theory that returns of certain asset classes are driven to a large extent by exposure to common factors.

Changes in market conditions can be sudden and could materially adversely affect the performance of the Portfolio. The percentage of the Portfolio's assets allocated to a Factor, market, sector or asset will be determined by the Investment Adviser, based on various considerations, which may include the amount of the Portfolio's assets under management. Greater concentration in any Factor, market, sector or asset may entail additional risks. Please see Sections 5 "Principal Risks of the Portfolio" and 7 "Special Considerations of the Portfolio" below.

The success of the Portfolio's investment strategy is dependent on certain underlying assumptions, including that the Investment Adviser correctly identifies the relevant Factors and correctly determines the size and timing of the Portfolio's investment in each Factor.

**The Portfolio's investment programme is speculative and entails substantial risks. There can be no assurance that the investment objective of the Portfolio will be achieved or that the investment strategy will be successful, and results may vary substantially over time. The Portfolio's investment programme may be highly concentrated from time to time in that the Portfolio may invest substantially all of its assets in a limited number of Factors, markets, sectors or assets. There is no assurance that the various steps employed in the investment process of the Portfolio will be successful, that the models and techniques utilised therein will be implemented successfully or that they are adequate for their intended uses, or that the discretionary element of the investment process of the Portfolio will be exercised in a manner that is successful or that is not adverse to the Portfolio**.

In relation to Article 7 of SFDR, which requires disclosure of how principal adverse impacts are considered at Portfolio level, the Investment Manager notes that there are still a number of uncertainties regarding this obligation, in particular due to the absence of centralised implementing standards, local guidance or established market practice. The Investment Manager does not currently take principal adverse impacts on sustainability factors into account in respect of the Portfolio, but will keep its approach in this area for the Portfolio under review.

As per Article 7 of the Taxonomy Regulation, Shareholders should note that investments underlying the Portfolios do not take into account the EU criteria for environmentally sustainable economic activities.

The Investment Adviser intends to engage in SFTR techniques on, amongst other things, equity securities, markets, interest rates, credit, currencies, commodity indices and other Permitted Investments in line with the exposures set out below (in each case as a percentage of net asset value).

| Type of transaction | Under normal circumstances it is generally expected that the principal amount of such transactions would represent a proportion of the Portfolio's net asset value indicated below.* | Under normal circumstances it is generally expected that the principal amount of the Portfolio's assets that can be subject to the transaction may represent up to a maximum of the proportion of the Portfolio's net asset value indicated below. |
|---|---|---|
| Total return swaps | 50% | 100% |
| Repurchase, including reverse repurchase, transactions | 0% | 50% |
| Securities lending transactions | 0% | 15% |

***In certain circumstances this proportion may be higher.**

## 3. Investment Techniques

The Investment Adviser in particular may use certain techniques, through the use of financial derivative instruments, as described in Section 2 "Goldman Sachs Funds - Calculation of Global Exposure and Expected Level of Leverage" of the Supplement, which may result in both net long and net short exposures in, amongst other things, equity securities, markets, interest rates, credit, currencies, commodity indices and other Permitted Investments as part of the Portfolio's general investment policy, to generate returns and/or for hedging purposes. Furthermore, the Portfolio may engage in financial derivative transactions including, but not limited to, swaps (including interest rate swaps, credit default swaps and total return swaps), futures contracts, options, foreign currency forward contracts, reverse repurchase agreements, and other transactions involving currency and interest rate hedging, security hedging or other strategies to manage risk relating to the Portfolio's investments, to leverage the Portfolio and to establish speculative positions.

The financial derivative instruments will enable the Investment Adviser to, amongst other things:

(i) hedge an exposure;

(ii) use as a substitute for taking a position in the underlying asset;

(iii) establish or adjust interest rate exposure; and/or

(iv) establish or adjust an exposure to a particular issuer, sector, currency, country or index.

Please also refer to Appendix C – "Derivatives and Efficient Portfolio Management Techniques" together with Section 4 "Risk Considerations" in the Prospectus (and in particular Paragraph 4.6 "Investments in derivatives") and Section 2 "Goldman Sachs Funds - Calculation of Global Exposure and Expected Level of Leverage" of the Supplement for further information on the use of financial derivative instruments, their purposes and some of the risk considerations associated with them.

## 4. Calculation of Global Exposure and Expected Level of Leverage

The table below sets out for this Portfolio the information mentioned in Section 2 "Goldman Sachs Funds - Calculation of Global Exposure and Expected Level of Leverage" of the Supplement.

| Market Risk Calculation | Limit | Reference Portfolio/Benchmark* | Expected Level of Leverage<br>Gross Sum of Notionals<br>(Gross Exposure) |
|---|---|---|---|
| Absolute VaR | 20% | ICE BofA 3 month US T-Bill* | 500%-1500%** |

***For performance reporting purposes, the Portfolio will use the ICE BofA 3 month US T-Bill as a reference benchmark. The Portfolio is actively managed and is not designed to track its Reference Portfolio/Benchmark. Therefore the performance of the Portfolio and the Reference Portfolio/Benchmark may deviate.**

**The Portfolio may offer Share Classes which are denominated in or hedged into currencies other than the Base Currency of the Portfolio. Accordingly, the Reference Portfolio/Benchmark noted above may be denominated in or hedged into the relevant currency of a particular Share Class.**

****This expected range of leverage is not a limit and may vary over time as described below. The actual levels may deviate from the stated range.**

Given that many of the strategies used by the Portfolio are implemented through the use of financial derivative instruments, including those referred to in Section 2 "Goldman Sachs Funds - Calculation of Global Exposure and Expected Level of Leverage" of the Supplement, the expected level of leverage, as calculated under the gross sum of notionals exposures, may be relatively high. This is particularly emphasised in the Tactical Exposures and Risk Premia Exposures strategies which often involve the use of swaps, futures contracts and forward currency contracts which result in relatively higher levels of notional exposure from such financial derivative instruments. It also means that the expected level of leverage may exceed the stated range, particularly as a result of effecting certain investment exposures and also as a result of investor redemptions that can result in offsetting financial derivative instruments trades being placed which whilst they reduce investment exposure can increase leverage based on the gross sum of notionals calculation.

Shareholders should note that leverage resulting from the use of financial derivative instruments may result in magnified losses. However, the “Expected Level of Leverage” using the gross sum of notionals in the table above does not necessarily provide an appropriate illustration of the overall risk profile of the Portfolio as financial derivative instruments are used to manage risk as well as to seek return. This is largely due to the fact that the gross sum of notional exposure calculation simply aggregates the absolute sum of all long and short financial derivative instrument positions, even if the financial derivative instruments are for hedging or offsetting purposes. Further the gross sum of notionals calculation uses just notional values rather than measures that calculate the overall contributions to risk which will often explain why the leverage levels under this method appear high. By way of illustration, to achieve a desired level of investment risk in interest rate markets, the amount of gross leverage used to achieve this risk will vary significantly depending on the underlying market risk (or ‘duration’) of the instrument chosen to implement this investment decision. For example, using an instrument with less duration risk - such as a shorter maturity interest rate derivative - requires more leverage to achieve the higher amount of required notional market exposure, compared to using a longer maturity instrument with higher duration risk. In this example, a 2 year maturity interest rate derivative would require approximately 4 times as much notional exposure compared to using a 10 year maturity instrument.

Please refer to Paragraph 1 “Investment Objective” and Paragraph 2 “Investment Policies” of this Appendix for further information on the relevant Portfolio’s strategy and the Synthetic Risk and Reward Indicator (SRRI) in the KIID of the Portfolio for details on such Portfolio’s historic risk profile where applicable. Further details on the average leverage levels, as calculated using the gross sum of notionals exposures, will be disclosed in the Fund's annual financial statements for the relevant accounting period.

## 5. Principal Risks of the Portfolio

Investing in the Portfolio implies (without limitation) the following risk factors which are listed in the same order than in the Prospectus:

- 4.2 Investment risks and in particular 4.2.9 Emerging Markets and 4.2.11 Investments in China
- 4.4 Investment in debt securities
- 4.5. Investment in equity securities
- 4.6 Investment in derivatives
- 4.7 Other investments
- 4.9 Leverage and hedging
- 4.10 Currency risks
- 4.11 Currency hedging

The Portfolio may be exposed to sustainability risks from time to time. A sustainability risk is defined in the EU Sustainable Finance Disclosure Regulation as an environmental, social or governance event or condition that could cause an actual or a potential material negative impact on the value of investments. The universe of sustainability events or conditions is very broad, and their relevance, materiality and impact on investments will depend on a number of factors such as the investment strategy pursued by the Portfolio, asset class, asset location and asset sector. Depending on the circumstances, examples of sustainability risks can include physical environmental risks, climate change transition risks, supply chain disruptions, improper labour practices, lack of board diversity and corruption. If they materialise, sustainability risks can reduce the value of underlying investments held within the Portfolio and could have a material impact on the performance and returns of the Portfolio.

The Investment Adviser does not operate a risk framework that is specifically tailored to sustainability risks at an overall Portfolio level. Rather relevant sustainability risks may be considered as part of the processes adopted by the Investment Adviser to monitor and manage general market risks. Accordingly, the Investment Adviser may integrate sustainability risks in its investment decision making process by taking account of material sustainability events that cause or are reasonably expected to cause broad disruption to economic growth, investor sentiment and asset flows in its ongoing assessment and monitoring of financial markets and the investment risk profile of the Portfolio.

The Investment Adviser may utilise proprietary and/or third-party tools and research to assess and monitor market risks that are relevant to the Portfolio.

Strategies that the Investment Advisers uses within the Portfolio may operate a risk framework tailored towards identifying and managing sustainability risks.

Please refer to the relevant paragraphs of Section 4 “Risk Considerations” in the Prospectus which includes further relevant risk considerations.

## 6. Portfolio Share Class Table

The following table sets out the Share Classes of this Portfolio. For further details on the Share Classes, please refer to Section 3 “Description of Share Classes” of the Prospectus.

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| **Base Currency** | USD | | | | | | |
| **Additional Notes** | Each type of Share Class may also be offered:<br>(i) Denominated in or hedged into the following currencies: USD, EUR, GBP, ISK, JPY, CHF, HKD, SGD, CAD, SEK, NOK, DKK, AUD, NZD, INR, BRL, PLN and RMB. The Sales Charge, Management Fee, distribution fee, Performance Fee and operating expenses (in each case, where applicable) for these additional Share Classes are the same as for the relevant Share Class type in the below table. The amount of the investment minimum for these Share Classes in each of the following currencies is the same amount in the relevant currency as the amount quoted for that Share Class type’s USD or EUR class in the below table: USD, EUR, GBP, CHF, HKD, SGD, CAD, AUD, NZD (e.g., the minimum for the Class I Shares (GBP) class is GBP 1m). In the case of JPY, INR, BRL and RMB, the investment minimum will be equal to the amount quoted for that Share Class type’s USD or EUR class multiplied by 100, 40, 2 and 6 respectively. In the case of DKK, NOK and SEK, the investment minimum will be equal to the amount quoted for that Share Class type’s USD or EUR class multiplied by 6, 7 and 8 respectively. In the case of ISK, the investment minimum will be equal to the amount quoted for that Share Class type’s USD or EUR class multiplied by 150.<br>(ii) As accumulation or distribution classes. Please refer to Section 18 “Dividend Policy” of the Prospectus. | | | | | | |
| **Share Class** | **Share Class Currency** | **Sales Charge** | **Contingent Deferred Sales Charge**[1] | **Management Fee** | **Distribution Fee** | **Operating Expenses**[2] | **Minimum Investment** |
| Base Shares | USD | Up to 5.50 % | Nil | 1.25 % | Nil | Variable | USD 5,000 |
| Other Currency Shares | EUR | Up to 5.50 % | Nil | 1.25 % | Nil | Variable | EUR 5,000 |
| Class A Shares | USD | Up to 4.00 % | Nil | Up to 1.50 % | Up to 0.50 % | Variable | USD 1,500 |
| Class C Shares | USD | Nil | Up to 1.00 % | Up to 2.00 % | Up to 1.00 % | Variable | USD 1,500 |
| Class E Shares | EUR | Up to 4.00 % | Nil | 1.25 % | 0.50 % | Variable | EUR 1,500 |
| Class P Shares | USD | Up to 5.50 % | Nil | 0.80 % | Nil | Variable | USD 50,000 |
| Class R Shares | USD | Up to 5.50 % | Nil | 0.60 % | Nil | Variable | USD 5,000 |
| Class RS Shares | USD | Up to 5.50 % | Nil | Up to 0.60 % | Nil | Variable | USD 5,000 |
| Class S Shares | USD | Up to 5.50 % | Nil | Up to 1.25 % | Nil | Variable | USD 10,000 |
| Class I Shares | USD | Nil | Nil | 0.60 % | Nil | Variable | USD 1m |
| Class IP Shares | USD | Nil | Nil | Up to 0.60 % | Nil | Variable | USD 1m |
| Class IS Shares | USD | Nil | Nil | Up to 1.25 % | Nil | Variable | USD 500m |
| Class II Shares | USD | Nil | Nil | Up to 2.00 % | Nil | Variable | USD 5,000 |
| Class IX Shares | USD | Nil | Nil | Up to 1.25 % | Nil | Variable | USD 5m |
| Class IO Shares | USD | Nil | Nil | Nil | Nil | Variable | On application |
| Class IXO Shares | USD | Nil | Nil | Nil | Nil | Variable | On application |

**[1] A contingent deferred sales charge is imposed on Class C Shares. Please refer to Section 3 “Description of Share Classes” of the Prospectus for further information.**

**[2] The Portfolio pays transaction costs, including taxes and brokerage commissions, each time it buys and sells securities or instruments and may also pay Borrowing Costs. Shareholders should note that, these costs are not reflected in the Portfolio’s operating expenses, but will be reflected in the Portfolio’s performance.**

## 7. Special Considerations of the Portfolio

**Certain risks relating to the Portfolio are set out under Section 4 "Risk Considerations" of the Prospectus and in Section 5 "Principal risks of the Portfolio" above. Set out below are additional risk factors in relation to an investment in the Portfolio. For a complete overview of the risk factors, investors should read the abovementioned sections of the Prospectus and the Supplement and the risks identified below.**

The Portfolio may at any time have relatively few or no Tactical Exposures implemented within its portfolio and, as a result, the Portfolio may have concentrated exposures to a limited number of assets or asset classes. This may subject the Portfolio to significant losses. Assets of the Portfolio that are not allocated to Tactical Exposures will be held in cash or invested in instruments deemed appropriate by the Investment Adviser. The Portfolio may be prevented from achieving its objective, or may otherwise perform less favourably, during any period in which the Portfolio's assets are not substantially invested for the purpose of implementing Tactical Exposures.

The Tactical Exposures generated by the Investment Adviser are investment ideas to establish or modify exposures to certain asset classes. With respect to the Tactical Exposures the Investment Adviser determines to implement within the Portfolio, the Investment Adviser will determine, in its sole discretion, the timing and the sizing of each Tactical Exposure to be implemented by the Portfolio and the structure, instruments and techniques that will be used to implement the Tactical Exposure within the Portfolio.

**No Assurance of Accuracy of Replication**: the Portfolio will be implementing an independent trading strategy that attempts to display a pattern of returns over time that broadly resembles the pattern of returns of certain asset classes or basket of asset classes and it should be noted that there are no assurances that such attempts will be successful.

**Portfolio concentration**: Although the strategy of the Portfolio of investing in a limited number of Factors, markets, sectors or assets has the potential to generate attractive returns over time, it may increase the volatility of the Portfolio's investment performance as compared to funds that invest in a larger number of Factors, markets, sectors or assets. If the Factors, markets, sectors or assets in which the Portfolio invest perform poorly, the Portfolio could incur greater losses than if it had invested in a larger number of Factors, markets, sectors or assets.

**Short Exposure to the Factors, markets, sectors or assets**: The Risk Premia Exposures may also provide that the weight of a Factor, market, sector or asset in the Portfolio is negative, i.e. a synthetic short position in the relevant Factor, market, sector or asset. Shareholders should be aware that an investment in the Portfolio is not the same as a long position in each Factor, market, sector or asset, and that an investment in the Portfolio may decline in value from month to month, even if the value of any or all of the Factors, markets, sectors or assets increases during that timeframe.

**Shareholders will have no rights with respect to the Factors, markets, sectors or assets in the Portfolio**

**Volatility:** The Factors, markets, sectors or assets included in the Portfolio can be highly volatile, which means that their value may increase or decrease significantly over a short period of time. In particular, the Portfolio may be highly volatile in terms of performance because the Portfolio may combine long and/or short positions in liquid instruments across the market. It is impossible to predict the future performance of the Factors, markets, sectors or assets based on their historical performance. The return on an investment linked to any Factors, markets, sectors or assets may vary substantially from time to time. Volatility in one or more Factors, markets, sectors or assets will increase the risk of an adverse effect on such a return caused by a fluctuation in the value of one or more of the Factors, markets, sectors or assets.

Similarly, the Portfolio may involve exposure to speculative and extremely volatile investments. Such investments may be affected by a variety of factors that are unpredictable, including, without limitation, weather, governmental programs and policies, national and international political, military, terrorist and economic events, changes in supply and demand relationships, changes in interest and exchange rates and changes, suspensions or disruptions of market trading activities in the investments. Such factors may have a differing effect on the Factors, markets, sectors or assets and the value of the Portfolio with exposure thereto; and different factors may cause the value and volatility of different Factors, markets, sectors or assets to move in inconsistent directions and at inconsistent rates.

# 3. Goldman Sachs Global Dynamic Bond Plus Portfolio

## 1. Investment Objective

The Portfolio will seek to achieve attractive total returns through both capital appreciation and income generation from a portfolio of investments primarily in the global fixed income and currency markets. The Portfolio will mainly invest in currencies, publicly traded securities and financial derivative instruments. As part of its investment process, the Investment Adviser seeks to promote environmental and social characteristics based on the Investment Adviser's application of certain environmental, social and governance ("ESG") criteria as described below.

## 2. Investment Policies

Goldman Sachs Global Strategic Macro Bond Portfolio and Goldman Sachs Global Dynamic Bond Plus Portfolio generally use similar investment strategies.

These investment strategies include: interest rate, country and currency related investment strategies, sector allocation, security selection in (i) corporate debt, (ii) government/swap debt, (iii) securitised debt, and (iv) Emerging Markets debt, each of which is further detailed below. Shareholders should note that, the Investment Adviser may effect relative value views between the below strategies or add new or remove investment strategies from time to time in its sole discretion.

(i) **Tactical Duration -** Directional views in interest rate markets and yield curve shape (i.e. the yields offered on bonds across different maturities). Conviction and impact of any such views on the risk profile of the Portfolio are determined by the size of the deviation between the Investment Adviser's view and of that discounted by the market.

(ii) **Country -** Relative value views between interest rates across markets. Develops individual country views using a "balance sheet" research approach, using quantitative tools as an overlay to the process.

(iii) **Currency -** Relative value currency decisions across both developed and Emerging Markets. Employs a flexible, economics-based process by analysing a blend of technical, fundamental, economic, and political factors including: fund flows, macroeconomics, risk climate, market positioning.

(iv) **Sector Allocation -** Sets portfolio weightings for major sectors of the fixed income market considering, amongst other things, global economic cycle, global liquidity trends, supply/demand, regulatory developments.

(v) **Corporate Credit -** Opportunistic relative value views within Investment Grade and High Yield markets. Employs a credit research process that articulates the Investment Adviser's reasons for owning securities, provides consistent criteria for relative value analysis and provides a basis for future decisions during market fluctuations.

(vi) **Government/Swaps -** Seeks to take advantage of yield curve anomalies including: current curve pricing, market conditions and opportunities in individual sector curves.

(vii) **Liquid Mortgages -** Relative value views within the agency mortgage-backed securities market. Key factors include coupon selection, specified pool, liquidity strategies and seasoning strategies. Provides diversification through sector selection by identifying securities with undervalued prepayment options.

(viii) **Emerging Markets -** Sector selection within Emerging Markets debt: external debt, local rates, currency and corporate debt. Selects securities by finding dislocations in the market (e.g. yield curve anomalies, relative value between Emerging Markets corporates and Investment Grade corporates, mis-pricings due to technical factors).

As compared to the Goldman Sachs Global Strategic Macro Bond Portfolio, this Portfolio will in general aim to have a similar level of exposure to the investment strategies set out above and a similar target risk/return. The Portfolio's historical tracking error and excess return figures can be found in the Monthly Fund Updates at www.gsam.com, along with the historical figures for the other Portfolios referred to above.

The global fixed income markets are constantly evolving and highly diverse and inefficiencies in these complex markets can cause bond prices to diverge form their fair value. The Portfolio seeks to capitalise on these inefficiencies and generate consistent risk-adjusted performance by (i) combining diversified sources of return by employing multiple strategies as described above, (ii) emphasising a risk managed approach within an unconstrained strategy, utilising risk budgets and target volatility and seeking to manage correlation risk, (iii) taking a global perspective to uncover relative value opportunities and (iv) seeking to identify short term mis-pricings and incorporate long-term views.

The Portfolio will invest mainly in currencies, fixed income securities and financial derivative instruments. Fixed income securities may include, but are not limited to, government bonds, government agency bonds, supranational bonds, asset-backed securities, mortgage-backed securities, collateralised loan obligations, collateralised debt obligations, corporate bonds (including corporate high yield bonds and CoCos (see below), and Emerging Markets debt.

The Investment Adviser implements a multi-faceted approach to Environmental, Social and Governance (ESG) considerations ("ESG Criteria") into its fundamental investment process. Further details of the ESG characteristics of the Portfolio can be found in the Portfolio's relevant Appendix in Supplement V of the Prospectus.

The Portfolio may invest in PRC Debt Securities, including via Bond Connect and/or the CIBM Direct Access as applicable. Please refer to Paragraph 4.2.11 "Investments in China" of the Prospectus.

The Portfolio may invest in excess of 20% of its net assets in mortgage and asset-backed securities either directly or indirectly via a financial index, including but not limited to CMBX. The Portfolios may invest in/obtain exposure to mortgage and asset-backed securities that are rated Investment Grade or non-Investment Grade. The issuers of such mortgage and asset-backed securities may include but are not limited to government agencies and/or government sponsored enterprises and special purpose vehicles sponsored by banks.

The Portfolio may also hold bank deposits at sight, such as cash held in current accounts with a bank accessible at any time. Such holdings may only temporarily exceed 20% of the net assets of the Portfolio under exceptionally unfavourable market conditions. Moreover, cash equivalents such as deposits, Money Market Instruments and other short-term debt obligations, money market funds and repurchase agreements with banks and broker-dealers may be used for the purpose of cash management and in case of unfavourable conditions, provided that the Investment Adviser considers this to be in the best interests of the Shareholders.

The Portfolio may invest up to 10% of its net assets in Permitted Funds.

This Portfolio may invest in CoCos. Please read Section 2 "Investment Objectives and Policies" and 4 "Risk Considerations" of the Prospectus for additional disclosure and a further description of risk factors.

The Investment Adviser intends to engage in SFTR techniques on, amongst other things, equity securities, markets, interest rates, credit, currencies, commodity indices and other Permitted Investments in line with the exposures set out below (in each case as a percentage of net asset value).

| Type of transaction | Under normal circumstances it is generally expected that the principal amount of such transactions would represent a proportion of the Portfolio's net asset value indicated below.* | Under normal circumstances, it is expected that the principal amount of the Portfolio's assets that can be subject to the transaction may represent up to a maximum of the proportion of the Portfolio's net asset value indicated below. |
|---|---|---|
| Total return swaps | 3% | 50% |
| Repurchase, including reverse repurchase, transactions | 0% | 50% |
| Securities lending transactions | 0% | 15% |

***In certain circumstances this proportion may be higher.**

## 3. Investment Techniques

The Investment Adviser in particular may use certain techniques, through the use of financial derivative instruments, as described in Section 2 “Goldman Sachs Funds - Calculation of Global Exposure and Expected Level of Leverage” of the Supplement, which may result in both net long and net short exposures in, amongst other things, interest rates, credit and currencies, and other Permitted Investments as part of the Portfolio’s general investment policy, to generate returns and/or for hedging purposes. Furthermore, the Portfolio may engage in financial derivative transactions including, but not limited to, swaps, futures contracts, options, reverse repurchase agreements, and other transactions involving currency and interest rate hedging, security hedging or other strategies to manage risk relating to the Portfolio’s investments, to leverage the Portfolio and to establish speculative positions.

The financial derivative instruments will enable the Investment Adviser to, amongst other things:

(i) hedge an exposure;

(ii) use as a substitute for taking a position in the underlying asset;

(iii) establish or adjust interest rate exposure; and/or

(iv) establish or adjust an exposure to a particular issuer, sector, currency, country or index.

Please also refer to Appendix C – “Derivatives and Efficient Portfolio Management Techniques” together with Section 4 “Risk Considerations” in the Prospectus (and in particular Paragraph 4.6 “Investments in derivatives”) and Section 2 “Goldman Sachs Funds - Calculation of Global Exposure and Expected Level of Leverage” of the Supplement for further information on the use of financial derivative instruments, their purposes and some of the risk considerations associated with them.

## 4. Calculation of Global Exposure and Expected Level of Leverage

The table below sets out for this Portfolio the information mentioned in Section 2 “Goldman Sachs Funds - Calculation of Global Exposure and Expected Level of Leverage” of the Supplement.

| Market Risk Calculation | Limit | Reference Portfolio/Benchmark* | Expected Level of Leverage |
|---|---|---|---|
| | | | **Gross Sum of Notionals (Gross Exposure)** |
| Absolute VaR | 20% | ICE BofA 3 month US T-Bill * | 500%-1500%** |

***For performance reporting purposes, the Portfolio will use the ICE BofA 3 month US T-Bill as a reference benchmark. The Portfolio is actively managed and is not designed to track its Reference Portfolio/Benchmark. Therefore the performance of the Portfolio and the Reference Portfolio/Benchmark may deviate.**

**The Portfolio may offer Share Classes which are denominated in or hedged into currencies other than the Base Currency of the Portfolio. Accordingly, the Reference Portfolio/Benchmark noted above may be denominated in or hedged into the relevant currency of a particular Share Class.**

****This expected range of leverage is not a limit and may vary over time as described below. The actual levels may deviate from the stated range.**

Given that many of the strategies used by the Portfolio are implemented through the use of financial derivative instruments, including those referred to in Section 2 “Goldman Sachs Funds - Calculation of Global Exposure and Expected Level of Leverage” of the Supplement, the expected level of leverage, as calculated under the gross sum of notionals exposures, may be relatively high. This is particularly emphasised in the tactical duration, country, currency and government/swap debt strategies which often involve the use of interest rate futures, swaps and forward currency contracts which result in relatively higher levels of notional exposure from such financial derivative instruments. It also means that the expected level of leverage may exceed the stated range, particularly as a result of effecting certain investment exposures and also as a result of investor redemptions that can result in offsetting financial derivative instruments trades being placed which whilst they reduce investment exposure can increase leverage based on the gross sum of notionals calculation.

Shareholders should note that leverage resulting from the use of financial derivative instruments may result in magnified losses. However, the "Expected Level of Leverage" using the gross sum of notionals in the table above does not necessarily provide an appropriate illustration of the overall risk profile of the Portfolio as financial derivative instruments are used to manage risk as well as to seek return. This is largely due to the fact that the gross sum of notional exposure calculation simply aggregates the absolute sum of all long and short financial derivative instrument positions, even if the financial derivative instruments are for hedging or offsetting purposes. Further the gross sum of notionals calculation uses just notional values rather than measures that calculate the overall contributions to risk which will often explain why the leverage levels under this method appear high. By way of illustration, to achieve a desired level of investment risk in interest rate markets, the amount of gross leverage used to achieve this risk will vary significantly depending on the underlying market risk (or 'duration') of the instrument chosen to implement this investment decision. For example, using an instrument with less duration risk - such as a shorter maturity interest rate derivative - requires more leverage to achieve the higher amount of required notional market exposure, compared to using a longer maturity instrument with higher duration risk. In this example, a 2 year maturity interest rate derivative would require approximately 4 times as much notional exposure compared to using a 10 year maturity instrument.

Please refer to Paragraph 1 "Investment Objective" and Paragraph 2 "Investment Policies" of this Appendix for further information on the relevant Portfolio's strategy and the Synthetic Risk and Reward Indicator (SRRI) in the KIID of the Portfolio for details on such Portfolio's historic risk profile where applicable. Further details on the average leverage levels, as calculated using the gross sum of notionals exposures, will be disclosed in the Fund's annual financial statements for the relevant accounting period.

## 5. Principal Risks of the Portfolio

Investing in the Portfolio implies (without limitation) the following risk factors which are listed in the same order than in the Prospectus:

- 4.2 Investment risks and in particular 4.2.9 Emerging Markets and 4.2.11 Investments in China
- 4.4 Investment in debt securities
- 4.6 Investment in derivatives
- 4.7 Other investments
- 4.9 Leverage and hedging
- 4.10 Currency risks
- 4.11 Currency hedging

The Portfolio may be exposed to sustainability risks from time to time. A sustainability risk is defined in the EU Sustainable Finance Disclosure Regulation as an environmental, social or governance event or condition that could cause an actual or a potential material negative impact on the value of investments. The universe of sustainability events or conditions is very broad, and their relevance, materiality and impact on investments will depend on a number of factors such as the investment strategy pursued by the Portfolio, asset class, asset location and asset sector. Depending on the circumstances, examples of sustainability risks can include physical environmental risks, climate change transition risks, supply chain disruptions, improper labour practices, lack of board diversity and corruption. If they materialise, sustainability risks can reduce the value of underlying investments held within the Portfolio and could have a material impact on the performance and returns of the Portfolio.

The Investment Adviser does not operate a risk framework that is specifically tailored to sustainability risks. Rather relevant sustainability risks may be considered as part of the processes adopted by the Investment Adviser to monitor and manage general market risks. Accordingly, the Investment Adviser may integrate sustainability risks in its investment decision making process by having regard to material sustainability events that cause or are reasonably expected to cause broad disruption to economic growth, investor sentiment and asset flows in its ongoing assessment and monitoring of financial markets and the investment risk profile of the Portfolio.

The Investment Adviser may utilise proprietary and/or third-party tools and research to assess and monitor market risks that are relevant to the Portfolio.

Please refer to the relevant paragraphs of Section 4 “Risk Considerations” in the Prospectus which includes further relevant risk considerations.

## 6. Portfolio Share Class Table

The following table sets out the Share Classes of this Portfolio. For further details on the Share Classes, please refer to Section 3 “Description of Share Classes” of the Prospectus.

| | |
|---|---|
| Base Currency: | USD |
| Additional Notes: | Each type of Share Class may also be offered:<br>(i) Denominated in or hedged into the following currencies: USD, EUR, GBP, ISK, JPY, CHF, HKD, SGD, CAD, SEK, NOK, DKK, AUD, NZD, INR, RMB, IDR, PLN and BRL. The Sales Charge, Management Fee, distribution fee, Performance Fee, Redemption Charge and operating expenses (in each case, where applicable) for these additional Share Classes are the same as for the relevant Share Class type in the below table. The amount of the investment minimum for these Share Classes in each of the following currencies is the same amount in the relevant currency as the amount quoted for that Share Class type’s USD or EUR class in the below table: USD, EUR, GBP, CHF, HKD, SGD, CAD, AUD, NZD (e.g., the minimum for the Class I Shares (GBP) class is GBP 1m). In the case of JPY, INR, BRL, IDR, PLN and RMB, the investment minimum will be equal to the amount quoted for that Share Class type’s USD or EUR class multiplied by 100, 40, 2, 10,000, 3 and 6 respectively. In the case of DKK, NOK and SEK, the investment minimum will be equal to the amount quoted for that Share Class type’s USD or EUR class multiplied by 6, 7 and 8 respectively. In the case of ISK, the investment minimum will be equal to the amount quoted for that Share Class type’s USD or EUR class multiplied by 150.<br>(ii) As accumulation or distribution classes. Please refer to Section 18 “Dividend Policy” of the Prospectus. |

| **Share Class** | **Currency** | **Sales Charge** | **Contingent Deferred Sales Charge**[1] | **Management Fee** | **Distribution Fee** | **Operating Expenses**[2] | Redemption Charge[3] | **Minimum Investment** |
|---|---|---|---|---|---|---|---|---|
| Base Shares | USD | Up to 5.50 % | Nil | 1.20 % | Nil | Variable | Nil | USD 5,000 |
| Other Currency Shares | EUR | Up to 5.50 % | Nil | 1.20 % | Nil | Variable | Nil | EUR 5,000 |
| Class A Shares | USD | Up to 4.00 % | Nil | 1.20 % | 0.25 % | Variable | Nil | USD 1,500 |
| Class C Shares | USD | Nil | Up to 1.00% | Up to 1.50 % | Up to 1.00 % | Variable | Nil | USD 1,500 |
| Class E Shares | EUR | Up to 4.00 % | Nil | 1.20 % | 0.50% | Variable | Nil | EUR 1,500 |
| Class G Shares | USD | Nil | Nil | Nil | Nil | Variable | Up to 1.60 % | USD 50,000 |
| Class P Shares | USD | Up to 5.50 % | Nil | 0.80 % | Nil | Variable | Nil | USD 50,000 |
| Class R Shares | USD | Up to 5.50 % | Nil | 0.60 % | Nil | Variable | Nil | USD 5,000 |
| Class RS Shares | USD | Up to 5.50 % | Nil | Up to 0.60 % | Nil | Variable | Nil | USD 5,000 |
| Class S Shares | USD | Up to 5.50 % | Nil | Up to 0.60 % | Nil | Variable | Nil | USD 10,000 |
| Class I Shares | USD | Nil | Nil | 0.60 % | Nil | Variable | Nil | USD 1m |
| Class IP Shares | USD | Nil | Nil | Up to 0.60 % | Nil | Variable | Nil | USD 1m |
| Class IS Shares | USD | Nil | Nil | 0.50 % | Nil | Variable | Nil | USD 500m |
| Class II Shares | USD | Nil | Nil | Up to 1.50 % | Nil | Variable | Nil | USD 5,000 |
| Class IX Shares | USD | Nil | Nil | Up to 0.75 % | Nil | Variable | Nil | USD 5m |
| Class IO Shares | USD | Nil | Nil | N/A | Nil | Variable | Nil | On application |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Class IXO Shares | USD | Nil | Nil | N/A | Nil | Variable | Nil | On application |

**[1] A contingent deferred sales charge is imposed on Class C Shares. Please refer to Section 3 "Description of Share Classes" of the Prospectus for further information.**

**[2] The Portfolio pays transaction costs, including taxes and brokerage commissions, each time it buys and sells securities or instruments and may also pay Borrowing Costs. Shareholders should note that, these costs are not reflected in the Portfolio's operating expenses, but will be reflected in the Portfolio's performance.**

**3 As described in Section 3 of the Prospectus, a Redemption Charge will only be payable on any redemption or exchange of "G" Shares within two years from the date of purchase.**

# 4. Goldman Sachs Global Fixed Income Plus Portfolio (Hedged)

## 1. Investment Objective

The investment objective of the Portfolio is a high level of total return consisting of income and capital appreciation through investment in Permitted Investments. The Portfolio will generally seek to hedge non-Base Currency exposure from its investments to the Base Currency. There may however be active investment management currency exposures in the Portfolio where the Investment Adviser seeks to generate return. As part of its investment process, the Investment Adviser seeks to promote environmental and social characteristics based on the Investment Adviser's application of certain environmental, social and governance ("ESG") criteria as described below.

## 2. Investment Policies

The Portfolio uses the following investment strategies: interest rate, country and currency related investment strategies, sector allocation, security selection in (i) corporate debt, (ii) government/swap debt, (iii) securitised debt, and (iv) Emerging Markets debt, each of which is further detailed below. Shareholders should note that, the Investment Adviser may effect relative value views between the below strategies or add new or remove investment strategies from time to time in its sole discretion.

(i) **Tactical Duration –** Directional views in interest rate markets and yield curve shape (i.e. the yields offered on bonds across different maturities). Conviction and impact of any such views on the risk profile of the Portfolio are determined by the size of the deviation between the Investment Adviser's view and of that discounted by the market.

(ii) **Country –** Relative value views between interest rates across markets. Develops individual country views using a "balance sheet" research approach, using quantitative tools as an overlay to the process.

(iii) **Currency –** Relative value currency decisions across both developed and Emerging Markets. Employs a flexible, economics-based process by analysing a blend of technical, fundamental, economic, and political factors including: fund flows, macroeconomics, risk climate, market positioning.

(iv) **Sector Allocation –** Sets portfolio weightings for major sectors of the fixed income market considering, amongst other things, global economic cycle, global liquidity trends, supply/demand, regulatory developments.

(v) **Corporate Credit –** Opportunistic relative value views within Investment Grade and High Yield markets. Employs a credit research process that articulates the Investment Adviser's reasons for owning securities, provides consistent criteria for relative value analysis and provides a basis for future decisions during market fluctuations.

(vi) **Government/Swaps –** Seeks to take advantage of yield curve anomalies including: current curve pricing, market conditions and opportunities in individual sector curves.

(vii) **Liquid Mortgages –** Relative value views within the agency mortgage-backed securities market. Key factors include coupon selection, specified pool, liquidity strategies and seasoning strategies. Provides diversification through sector selection by identifying securities with undervalued prepayment options.

(viii) **Emerging Markets –** Sector selection within Emerging Markets debt: external debt, local rates, currency and corporate debt. Selects securities by finding dislocations in the market (e.g. yield curve anomalies, relative value between Emerging Markets corporates and Investment Grade corporates, mis-pricings due to technical factors).

As compared to Goldman Sachs Global Fixed Income Portfolio (Hedged), this Portfolio will in general seek to achieve increased exposures to the investment strategies set out above, The Portfolio's historical tracking error and excess return figures can be found in the Monthly Fund Updates at www.gsam.com.

The global fixed income markets are constantly evolving and highly diverse and inefficiencies in these complex markets can cause bond prices to diverge form their fair value. The Portfolio seeks to capitalise on these inefficiencies and generate consistent risk-adjusted performance by (i) combining diversified sources of return by employing multiple strategies as described above, (ii) emphasising a risk managed approach utilising risk budgets and target volatility and seeking to manage correlation risk, (iii) taking a global perspective to uncover relative value opportunities and (iv) seeking to identify short term mis-pricings and incorporate long-term views.

Under normal market conditions, the Portfolio will invest at least two thirds of its net assets (excluding cash and cash-equivalents) in bonds.

The Investment Adviser implements a multi-faceted approach to Environmental, Social and Governance (ESG) considerations ("ESG Criteria") into its fundamental investment process. Further details of the ESG characteristics of the Portfolio can be found in the Portfolio's relevant Appendix in Supplement V of the Prospectus.

Permitted securities may, subject to the aforementioned restrictions, include all types of debt securities subject to such limitations as may apply under Luxembourg law and the Portfolio's investment policy, including, but not limited to, fixed and floating rate, senior and subordinated corporate debt obligations (such as bonds, CoCos (see below), debentures, notes and commercial paper), Brady bonds and other debt issued by governments, their agencies and instrumentalities, or by central banks, convertible debt obligations, asset-backed securities, mortgage-backed securities, collateralised loan obligations, collateralised debt obligations, and reverse repurchase agreements.

The Portfolio may invest in PRC Debt Securities, including via Bond Connect and/or the CIBM Direct Access as applicable. Please refer to Paragraph 4.2.11 "Investments in China" of the Prospectus.

The Portfolio may invest in excess of 20% of its net assets in mortgage and asset-backed securities either directly or indirectly via a financial index, including but not limited to CMBX. The Portfolio may invest in/obtain exposure to mortgage and asset-backed securities that are rated Investment Grade or non-Investment Grade. The issuers of such mortgage and asset-backed securities may include but are not limited to government agencies and/or government sponsored enterprises and special purpose vehicles sponsored by banks.

The Portfolio may invest up to 10% of its net assets in Permitted Funds.

The Portfolio may also hold bank deposits at sight, such as cash held in current accounts with a bank accessible at any time. Such holdings may only temporarily exceed 20% of the net assets of the Portfolio under exceptionally unfavourable market conditions. Moreover, cash equivalents such as deposits, Money Market Instruments and other short-term debt obligations, money market funds and repurchase agreements with banks and broker-dealers may be used for the purpose of cash management and in case of unfavourable conditions, provided that the Investment Adviser considers this to be in the best interests of the Shareholders.

This Portfolio may invest in CoCos. Please read Section 2 "Investment Objectives and Policies" and 4 "Risk Considerations" of the Prospectus for additional disclosure and a further description of risk factors.

The Investment Adviser intends to engage in SFTR techniques on, amongst other things, equity securities, markets, interest rates, credit, currencies, commodity indices and other Permitted Investments in line with the exposures set out below (in each case as a percentage of net asset value).

| Type of transaction | Under normal circumstances it is generally expected that the principal amount of such transactions would represent a proportion of the Portfolio's net asset value indicated below.* | Under normal circumstances it is generally expected that the principal amount of the Portfolio's assets that can be subject to the transaction may represent up to a maximum of the proportion of the Portfolio's net asset value indicated below. |
|---|---|---|
| Total return swaps | 0% | 50% |
| Repurchase, including reverse repurchase, transactions | 0% | 50% |
| Securities lending transactions | 0% | 15% |

***In certain circumstances this proportion may be higher.**

## 3. Investment Techniques

The Investment Adviser in particular may use certain techniques, through the use of financial derivative instruments, as described in Section 2 “Goldman Sachs Funds - Calculation of Global Exposure and Expected Level of Leverage” of the Supplement, which may result in both net long and net short exposures in, amongst other things, interest rates, credit and currencies, and other Permitted Investments as part of the Portfolio’s general investment policy, to generate returns and/or for hedging purposes. Furthermore, the Portfolio may engage in financial derivative transactions including, but not limited to, swaps, futures contracts, options, reverse repurchase agreements, and other transactions involving currency and interest rate hedging, security hedging or other strategies to manage risk relating to the Portfolio’s investments, to leverage the Portfolio and to establish speculative positions.

The financial derivative instruments will enable the Investment Adviser to, amongst other things:

(i) hedge an exposure;

(ii) use as a substitute for taking a position in the underlying asset;

(iii) establish or adjust interest rate exposure; and/or

(iv) establish or adjust an exposure to a particular issuer, sector, currency, country or index.

Please also refer to Appendix C – “Derivatives and Efficient Portfolio Management Techniques” together with Section 4 “Risk Considerations” in the Prospectus (and in particular Paragraph 4.6 “Investments in derivatives”) and Section 2 “Goldman Sachs Funds - Calculation of Global Exposure and Expected Level of Leverage” of the Supplement for further information on the use of financial derivative instruments, their purposes and some of the risk considerations associated with them.

## 4. Calculation of Global Exposure and Expected Level of Leverage

The table below sets out for this Portfolio the information mentioned in Section 2 “Goldman Sachs Funds - Calculation of Global Exposure and Expected Level of Leverage” of the Supplement.

| Market Risk Calculation | Limit | Reference Portfolio/Benchmark* | Expected Level of Leverage<br>Gross Sum of Notionals<br>(Gross Exposure) |
|---|---|---|---|
| Relative VaR | 2x | Bloomberg Global Aggregate Index (Euro-Hedged) | 200%-1200%** |

***The Portfolio is actively managed and is not designed to track its Reference Portfolio/Benchmark. Therefore the performance of the Portfolio and the Reference Portfolio/Benchmark may deviate.**

**The Portfolio may offer Share Classes which are denominated in or hedged into currencies other than the Base Currency of the Portfolio. Accordingly, the Reference Portfolio/Benchmark noted above may be denominated in or hedged into the relevant currency of a particular Share Class.**

****This expected range of leverage is not a limit and may vary over time as described below. The actual levels may deviate from the stated range.**

Given that many of the strategies used by the Portfolio are implemented through the use of financial derivative instruments, including those referred to in Section 2 “Goldman Sachs Funds - Calculation of Global Exposure and Expected Level of Leverage” of the Supplement, the expected level of leverage, as calculated under the gross sum of notionals exposures, may be relatively high. Pursuit of the investment objective may involve the use of swaps (such as short term interest rate swaps, total return swaps or equity swaps), options, futures and forward currency contracts, which may result in relatively higher levels of notional exposure. For further information on the use of financial derivative instruments and associated risks, please refer to Section 4 “Risk Considerations” and Appendix C “Derivatives and Efficient Portfolio Management Techniques” in the Prospectus. It also means that the expected level of leverage may exceed the stated range, particularly as a result of effecting certain investment exposures and also as a result of investor redemptions that can result in offsetting financial derivative instruments trades being placed which whilst they reduce investment exposure can increase leverage based on the gross sum of notionals calculation.

Shareholders should note that leverage resulting from the use of financial derivative instruments may result in magnified losses. However, the “Expected Level of Leverage” using the gross sum of notionals in the table above does not necessarily provide an appropriate illustration of the overall risk profile of the Portfolio as financial derivative instruments are used to manage risk as well as to seek return. This is largely due to the fact that the gross sum of notional exposure calculation simply aggregates the absolute sum of all long and short financial derivative instrument positions, even if the financial derivative instruments are for hedging or offsetting purposes. Further the gross sum of notionals calculation uses just notional values rather than measures that calculate the overall contributions to risk which will often explain why the leverage levels under this method appear high. By way of illustration, to achieve a desired level of investment risk in interest rate markets, the amount of gross leverage used to achieve this risk will vary significantly depending on the underlying market risk (or ‘duration’) of the instrument chosen to implement this investment decision. For example, using an instrument with less duration risk - such as a shorter maturity interest rate derivative - requires more leverage to achieve the higher amount of required notional market exposure, compared to using a longer maturity instrument with higher duration risk. In this example, a 2 year maturity interest rate derivative would require approximately 4 times as much notional exposure compared to using a 10 year maturity instrument.

Please refer to Paragraph 1 “Investment Objective” and Paragraph 2 “Investment Policies” of this Appendix for further information on the relevant Portfolio’s strategy and the Synthetic Risk and Reward Indicator (SRRI) in the KIID of the Portfolio for details on such Portfolio’s historic risk profile where applicable. Further details on the average leverage levels, as calculated using the gross sum of notionals exposures, will be disclosed in the Fund's annual financial statements for the relevant accounting period.

## 5. Principal Risks of the Portfolio

Investing in the Portfolio implies (without limitation) the following risk factors which are listed in the same order than in the Prospectus:

- 4.2 Investment risks and in particular 4.2.9 Emerging Markets and 4.2.11 Investments in China
- 4.4 Investment in debt securities
- 4.6 Investment in derivatives
- 4.7 Other investments
- 4.9 Leverage and hedging
- 4.10 Currency risks
- 4.11 Currency hedging

The Portfolio may be exposed to sustainability risks from time to time. A sustainability risk is defined in the EU Sustainable Finance Disclosure Regulation as an environmental, social or governance event or condition that could cause an actual or a potential material negative impact on the value of investments. The universe of sustainability events or conditions is very broad, and their relevance, materiality and impact on investments will depend on a number of factors such as the investment strategy pursued by the Portfolio, asset class, asset location and asset sector. Depending on the circumstances, examples of sustainability risks can include physical environmental risks, climate change transition risks, supply chain disruptions, improper labour practices, lack of board diversity and corruption. If they materialise, sustainability risks can reduce the value of underlying investments held within the Portfolio and could have a material impact on the performance and returns of the Portfolio.

The Investment Adviser does not operate a risk framework that is specifically tailored to sustainability risks. Rather relevant sustainability risks may be considered as part of the processes adopted by the Investment Adviser to monitor and manage general market risks. Accordingly, the Investment Adviser may integrate sustainability risks in its investment decision making process by having regard to material sustainability events that cause or are reasonably expected to cause broad disruption to economic growth, investor sentiment and asset flows in its ongoing assessment and monitoring of financial markets and the investment risk profile of the Portfolio.

The Investment Adviser may utilise proprietary and/or third-party tools and research to assess and monitor market risks that are relevant to the Portfolio.

Please refer to the relevant paragraphs of Section 4 “Risk Considerations” in the Prospectus which includes further relevant risk considerations.

## 6. Portfolio Share Class Table

The following table sets out the Share Classes of this Portfolio. For further details on the Share Classes, please refer to Section 3 “Description of Share Classes” of the Prospectus.

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| Base Currency: | EUR | | | | | | |
| Additional Notes: | Each type of Share Class may also be offered:<br>(i) Denominated in or hedged into the following currencies: USD, EUR, GBP, ISK, JPY, CHF, HKD, SGD, CAD, SEK, NOK, DKK, AUD, NZD, INR, RMB, IDR, PLN and BRL. The Sales Charge, Management Fee, distribution fee, Performance Fee and operating expenses (in each case, where applicable) for these additional Share Classes are the same as for the relevant Share Class type in the below table. The amount of the investment minimum for these Share Classes in each of the following currencies is the same amount in the relevant currency as the amount quoted for that Share Class type’s EUR or USD or GBP class in the below table: USD, EUR, GBP, CHF, HKD, SGD, CAD, AUD, NZD (e.g., the minimum for the Class I Shares (GBP) class is GBP 1m). In the case of JPY, INR, BRL, IDR, PLN and RMB, the investment minimum will be equal to the amount quoted for that Share Class type’s EUR or USD or GBP class multiplied by 100, 40, 2, 10,000, 3 and 6 respectively. In the case of DKK, NOK, and SEK, the investment minimum will be equal to the amount quoted for that Share Class type’s EUR or USD or GBP class multiplied by 6, 7 and 8 respectively. In the case of ISK, the investment minimum will be equal to the amount quoted for that Share Class type’s USD or EUR class multiplied by 150.<br>(ii) As accumulation or distribution classes. Please refer to Section 18 “Dividend Policy” of the Prospectus. | | | | | | |
| **Share Class** | **Share Class Currency** | **Sales Charge** | **Contingent Deferred Sales Charge[1]** | **Management Fee** | **Distribution Fee** | **Operating Expenses[2]** | **Minimum Investment** |
| Base Shares | EUR | Up to 5.50 % | Nil | 1.00 % | Nil | Variable | EUR 5,000 |
| Other Currency Shares | USD | Up to 5.50 % | Nil | Up to 1.00 % | Nil | Variable | USD 5,000 |
| Class A Shares | EUR | Up to 4.00 % | Nil | 1.00 % | 0.25 % | Variable | EUR 1,500 |
| Class C Shares | EUR | Nil | Up to 1.00 % | Up to 1.00 % | Up to 1.00 % | Variable | EUR 1,500 |
| Class E Shares | EUR | Up to 4.00 % | Nil | 1.00 % | 0.25% | Variable | EUR 1,500 |
| Class P Shares | EUR | Up to 5.50 % | Nil | 0.80 % | Nil | Variable | EUR 50,000 |
| Class R Shares | EUR | Up to 5.50 % | Nil | 0.50 % | Nil | Variable | EUR 5,000 |
| Class RS Shares | EUR | Up to 5.50 % | Nil | Up to 0.50 % | Nil | Variable | EUR 5,000 |
| Class S Shares | EUR | Up to 5.50 % | Nil | Up to 0.75 % | Nil | Variable | EUR 10,000 |
| Class I Shares | EUR | Nil | Nil | 0.50 % | Nil | Variable | EUR 1m |
| Class IP Shares | EUR | Nil | Nil | Up to 0.50 % | Nil | Variable | EUR 1m |
| Class IS Shares | EUR | Nil | Nil | Up to 0.75 % | Nil | Variable | EUR 500m |
| Class II Shares | USD | Nil | Nil | Up to 1.00 % | Nil | Variable | USD 5,000 |
| Class IX Shares | USD | Nil | Nil | Up to 0.75 % | Nil | Variable | USD 5m |
| Class IO Shares | EUR | Nil | Nil | N/A | Nil | Variable | On application |
| Class IXO Shares | USD | Nil | Nil | N/A | Nil | Variable | On application |

**[1] A contingent deferred sales charge is imposed on Class C Shares. Please refer to Section 3 “Description of Share Classes” of the Prospectus for further information.**

**[2] The Portfolio pays transaction costs, including taxes and brokerage commissions, each time it buys and sells securities or instruments and may also pay Borrowing Costs. Shareholders should note that, these costs are not reflected in the Portfolio's operating expenses, but will be reflected in the Portfolio's performance.**

# 5. Goldman Sachs Global Strategic Macro Bond Portfolio

## 1. Investment Objective

The Portfolio will seek to achieve attractive total returns primarily through capital appreciation from a portfolio of investments primarily in the global fixed income and currency markets. The Portfolio will mainly invest in fixed income securities, currencies, publicly traded securities and financial derivative instruments. As part of its investment process, the Investment Adviser seeks to promote environmental and social characteristics based on the Investment Adviser's application of certain environmental, social and governance ("ESG") criteria as described below.

## 2. Investment Policies

The Portfolio utilizes the following investment strategies; Duration, Country, Cross Macro, Currency, Government/Swaps, Securitized and Emerging Market Debt, each of which is further detailed below.

The Portfolio does not seek to generate returns from Credit securities (such as Corporate Credit (Investment Grade or High Yield)), non-agency mortgage-backed securities, CLOs, asset-backed securities, Emerging Market external debt or Emerging Market corporates.

Within the Securitized strategy the Portfolio only invests in agency mortgage-backed securities and associated financial derivatives. Within the Emerging Market Debt strategy the Portfolio only invests in Emerging Market local market interest rates and associated financial derivatives.

Shareholders should note that, the Investment Adviser may effect relative value views between the below strategies or add new or remove investment strategies from time to time in its sole discretion.

(i) **Tactical Duration -** Directional views in interest rate markets and yield curve shape (i.e. the yields offered on bonds across different maturities). Conviction and impact of any such views on the risk profile of the Portfolio are determined by the size of the deviation between the Investment Adviser's view and of that discounted by the market.

(ii) **Country -** Relative value views between interest rates across markets. Develops individual country views using a "balance sheet" research approach, using quantitative tools as an overlay to the process.

(iii) **Currency -** Relative value currency decisions across both developed and Emerging Markets. Employs a flexible, economics-based process by analysing a blend of technical, fundamental, economic, and political factors including: fund flows, macroeconomics, risk climate, market positioning.

(iv) **Government/Swaps -** Seeks to take advantage of yield curve anomalies including: current curve pricing, market conditions and opportunities in individual sector curves.

(v) **Liquid Mortgages -** Relative value views within the agency mortgage-backed securities market only and associated financial derivative instruments. Key factors include coupon selection, specified pool, liquidity strategies and seasoning strategies. Provides diversification through sector selection by identifying securities with undervalued prepayment options.

(vi) **Emerging Markets -** Sector selection in Emerging Markets local markets interest and associated financial derivative instruments. Selects securities by finding dislocations in the market (e.g. yield curve anomalies, relative value between Emerging Markets and mis-pricings due to technical factors).

The Portfolio may also employ macro hedging positions at the portfolio level to remove unintended market directional risks, which may enable the Portfolio to pursue returns in a variety of market cycles.

The global fixed income markets are constantly evolving and highly diverse and inefficiencies in these complex markets can cause bond prices to diverge form their fair value.

The Portfolio seeks to capitalise on these inefficiencies and generate consistent risk-adjusted performance by (i) combining diversified sources of return by employing multiple strategies as described above, (ii) emphasising a risk managed approach within an unconstrained strategy, utilising risk budgets and target volatility and seeking to manage correlation risk, (iii) taking a global perspective to uncover relative value opportunities and (iv) seeking to identify short term mis-pricings and incorporate long-term views.

The Portfolio will mainly invest in fixed income securities, currencies, publicly traded securities and financial derivative instruments. Fixed income securities may include, but are not limited to, government bonds, government agency bonds, supranational bonds, mortgage-backed securities, and Emerging Market debt (local only).

In relation to Article 7 of SFDR, which requires disclosure of how principal adverse impacts are considered at Portfolio level, the Investment Manager notes that there are still a number of uncertainties regarding this obligation, in particular due to the absence of centralised implementing standards, local guidance or established market practice. The Investment Manager does not currently take principal adverse impacts on sustainability factors into account in respect of the Portfolio, but will keep its approach in this area for the Portfolio under review.

As per Article 7 of the Taxonomy Regulation, Shareholders should note that investments underlying the Portfolios do not take into account the EU criteria for environmentally sustainable economic activities.

The Portfolio may invest in PRC Debt Securities, including via Bond Connect and/or the CIBM Direct Access as applicable. Please refer to Paragraph 4.2.11 “Investments in China” of the Prospectus.

The Portfolio may invest in excess of 20% of its net assets in agency mortgage-backed securities either directly or indirectly via a financial index. The Portfolios may invest in/obtain exposure to agency mortgage-backed securities that are rated Investment Grade or non-Investment Grade.

The Portfolio may also hold bank deposits at sight, such as cash held in current accounts with a bank accessible at any time. Such holdings may only temporarily exceed 20% of the net assets of the Portfolio under exceptionally unfavourable market conditions. Moreover, cash equivalents such as deposits, Money Market Instruments and other short-term debt obligations, money market funds and repurchase agreements with banks and broker-dealers may be used for the purpose of cash management and in case of unfavourable conditions, provided that the Investment Adviser considers this to be in the best interests of the Shareholders.

The Portfolio may invest up to 10% of its net assets in Permitted Funds.

The Investment Adviser intends to engage in SFTR techniques on, amongst other things, equity securities, markets, interest rates, credit, currencies, commodity indices and other Permitted Investments in line with the exposures set out below (in each case as a percentage of net asset value).

| Type of transaction | Under normal circumstances it is generally expected that the principal amount of such transactions would represent a proportion of the Portfolio’s net asset value indicated below.* | Under normal circumstances, it is generally expected that the principal amount of the Portfolio’s assets that can be subject to the transaction may represent up to a maximum of the proportion of the Portfolio’s net asset value indicated below. |
|---|---|---|
| Total return swaps | 5% | 50% |
| Repurchase, including reverse repurchase, transactions | 0% | 50% |
| Securities lending transactions | 0% | 15% |

***In certain circumstances this proportion may be higher.**

## 3. Additional Investment Restrictions

The Portfolio may invest up to 25% of its net asset value in below Investment Grade securities.

- The Portfolio may only invest into debt securities or other debt instruments that are customarily rated if at the time of purchase (a) securities or instruments have a minimum rating of B minus (by Standard & Poor's and Fitch) or B3 (by Moody's) or comparable ratings of other rating agencies recognised under EU Regulation (EC) No. 1060/2009 or a comparable internal rating by the Investment Adviser and (b) in case of asset-backed securities (including mortgage-backed securities) or credit-linked instruments, the relevant instruments at least have an Investment Grade rating.

- In the event of rating downgrades, which causes the security or instrument to be rated below the limits referred to above under (a) and (b), such securities or instruments may remain in the Portfolio provided their aggregate value does not exceed 3% of the net asset value of the Portfolio. If the aggregate value of securities or instruments downgraded below the aforementioned minimum ratings exceed 3% of the net asset value of the Portfolio, they will generally, absent any extraordinary circumstances, be sold within six months from the day on which the threshold of 3% was exceeded, however, only to the extent of the excess over 3%.

- Please note that certain un-rated securities, including for instance, agency mortgage-backed securities and issues from sovereign bond issuers will have the relevant country rating applied.

- In case of split ratings by recognised rating agencies, the lower of the two highest ratings must be used. Where the lower of the two highest ratings does not meet the requirements stated above, the Investment Adviser may instead decide to replace it with its own internal rating based on quantitative analysis, which may be higher.

- Similarly, where there is only one rating by a recognised rating agency and this does not meet the requirements stated above, the Investment Adviser may instead decide to replace it with its own internal rating based on quantitative analysis, which may be higher. The Portfolio will under no circumstances rely exclusively on external ratings in determining the credit risk of a financial instrument.

- Asset-backed securities and credit-linked instruments in the Portfolio will either be (i) traded on an organised market within the meaning of Article 4 no. 14 of Directive 2004/39/EC (MiFID) or on a non-EU exchange with an equivalent standard of regulation or (ii) be issued by an issuer domiciled in the EEA or an OECD full member state.

- The Portfolio will only invest in other Permitted Funds whose fund rules have equivalent restrictions in respect to the above rating requirements.

- In deviation from the above, the Portfolio may, at the time the investment restrictions in this section become effective, hold securities or instruments which neither at the time of their acquisition nor at the time the investment restrictions in this section become effective had/have the required minimum rating, provided their aggregate value does not exceed 3% of the net asset value of the Portfolio.

## 4. Investment Techniques

The Investment Adviser in particular may use certain techniques, through the use of financial derivative instruments, as described in Section 2 “Goldman Sachs Funds - Calculation of Global Exposure and Expected Level of Leverage” of the Supplement, which may result in both net long and net short exposures in, amongst other things, interest rates, credit and currencies, and other Permitted Investments as part of its general investment policy, to generate returns and/or for hedging purposes. Furthermore, the Portfolio may engage in financial derivative transactions including, but not limited to, swaps, futures contracts, options, reverse repurchase agreements, and other transactions involving currency and interest rate hedging, security hedging or other strategies to manage risk relating to the Portfolio’s investments, to leverage the Portfolio and to establish speculative positions.

The financial derivative instruments will enable the Investment Adviser to, amongst other things:

(i) hedge an exposure;

(ii) use as a substitute for taking a position in the underlying asset;

(iii) establish or adjust interest rate exposure; and/or

(iv) establish or adjust an exposure to a particular issuer, sector, currency, country or index.

Please also refer to Appendix C – "Derivatives and Efficient Portfolio Management Techniques" together with Section 4 "Risk Considerations" in the Prospectus (and in particular Paragraph 4.6 "Investments in derivatives") and Section 2 "Goldman Sachs Funds - Calculation of Global Exposure and Expected Level of Leverage" of the Supplement for further information on the use of financial derivative instruments, their purposes and some of the risk considerations associated with them.

## 5. Calculation of Global Exposure and Expected Level of Leverage

The table below sets out for this Portfolio the information mentioned in Section 2 "Goldman Sachs Funds - Calculation of Global Exposure and Expected Level of Leverage" of the Supplement.

| Market Risk Calculation | Limit | Reference Portfolio/Benchmark* | Expected Level of Leverage<br>Gross Sum of Notionals (Gross Exposure) |
|---|---|---|---|
| Absolute VaR | 20% | ICE BofA 3 month US T-Bill | 500%-1500%** |

***For performance reporting purposes, the Portfolio will use the ICE BofA 3 month US T-Bill as a reference benchmark. The Portfolio is actively managed and is not designed to track its Reference Portfolio/Benchmark. Therefore the performance of the Portfolio and the Reference Portfolio/Benchmark may deviate.**

**The Portfolio may offer Share Classes which are denominated in or hedged into currencies other than the Base Currency of the Portfolio. Accordingly, the Reference Portfolio/Benchmark noted above may be denominated in or hedged into the relevant currency of a particular Share Class.**

****This expected range of leverage is not a limit and may vary over time as described below. The actual levels may deviate from the stated range.**

Given that many of the strategies used by the Portfolio are implemented through the use of financial derivative instruments, including those referred to in Section 2 "Goldman Sachs Funds - Calculation of Global Exposure and Expected Level of Leverage" of the Supplement, the expected level of leverage, as calculated under the gross sum of notionals exposures, may be relatively high. This is particularly emphasised in the tactical duration, country, currency and government/swap debt strategies which often involve the use of interest rate futures, swaps and forward currency contracts which result in relatively higher levels of notional exposure from such financial derivative instruments. It also means that the expected level of leverage may exceed the stated range, particularly as a result of effecting certain investment exposures and also as a result of investor redemptions that can result in offsetting financial derivative instruments trades being placed which whilst they reduce investment exposure can increase leverage based on the gross sum of notionals calculation.

Shareholders should note that leverage resulting from the use of financial derivative instruments may result in magnified losses. However, the "Expected Level of Leverage" using the gross sum of notionals in the table above does not necessarily provide an appropriate illustration of the overall risk profile of the Portfolio as financial derivative instruments are used to manage risk as well as to seek return. This is largely due to the fact that the gross sum of notional exposure calculation simply aggregates the absolute sum of all long and short financial derivative instrument positions, even if the financial derivative instruments are for hedging or offsetting purposes. Further the gross sum of notionals calculation uses just notional values rather than measures that calculate the overall contributions to risk which will often explain why the leverage levels under this method appear high. By way of illustration, to achieve a desired level of investment risk in interest rate markets, the amount of gross leverage used to achieve this risk will vary significantly depending on the underlying market risk (or 'duration') of the instrument chosen to implement this investment decision. For example, using an instrument with less duration risk - such as a shorter maturity interest rate derivative - requires more leverage to achieve the higher amount of required notional market exposure, compared to using a longer maturity instrument with higher duration risk. In this example, a 2 year maturity interest rate derivative would require approximately 4 times as much notional exposure compared to using a 10 year maturity instrument.

Please refer to Paragraph 1 “Investment Objective” and Paragraph 2 “Investment Policies” of this Appendix for further information on the relevant Portfolio’s strategy and the Synthetic Risk and Reward Indicator (SRRI) in the KIID of the Portfolio for details on such Portfolio’s historic risk profile where applicable. Further details on the average leverage levels, as calculated using the gross sum of notionals exposures, will be disclosed in the Fund's annual financial statements for the relevant accounting period.

## 6. Performance Fees

The Investment Adviser is entitled to receive a performance fee for certain Share Classes of the Portfolio (the "Performance Fee") equal to 10 percent of the amount by which the net asset value per Share (please see Section 17 "Determination of Net Asset Value" in the Prospectus) exceeds the Adjusted High Water Mark (as more fully described under Section 19 “Fees and Expenses” of the Prospectus). The Performance Fee is calculated and accrues daily and is payable either annually in arrears or when a redemption takes place out of the assets attributable to the Share Class. A separate Performance Fee calculation shall be carried out in respect of each relevant Share Class of the Portfolio.

## 7. Principal Risks of the Portfolio

Investing in the Portfolio implies (without limitation) the following risk factors which are listed in the same order than in the Prospectus:

- 4.2 Investment risks and in particular 4.2.9 Emerging Markets and 4.2.11 Investments in China
- 4.4 Investment in debt securities
- 4.6 Investment in derivatives
- 4.7 Other investments
- 4.9 Leverage and hedging
- 4.10 Currency risks
- 4.11 Currency hedging

The Portfolio may be exposed to sustainability risks from time to time. A sustainability risk is defined in the EU Sustainable Finance Disclosure Regulation as an environmental, social or governance event or condition that could cause an actual or a potential material negative impact on the value of investments. The universe of sustainability events or conditions is very broad, and their relevance, materiality and impact on investments will depend on a number of factors such as the investment strategy pursued by the Portfolio, asset class, asset location and asset sector. Depending on the circumstances, examples of sustainability risks can include physical environmental risks, climate change transition risks, supply chain disruptions, improper labour practices, lack of board diversity and corruption. If they materialise, sustainability risks can reduce the value of underlying investments held within the Portfolio and could have a material impact on the performance and returns of the Portfolio.

The Investment Adviser does not operate a risk framework that is specifically tailored to sustainability risks. Rather relevant sustainability risks may be considered as part of the processes adopted by the Investment Adviser to monitor and manage general market risks. Accordingly, the Investment Adviser may integrate sustainability risks in its investment decision making process by having regard to material sustainability events that cause or are reasonably expected to cause broad disruption to economic growth, investor sentiment and asset flows in its ongoing assessment and monitoring of financial markets and the investment risk profile of the Portfolio.

The Investment Adviser may utilise proprietary and/or third-party tools and research to assess and monitor market risks that are relevant to the Portfolio.

Please refer to the relevant paragraphs of Section 4 “Risk Considerations” in the Prospectus which includes further relevant risk considerations.

## 8. Portfolio Share Class Table

The following table sets out the Share Classes of this Portfolio. For further details on the Share Classes, please refer to Section 3 "Description of Share Classes" of the Prospectus

| | |
|---|---|
| Base Currency: | USD |
| Additional Notes: | Each type of Share Class may also be offered:<br>(i) Denominated in or hedged into the following currencies: USD, EUR, GBP, ISK, JPY, CHF, HKD, SGD, CAD, SEK, NOK, DKK, AUD, NZD, INR, BRL, RMB, IDR, BRL and PLN. The Sales Charge, Management Fee, distribution fee, Performance Fee, Redemption Charge and operating expenses (in each case, where applicable) for these additional Share Classes are the same as for the relevant Share Class type in the below table. The amount of the investment minimum for these Share Classes in each of the following currencies is the same amount in the relevant currency as the amount quoted for that Share Class type's USD or EUR class in the below table: USD, EUR, GBP, CHF, HKD, SGD, CAD, AUD, NZD (e.g., the minimum for the Class I Shares (GBP) class is GBP 1m). In the case of JPY, INR, BRL, IDR, RMB and PLN, the investment minimum will be equal to the amount quoted for that Share Class type's USD or EUR class multiplied by 100, 40, 2, 10,000, 6 and 3 respectively. In the case of DKK, NOK and SEK, the investment minimum will be equal to the amount quoted for that Share Class type's USD or EUR class multiplied by 6, 7 and 8 respectively. In the case of ISK, the investment minimum will be equal to the amount quoted for that Share Class type's USD or EUR class multiplied by 150.<br>(ii) As accumulation or distribution classes. Please refer to Section 18 "Dividend Policy" of the Prospectus. |

| Share Class | Share Class Currency | Sales Charge | Contingent Deferred Sales Charge[1] | Management Fee | Distribution Fee | Performance Fee[2] | Operating Expenses[3] | Redemption Charge[4] | Minimum Investment |
|---|---|---|---|---|---|---|---|---|---|
| Base Shares | USD | Up to 5.50 % | Nil | 1.00 % | Nil | 10 % of cumulative net excess return | Variable | Nil | USD 5,000 |
| Base (Flat) Shares | USD | Up to 5.50 % | Nil | 1.30 % | Nil | Nil | Variable | Nil | USD 5,000 |
| Other Currency Shares | EUR | Up to 5.50 % | Nil | 1.00 % | Nil | 10 % of cumulative net excess return | Variable | Nil | EUR 5,000 |
| Other Currency (Flat) Shares | EUR | Up to 5.50 % | Nil | 1.30 % | Nil | Nil | Variable | Nil | EUR 5,000 |
| Class A Shares | USD | Up to 4.00 % | Nil | 1.00 % | 0.25% | 10 % of cumulative net excess return | Variable | Nil | USD 1,500 |
| Class A (Flat) Shares | USD | Up to 4.00 % | Nil | 1.30 % | Up to 0.50 % | Nil | Variable | Nil | USD 1,500 |
| Class C Shares | USD | Nil | Up to 1.00 % | Up to 1.50 % | Up to 1.00 % | 10 % of cumulative net excess return | Variable | Nil | USD 1,500 |
| Class C (Flat) Shares | USD | Nil | Up to 1.00 % | Up to 1.50 % | Up to 1.00 % | Nil | Variable | Nil | USD 1,500 |
| Class E Shares | EUR | Up to 4.00 % | Nil | 1.00 % | Up to 1.00 % | 10 % of cumulative net excess return | Variable | Nil | EUR 1,500 |
| Class E (Flat) Shares | EUR | Up to 4.00 % | Nil | 1.30 % | Up to 1.00 % | Nil | Variable | Nil | EUR 1,500 |
| Class G Shares | USD | Nil | Nil | Nil | Nil | Nil | Variable | Up to 1.50 % | USD 50,000 |
| Class P Shares | USD | Up to 5.50 % | Nil | 0.75 % | Nil | 10 % of cumulative net excess return | Variable | Nil | USD 50,000 |
| Class P (Flat) Shares | USD | Up to 5.50 % | Nil | 1.05 % | Nil | Nil | Variable | Nil | USD 50,000 |
| Class R Shares | USD | Up to 5.50 % | Nil | 0.50 % | Nil | 10 % of cumulative net excess return | Variable | Nil | USD 5,000 |

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Class RS Shares | USD | Up to 5.50 % | Nil | Up to 0.50 % | Nil | 10 % of cumulative net excess return | Variable | Nil | USD 5,000 |
| Class R (Flat) Shares | USD | Up to 5.50 % | Nil | 0.85 % | Nil | Nil | Variable | Nil | USD 5,000 |
| Class RS (Flat) Shares | USD | Up to 5.50 % | Nil | Up to 0.85 % | Nil | Nil | Variable | Nil | USD 5,000 |
| Class S Shares | USD | Up to 5.50 % | Nil | Up to 0.75 % | Nil | 10 % of cumulative net excess return | Variable | Nil | USD 10,000 |
| Class S (Flat) Shares | USD | Up to 5.50 % | Nil | Up to 0.85 % | Nil | Nil | Variable | Nil | USD 10,000 |
| Class I Shares | USD | Nil | Nil | 0.50 % | Nil | 10 % of cumulative net excess return | Variable | Nil | USD 1m |
| Class I (Flat) Shares | USD | Nil | Nil | 0.85 % | Nil | Nil | Variable | Nil | USD 1m |
| Class IP Shares | USD | Nil | Nil | Up to 0.50 % | Nil | Up to 15 % of cumulative net excess return | Variable | Nil | USD 1m |
| Class IP (Flat) Shares | USD | Nil | Nil | Up to 0.50 % | Nil | Nil | Variable | Nil | USD 1m |
| Class IS Shares | USD | Nil | Nil | Up to 0.50 % | Nil | 10 % of cumulative net excess return | Variable | Nil | USD 500m |
| Class IS (Flat) Shares | USD | Nil | Nil | Up to 0.85 % | Nil | Nil | Variable | Nil | USD 500m |
| Class II Shares | USD | Nil | Nil | Up to 1.50 % | Nil | 10 % of cumulative net excess return | Variable | Nil | USD 5,000 |
| Class II (Flat) Shares | USD | Nil | Nil | Up to 1.50 % | Nil | Nil | Variable | Nil | USD 5,000 |
| Class IX Shares | USD | Nil | Nil | Up to 0.75 % | Nil | 10 % of cumulative net excess return | Variable | Nil | USD 5m |
| Class IX (Flat) Shares | USD | Nil | Nil | Up to 0.85 % | Nil | Nil | Variable | Nil | USD 5m |
| Class IO Shares | USD | Nil | Nil | nil | Nil | N/A | Variable | Nil | On application |
| Class IXO Shares | USD | Nil | Nil | nil | Nil | N/A | Variable | Nil | On application |

**[1] A contingent deferred sales charge is imposed on Class C and Class C (Flat) Shares. Please refer to Section 3 "Description of Share Classes" of the Prospectus for further information.**

**[2] Investors should be aware that for Share Classes which charge performance fees, the total fees paid by a Shareholder in the performance fee Share Class may be higher than the total fees paid by a Shareholder invested in the equivalent Share Class type without performance fees in the event a Portfolio performs above a certain threshold but may be lower if the Portfolio performs below a certain threshold. It should be noted that where swing pricing has been applied to the Net Asset Value of a share class, performance fees are accrued based on the Net Asset Value of the share class before the application of swing pricing. Please refer to Section 17 "Determination of Net Asset Value" of the Prospectus for further information on swing pricing.**

**[3] The Portfolio pays transaction costs, including taxes and brokerage commissions, each time it buys and sells securities or instruments and may also pay Borrowing Costs. Shareholders should note that, these costs are not reflected in the Portfolio's operating expenses, but will be reflected in the Portfolio's performance.**

**[4] As described in Section 3 of the Prospectus, a Redemption Charge will only be payable on any redemption or exchange of "G" Shares within two years from the date of purchase.**