



## Goldman Sachs Funds II Plc

(an investment company with variable capital incorporated with limited liability in Ireland with registered number 404210 established as an umbrella fund with segregated liability between sub-funds and authorised by the Central Bank of Ireland pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (as amended), previously authorised as a qualifying investor alternative investment fund, such authorisation having been revoked by the Central Bank of Ireland on 24 April 2020))



The Directors of Goldman Sachs Funds II, plc (the “Company”) as listed in the “Management” section of the Prospectus, accept responsibility for the information contained in this Prospectus. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information. The Directors accept responsibility accordingly.

1222



**Asset  
Management**

**Prospectus**

# **GOLDMAN SACHS FUNDS II PLC**

(an investment company with variable capital incorporated with limited liability in Ireland with registered number 404210 established as an umbrella fund with segregated liability between sub-funds and authorised by the Central Bank of Ireland pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (as amended))

**30 December 2022**

**MANAGER**

**Goldman Sachs Asset Management Fund Services Limited**

**THIS PROSPECTUS IS IMPORTANT. IF YOU ARE IN ANY DOUBT ABOUT THE CONTENTS OF THIS PROSPECTUS, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER FINANCIAL ADVISER.**

The Directors of the Company, as listed in the “Management” section of the Prospectus, accept responsibility for the information contained in this Prospectus. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information. The Directors accept responsibility accordingly.

### **Significant Risks of Investment in the Company**

This Prospectus should be read in its entirety and the risk factors described in the section entitled “Risk Considerations” read and understood before making an application for Shares. Investors should be aware of the potential for above average risk involved in investing in the Company. Investment in the Company is suitable only for persons who are in a position to take such a risk. A loss of capital may occur. Investment in the Company carries significant risk, and involves certain considerations in addition to the risks normally associated with making investments in securities including, but not limited to, legal, regulatory and political risk and therefore the potential inability to return any investment in the Company. Investment in the Company should be regarded as long term in nature and is only suitable for investors who understand the risks involved and who are able and willing to withstand the total loss of their investment. Investors should be aware that the price of Shares may fall as well as rise and investors may not get back any of the amount invested. The difference at any one time between the sale and redemption price of Shares in a Fund means that the investment should be viewed as medium to long term.

Certain terms used in this Prospectus are defined in the section entitled “Definitions” below.

### **Authorisation by the Central Bank**

The Company is an investment company with variable capital incorporated with limited liability in Ireland with registered number 404210 constituted as an umbrella fund with segregated liability between sub-funds and authorised by the Central Bank of Ireland pursuant to the UCITS Regulations and as a UCITS may be offered for sale in Member States (subject to registration in countries other than Ireland). In addition, applications to register the Company may be made in other countries.

**Authorisation of the Company is not an endorsement or guarantee of the Company by the Central Bank nor is the Central Bank responsible for the contents of the Prospectus. The authorisation of the Company by the Central Bank shall not constitute a warranty as to the performance of the Company and the Central Bank shall not be liable for the performance or default of the Company.**

The Company is authorised as a UCITS pursuant to the UCITS Regulations and GSAMFS has been appointed as the Management Company and Distributor of the Company. In addition, GSAMI serves as the Investment Adviser of the Company, Goldman Sachs Asset Management Co., Ltd, Goldman Sachs Asset Management (Singapore) Pte. Ltd, Goldman Sachs Asset Management, L.P. and Goldman Sachs Asset Management (Hong Kong) Limited serve as the Sub-Investment Advisers and Goldman Sachs & Co. LLC serves as the Valuer of the Company. Goldman Sachs may also act in a capacity other than Management Company, Investment Adviser, Sub-Investment Adviser, Valuer or Distributor of the Shares, including as broker, dealer, agent, lender or adviser or in other commercial capacities for the Company or the funds, which may give rise to additional potential conflicts of interest that could disadvantage the Company, the Funds and the Shareholders. See “*Potential Conflicts of Interest.*”

**Data Privacy** The Company and Management Company will control and protect personal data in accordance with the requirements of Regulation (EU) 2016/679, the General Data Protection Regulation or “GDPR”, as described in greater detail in the Manager’s data privacy statement. A copy of this data privacy statement is available on [www.gs.com/privacy-notice](http://www.gs.com/privacy-notice). The data privacy statement provides information on: (i) the entity or entities responsible for processing investors’ personal data; (ii) the

personal data collected from investors and from third parties about investors; (iii) the purposes for which personal data is processed and the reasons for doing so; (iv) how investor personal data is shared; and (v) investor rights in relation to processing of personal data and how investors can exercise these rights.

## **Selling Restrictions**

The distribution of this Prospectus and the offering or purchase of the Shares may be restricted in certain jurisdictions. No persons receiving a copy of this Prospectus, or the accompanying application form, in any such jurisdiction may treat this Prospectus or such application form as constituting an invitation to them to subscribe for Shares, nor should they in any event use such application form, unless in the relevant jurisdiction such an invitation could lawfully be made to them and such application form could lawfully be used without compliance with any registration or other legal requirements. Accordingly, this Prospectus does not constitute an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not lawful or in which the person making such offer or solicitation is not qualified to do so or to anyone to whom it is unlawful to make such offer or solicitation. It is the responsibility of any persons in possession of this Prospectus and any persons wishing to apply for Shares pursuant to this Prospectus to inform themselves of, and to observe, all applicable laws and regulations of any relevant jurisdiction. Prospective applicants for Shares should inform themselves as to the legal requirements of so applying and any applicable exchange control regulations and taxes in the countries of their respective citizenship, residence or domicile.

**For the purposes of the UCITS Regulations, the Company will constitute UCITS whose UCITS management company is GSAMFS. Under the UCITS Directive, the Company has applied for recognition for marketing to the public in certain Member States and certain countries in the EEA, further details of which are available from the Distributor whose address is set out in the Directory of this Prospectus.**

The offering or purchase of Shares generally is restricted to persons that are neither residents nor citizens of the United States of America, nor entities organized under the laws of the United States, except for Permitted U.S. Persons (as defined below) who may be permitted to purchase Shares. Other than to Permitted U.S. Persons, Shares generally will not be offered for sale in the United States or its territories or possessions. Prospective Shareholders must be non-U.S. Persons or Permitted U.S. Persons and meet the suitability requirements described in this Prospectus and established from time to time by the Directors. Each applicant will be required to certify to the Company that, among other things, the Shares are not being acquired and will not at any time be held for the account or benefit, directly or indirectly, of any U.S. Person except as otherwise authorised by the Directors. It is the responsibility of each Shareholder to verify that it is not a U.S. Person that would be prohibited from owning Shares. The Company or the relevant Distributor, in their sole discretion, may decline to accept the subscription for Shares from any prospective Shareholder. The Shares offered hereby have not been approved or disapproved by the SEC, by the securities regulatory authority of any U.S. state, or by any similar authority of any other country or jurisdiction, and neither the SEC nor any such authority will do so. The Shares have not been and will not be registered under the 1933 Act for offer or sale as part of their distribution. The offering and sale of the Shares to Non-U.S. Persons will be exempt from registration pursuant to Regulation S promulgated under the 1933 Act or otherwise under the 1933 Act and the offering and sale of Shares to Permitted U.S. Persons will be exempt from registration pursuant to Regulation D promulgated under the 1933 Act. There will be no public market for the Shares. Each purchaser will be required to represent that it is acquiring the Shares purchased by it for investment and not with a view to resale or distribution. The Company and the funds have not been and will not be registered as investment companies under the 1940 Act. All purchasers of Shares that are U.S. Persons must be "qualified purchasers" as defined in the 1940 Act and the rules promulgated thereunder, "accredited investors" as defined in Regulation D under the 1933 Act. As described in more detail under the heading "Futures Contracts and Options on Futures Contracts" in the "Introduction" section, the Investment Adviser expects to operate the Company as if the Investment Adviser were exempt from registration as a commodity pool operator pursuant to Rule 4.13(a)(3) under the Commodity Exchange Act.

Applicants will be required to provide the Company with declarations in a prescribed form confirming whether or not they are Irish Residents.

This Prospectus has not been delivered for registration to the Registrar of Companies in Hong Kong nor

has its content been reviewed or authorized by any regulatory authority in Hong Kong. Accordingly, unless permitted by the securities laws of Hong Kong, (i) the Shares of the Fund may not be offered or sold in Hong Kong by means of any document other than to persons that are considered "professional investors" within the meaning of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) and any rules made thereunder or in other circumstances which do not result in this document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32 of the Laws of Hong Kong) or which do not constitute an offer to the public within the meaning of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32 of the Laws of Hong Kong) and as permitted under the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong); and (ii) no person may issue or have in its possession for the purposes of issue, this Prospectus, or any advertisement, invitation or document relating to the Shares in the Fund, whether in Hong Kong or elsewhere, which is directed at, or the contents of which are likely to be accessed by, the public in Hong Kong, other than with respect to the Shares in the Fund which are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" within the meaning of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) and any rules made thereunder.

**WARNING:** The content of this Prospectus has not been reviewed by any regulatory authority in Hong Kong. You are advised to exercise caution in relation to the offering. If you are in any doubt about any content of this Prospectus, you should obtain independent professional advice.

Pursuant to the Investment Regulations the Company will refuse investment by any investor who it reasonably believes to be a resident of China.

## **Marketing Rules**

**Shares are offered only on the basis of the information contained in the current Prospectus and the latest audited annual accounts and any subsequent half-yearly report.**

Any further information or representation given or made by any dealer, salesman or other person should not be relied upon. No person has been authorised to give any information or to make any representations, other than those contained in this Prospectus in connection with the offering and issue of Shares and, if given or made such information or representations must not be relied upon as having been authorised by the Company or the Directors or by the Management Company, the Investment Adviser or any of the Sub-Investment Advisers. This Prospectus does not constitute an offer to sell or the solicitation of an offer to buy any such Shares other than the Shares to which it relates or an offer to sell or the solicitation of an offer to buy such Shares by any person in any circumstances in which such offer or solicitation is unlawful. Neither the delivery of this Prospectus nor the offer, issue or sale of Shares shall, under any circumstances, constitute a representation that the information given in this Prospectus is correct as of any time subsequent to the date of this Prospectus. Statements made in this Prospectus are based on the law and practice currently in force in Ireland and are subject to changes therein. This Prospectus should be read in its entirety before making an application for Shares.

This Prospectus may be translated into other languages provided that such translation shall be a direct translation of the English text/and such translations shall contain only and all of the same information as this Prospectus. In the event of any inconsistency or ambiguity in relation to the meaning of any word or phrase in translation, the English text shall prevail and all disputes as to the terms thereof shall be governed by, and construed in accordance with, the law of Ireland, without regard to its principles of choice of law.

References to statutes are to Irish statutes unless otherwise indicated.

The key investor information document (each a "KIID") for each of the Shares provides important information in respect of the Funds, including the applicable synthetic risk and reward indicator, charges and, where available, the historical performance associated with the Funds. Before subscribing for Shares, each investor will be required to confirm that they have received the relevant KIID.

Notwithstanding anything contained in this Prospectus to the contrary, except as reasonably necessary to comply with applicable securities laws, each prospective investor (and any employee, representative or other agent thereof) may disclose to any and all persons, without limitation of any kind, the tax

treatment and tax structure of the offering, the ownership of Shares, and any potential transaction described herein and all materials of any kind (including opinions and other tax analyses) that are provided to the prospective investor relating to such tax treatment and tax structure. For this purpose, "tax structure" means any facts relevant to the U.S. federal or state income tax treatment of the offering, the ownership of Shares and any potential transaction described herein, and does not include information relating to the identity of the issuer or its affiliates.

**GOLDMAN SACHS DOES NOT PROVIDE LEGAL, TAX OR ACCOUNTING ADVICE. GOLDMAN SACHS CLIENTS SHOULD OBTAIN INDEPENDENT TAX ADVICE BASED ON THEIR PARTICULAR SITUATION.**

Chile – Date of commencement of the offer: that of this Prospectus. The present offer is subject to General Rule N° 336 (Norma de Carácter General N° 336) of the Chilean securities and insurance regulator ("Comisión para el Mercado Financiero" or "CMF"). The present offer deals with securities that are not registered in the Securities Registry (Registro de Valores) nor in the Foreign Securities Registry (Registro de Valores Extranjeros) kept by the CMF, and, therefore, the securities which this offer refers to are not subject to the supervision of the CMF. Given the fact that the securities of the present offer are not registered with the CMF, there is no obligation for the issuer to disclose in Chile public information about said securities. These securities may not be publicly offered as long as they are not registered in the corresponding Securities Registry kept by the CMF.

#### **Sales Charge / Redemption Charge**

**A sales or redemption charge may be imposed. Investment in the Company therefore should be viewed as medium to long-term. Investors should be aware that the value of the Shares may fall as well as rise.**

#### **Role of Goldman Sachs; No Guarantee of Shares**

GSAMI a wholly-owned subsidiary of The Goldman Sachs Group, Inc., will serve as the Investment Adviser. GSAMFS acts as the Management Company and the Distributor of the Company. Goldman Sachs may also act in a capacity other than the Investment Adviser, the Management Company and the Distributor of the Company, including as broker, dealer, agent, lender or advisor or in other commercial capacities for the Company or the Funds, which may give rise to additional potential conflicts of interest that could disadvantage the Company and the Shareholders. Any losses in the Company will be borne solely by Shareholders in the Company and not by Goldman Sachs and its affiliates; therefore, Goldman Sachs' and its affiliates' losses in the Company will be limited to losses attributable to the ownership interest in the Company held by Goldman Sachs and its affiliates in their capacity as investors in the Company. Ownership interests in the Company are not insured by the U.S. Federal Deposit Insurance Corporation, and are not deposits, obligations of, or endorsed or guaranteed in any way, by any banking entity.

**Where a Share class may make distributions out of capital (which may provide for additional amounts to be distributed to Shareholders), investors should note that this will result in the reduction of an investor's original capital invested in the relevant Fund. The relevant Fund's capital will be eroded and the distribution will be achieved by foregoing the potential for future capital growth and by potentially diminishing the value of future returns; this cycle may continue until all capital is depleted. Accordingly, distributions made out of capital during the life of the relevant Fund must be understood as a type of capital reimbursement. Distributions out of capital may have different tax implications to distributions of income and recommend that investors seek advice in this regard.**

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**GOLDMAN SACHS FUNDS II PLC**

**Directors**

Frank Ennis  
Jonathan Beinner  
Gráinne Alexander  
Katherine Uniacke

**Company Secretary and Registered Office**

Matsack Trust Limited  
70 Sir John Rogerson's Quay  
Dublin 2, Ireland

**Management Company and Distributor**

Goldman Sachs Asset Management Fund  
Services Limited  
47-49 St Stephen's Green  
Dublin 2, Ireland

**Investment Adviser**

Goldman Sachs Asset Management International  
Plumtree Court  
25, Shoe Lane  
London EC4A 4AU  
United Kingdom

**Administrator**

State Street Fund Services (Ireland) Limited  
78 Sir John Rogerson's Quay  
Dublin 2, Ireland

**Sub-Investment Advisers**

Goldman Sachs Asset Management Co., Ltd.  
Roppongi Hills Mori Tower  
10-1, Roppongi 6- Chome  
Manato-ku  
Tokyo 106 6144, Japan

- and -

**Registrar and Transfer Agent**

RBC Investor Services Ireland Limited  
4<sup>th</sup> Floor  
One George's Quay Plaza  
George's Quay  
Dublin 2, Ireland

Goldman Sachs Asset Management (Hong Kong)  
Limited  
68/F Cheung Kong Center  
2 Queen's Road Central, Hong Kong

- and -

**Chartered Accountants and Registered Auditors**

PricewaterhouseCoopers  
One Spencer Dock  
North Wall Quay  
Dublin 1, Ireland

Goldman Sachs Asset Management (Singapore)  
Pte. Ltd.  
#07-01 South Lobby  
One Raffles Link, Singapore

- and -

Goldman Sachs Asset Management, L.P.  
200 West Street  
New York, NY 10013  
USA

**Valuer**

Goldman Sachs & Co. LLC  
200 West Street  
New York, NY 10282, USA

**Legal Advisers as to Irish law**

Matheson LLP  
70 Sir John Rogerson's Quay  
Dublin 2, Ireland

**Depositary**

State Street Custodial Services (Ireland) Limited  
78 Sir John Rogerson's Quay  
Dublin 2, Ireland

**Sub-Depositary**

The Hongkong and Shanghai Banking  
Corporation Limited  
1 Queen's Road Central, Hong Kong

acting through its wholly owned subsidiary  
HSBC Bank (China) Company Limited  
20<sup>th</sup> Floor  
1000 Lujiazui Ring Road, Pudong  
Shanghai (200120), PRC

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**SUMMARY**

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**Structure**

The Company is an umbrella fund with segregated liability between sub-funds established as an investment company incorporated with limited liability under the laws of Ireland. Its share capital may be divided into a number of series each representing interests in a fund, save for the Subscriber Shares which will be held by or on behalf of the Investment Adviser or one of its affiliates and which will not entitle the holders to participate in the assets of any fund.

Details of each Fund are contained in the relevant Supplement. As at the date of this Prospectus, the Company has one Fund, namely the Goldman Sachs China A-Share Equity Portfolio.

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**DEFINITIONS**


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In this Prospectus the following words and phrases shall have the meanings indicated below:

“1933 Act”	means the U.S. Securities Act of 1933, as amended;
“1940 Act”	means the U.S. Investment Company Act of 1940, as amended;
“A Shares”	means Shares denominated in Renminbi and issued by companies in the PRC and listed on any Exchanges or such other shares issued by companies in the PRC listed on any Exchanges and available for investment by a QFI, or through the Stock Connect or other available channels under applicable laws;
“Accumulation Class Shares”	means the classes of Share whose name includes the designation “(Acc)”;
“Administrator”	means State Street Fund Services (Ireland) Limited or such other company in Ireland appointed by the Management Company as its delegate to provide certain administrative services in relation to the Company, in accordance with the requirements of the Central Bank;
“Administration Agreement”	means the amended and restated agreement between the Company, the Administrator and the Management Company pursuant to which the Administrator is appointed by the Management Company as its delegate to provide certain administrative services in relation to the Company as may be amended by written agreement between the parties from time to time;
“Advisers Act”	means the United States Investment Advisers Act of 1940, as amended;
“AIF”	has the meaning given in the AIFM Regulations;
“AIF Rulebook”	means the Central Bank’s AIF Rulebook (and supplementary guidance published in relation thereto from time to time), as amended, consolidated or substituted from time to time;
“AIFM Regulations”	means the European Union (Alternative Investment Fund Managers Directive) Regulations (SI No 257 of 2013) of Ireland, the AIF Rulebook and any guidance issued pursuant thereto, as each may be amended from time to time;
“Articles”	means the memorandum and articles of association of the Company (as may be amended and/or supplemented from time to time);
“Auditor”	means PricewaterhouseCoopers or such other firm of chartered accountants as may time from time be appointed as auditor to the Company;
“Available Currency”	means each currency set out in the table at the end of this section;

“Base Currency”	means the base currency of the Funds being U.S. Dollar, unless otherwise determined by the Directors and disclosed in the Prospectus;
“BHC”	means a “bank holding company” under the BHCA;
“BHCA”	means the U.S. Bank Holding Company Act of 1956, as amended;
“Board of Directors” or “Directors”	means the directors of the Company for the time being and any duly constituted committee thereof;
“BSE”	means Beijing Stock Exchange
“Business Day”	means such day(s) as specified in the relevant Supplement;
“Central Bank”	means the Central Bank of Ireland or any successor thereto;
“Central Bank UCITS Regulations”	the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2019, as amended from time to time, and any guidance issued by the Central Bank in respect of same;
“CFFEX”	means the China Financial Futures Exchange or any successor thereto;
“CFTC”	means the United States Commodity Futures Trading Commission or any successor thereto;
“Class Currency”	means the currency in which a Share class is designated;
“Class Expenses”	means any expenses attributable to a specific class including legal fees and the expenses of registering a class in any jurisdiction or with any stock exchange, regulated market or settlement system and such other expenses arising from such registration;
“Code”	means the United States Internal Revenue Code of 1986, as amended;
“Commodity Exchange Act”	means the United States Commodity Exchange Act of 1974, as amended;
“Company”	means Goldman Sachs Funds II plc, an investment company with variable capital, incorporated in Ireland;
“CSDCC”	means The China Securities Depository & Clearing Corporation Limited, including its Beijing Branch, Shanghai Branch, Shenzhen Branch and/or such other branch as may be established;
“CSRC”	means The China Securities Regulatory Commission of the PRC, the government agency responsible for matters relating to securities regulation;
“Currency Hedged Share Classes”	a Share class for which the intention is to systematically hedge currency exposure;

“Dealing Day”	means each day specified in the relevant Supplement and/or such other days as the Directors from time to time may determine, provided that there will be at least one Dealing Day per fortnight and Shareholders will be notified in advance;
“Depositary”	means State Street Custodial Services (Ireland) Limited or such other company in Ireland as may be appointed as depositary of the assets of the Company as successor thereto in accordance with the requirements of the Central Bank;
“Depositary Agreement”	means the amended and restated agreement between the Company, the Depositary and the Management Company, pursuant to which the Depositary is appointed depositary of the Company, as may be amended by written agreement between the parties from time to time;
“Distributor”	means the Management Company, acting in its capacity as Distributor;
“Distribution Class Shares”	means the classes of Share whose name includes the designation “(Dist)”;
“Duties and Charges”	means all stamp duty and other duties, taxes, governmental charges, imposts, levies, exchange costs and commissions, transfer fees and expenses, agents’ fees, brokerage fees, commissions, bank charges, transfer fees, registration fees and other duties and charges, whether payable in respect of the constitution, increase or reduction of all of the cash and other assets of the Company or the creation, acquisition, issue, conversion, exchange, purchase, holding, repurchase, redemption, sale or transfer of Shares or investments by or on behalf of the Company which may have become or will become payable in respect of or prior to or upon the occasion of any transaction, dealing or valuation;
“EEA”	means the European Economic Area;
“ERISA”	means the U.S. Employee Retirement Income Security Act of 1974, as amended;
“EU”	means the European Union;
“EUR” or “euro” or “€”	means the unit of the European single currency;
“Exchange”	means SSE, SZSE, BSE and any other stock exchange that opens in the PRC;
“Exempt Irish Resident”	means each category of Irish Resident identified in the “Taxation” section below as an exempt Irish Resident;
“Federal Reserve”	means the Board of Governors of the U.S. Federal Reserve System;
“FCA”	means the United Kingdom Financial Conduct Authority and any successor bodies thereto;
“FDI”	means financial derivative instrument;

“FHC”	means a “financial holding company” under the BHCA;
“FSMA”	means the Financial Services and Markets Act 2000 of the United Kingdom, as amended;
“Fund” or “Funds”	means a sub-fund(s) of the Company;
“Goldman Sachs”	means The Goldman Sachs Group, Inc. or any of its affiliates;
“Government Securities”	means any fixed income or floating rate security or securities issued or guaranteed by any government, state, province, local authority or other political sub-division of a government, including any agency or instrumentality thereof;
“GSAM”	means Goldman Sachs Asset Management;
“GSAMFS”	means Goldman Sachs Asset Management Fund Services Limited, which is an indirect subsidiary of The Goldman Sachs Group, Inc.;
“GSAMI”	means Goldman Sachs Asset Management International, which is an indirect subsidiary of The Goldman Sachs Group, Inc.;
“GSI”	means Goldman Sachs International, which is an indirect subsidiary of The Goldman Sachs Group, Inc.;
“Intermediary”	means a person who: <ul style="list-style-type: none"> <li>(a) carries on a business which consists of, or includes, the receipt of payments from an investment undertaking on behalf of other persons, or</li> <li>(b) holds shares in an investment undertaking on behalf of other persons;</li> </ul>
“Investment Adviser”	means GSAMI and where relevant includes the Sub-Investment Advisers;
“Investment Advisory Agreement”	means the amended and restated agreement between the Management Company, the Investment Adviser and the Company pursuant to which the Investment Adviser is appointed by the Management Company as its delegate to act as investment adviser in relation to the assets of the Company;
“Investment Advisory Sub-Delegation Agreement”	means the agreement among the Investment Adviser, the Sub-Investment Adviser and the other sub-delegates appointed thereunder, pursuant to which the Sub-Investment Adviser is appointed by the Investment Adviser (with the approval of the Management Company) as its delegate to act as sub-investment adviser in relation to the assets of the Company;
“Investment Regulations”	as the context requires, means the laws, regulations and rules governing the QFI program and the Stock Connect and the relevant investments thereunder by overseas institutional investors, including any amendments to the foregoing from time to time;

“Irish Resident”	means, unless otherwise determined by the Directors, any company resident, or other person resident or ordinarily resident, in Ireland for the purposes of Irish Tax. Please see the “Taxation” section below;
“Management Agreement”	means the amended and restated agreement between the Company and the Management Company, pursuant to which the Management Company was appointed as UCITS management company of the Company, as amended, supplemented or otherwise modified from time to time in accordance with the requirements of the Central Bank;
“Management Company”	means GSAMFS or such other entity as may from time to time be appointed to provide management services to the Company in accordance with the requirements of the Central Bank;
“Member State”	means a member state of the EU;
“Net Asset Value” or “NAV”	means the net asset value of the Company, or of a Fund, as appropriate, calculated as described herein;
“Net Asset Value per Share”	means the net asset value per Share calculated as described herein;
“North America Distributor”	means Goldman Sachs & Co. LLC which has been appointed by the Distributor as its delegate to act as the sub-distributor to the Company in connection with the offering of Shares to Permitted U.S. Persons;
“OECD”	means the Organisation for Economic Co-Operation and Development, whose members as at the date of this Prospectus are Australia, Austria, Belgium, Canada, Chile, Columbia, Costa Rica, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Israel, Italy, Japan, Korea, Latvia, Lithuania, Luxembourg, Mexico, the Netherlands, New Zealand, Norway, Poland, Portugal, the Slovak Republic, Slovenia, Spain, Sweden, Switzerland, Turkey, United Kingdom and the U.S.;
“Ordinary Resolution”	means a resolution passed by a simple majority of the votes cast by Shareholders entitled to attend and vote at general meetings of the Company or on matters affecting the relevant Fund or class of Shares, as the case may be;
“OTC”	means over-the-counter;
“PBOC”	means The People’s Bank of China, the central bank of the PRC, and/or its Shanghai Head Office as appropriate;
“Paying Agents”	facilities agents / paying agents / representatives / distributors / correspondent banks appointment by the Management Company;
“Permitted U.S. Person”	means a U.S. Person that is exempt from U.S. federal income tax and certain other U.S. Persons that would not be subject to U.S. federal income tax on an investment in the Company;

“PRC” or “China”	means the People’s Republic of China (excluding the Hong Kong and Macau Special Administrative Regions and Taiwan) and the term “Chinese” shall be construed accordingly;
“Permitted U.S. Tax Person”	means a Permitted U.S. Person who is a U.S. Tax Person;
“Prospectus”	means this prospectus and shall, where the context so requires, include any Supplement issued in relation to the Company or any Fund of the Company;
“QFI”	means qualified foreign institutional investor program under the Investment Regulations;
“Redemption Cut-Off Time”	means the time specified in the relevant Supplement (or such other time prior to the Valuation Point as the Management Company may from time to time determine);
“Registrar and Transfer Agent”	means RBC Investor Services Ireland Limited or any successor appointed by the Management Company as its delegate to act as registrar and transfer agent in relation to the Company;
“RTA Agreement”	means the amended and restated agreement between the Company, the Registrar and Transfer Agent and the Management Company, pursuant to which the Registrar and Transfer Agent is appointed by the Management Company as its delegate as the registrar and transfer agent in relation to the Company;
“RMB” or “Renminbi”	means the lawful currency of PRC;
“SAFE”	means the PRC State Administration of Foreign Exchange, the government agency responsible for matters relating to foreign exchange administration;
“SAT”	means the PRC State Administration of Taxation, the government agency responsible for matters relating to taxation administration;
“SEC”	means the U.S. Securities and Exchange Commission;
“Section 238 Persons”	means persons authorised under Section 238 of the FSMA who are outside the United Kingdom, have professional experience relating to investments, or are persons to whom a prospectus for a collective investment scheme may be communicated;
“Securities System”	means the CSDCC, China Central Depository & Clearing Co., Ltd., Shanghai Clearing House and/or other recognized clearing and depository agencies in the PRC;
“SFDR”	means Regulation (EU) 2019/2088 of the European Parliament and of the Council on sustainability-related disclosures in the financial services sector;
“Shanghai-HK Connect”	means the Shanghai-Hong Kong Stock Connect program under which Hong Kong and overseas investors may invest in eligible A Shares and exchange-traded funds traded on SSE;
“Share” or “Shares”	means a share or shares of any class in the Company;

“Shareholder”	means a holder of Shares;
“Shenzhen-HK Connect”	means the Shenzhen-Hong Kong Connect program under which Hong Kong and overseas investors may invest in eligible A Shares and exchange-traded funds traded on SZSE;
“SSE”	means the Shanghai Stock Exchange;
“Stock Connect”	means the Shanghai-HK Connect and/or the Shenzhen-HK Connect;
“Subscription Cut-Off Time”	means the time specified in the relevant Supplement (or such other time prior to the Valuation Point as the Management Company may from time to time determine);
“Sub-Depository”	means The Hongkong and Shanghai Banking Corporation Limited acting through its wholly-owned subsidiary HSBC Bank (China) Company Limited;
“Sub-distributor”	means those entities appointed by the Distributor to distribute Shares of the Company;
“Sub-Investment Advisers”	means Goldman Sachs Asset Management Co., Ltd, Goldman Sachs Asset Management (Singapore) Pte. Ltd, Goldman Sachs Asset Management, L.P. and Goldman Sachs Asset Management (Hong Kong) Limited which are indirect subsidiaries of The Goldman Sachs Group, Inc.;
“Sub-Investment Advisory Agreements”	means the master portfolio management sub-delegation agreement between GSAMI and each of the Sub-Investment Advisers dated 14 July 2014 as amended or supplemented from time to time, pursuant to which each of the Sub-Investment Advisers act as sub-investment advisers in relation to the assets of the Company;
“Subscriber Shares”	means the initial share capital of 2 Shares of no par value subscribed for USD1 each;
“Supplement”	means any supplement to the Prospectus issued by the Company in connection with a Fund from time to time which may be attached to this Prospectus or issued as a separate document as the Directors, with the consent of the Central Bank, may determine;
“Supplementary Custodian Agreement”	means the supplementary custodian agreement dated 24 February 2010 between the Company, the Depository, State Street Bank and Trust Company, the Sub-Depository and GSAMI in relation to the duties and obligations of the Sub-Depository;
“SZSE”	means the Shenzhen Stock Exchange;
“Taxes Act”	means the Irish Taxes Consolidation Act 1997, as amended from time to time;
“UCITS”	means an undertaking for collective investment in transferable securities within the meaning of the UCITS Regulations;

“UCITS Directive”	means Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009;
“UCITS Regulations”	means the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (S.I. 352 of 2011), as amended, and all applicable Central Bank notices issued or conditions imposed or derogations granted thereunder;
“U.S.” or “United States”	means the United States of America (including the States and the District of Columbia), its territories, possessions and all other areas subject to its jurisdiction;
“U.S. Dollars” or “USD”	means U.S. Dollars, the lawful currency of the U.S.;
“U.S. Person”	has such meaning as is set out in Appendix C hereto;
“U.S. Tax Person”	has such meaning as is set out in Appendix C hereto;
“Valuation Agreement”	means the amended and restated agreement between the Management Company and the Valuer, pursuant to which the Valuer is appointed by the Management Company as its delegate to provide certain valuation services in relation to the assets of the Company;
“Valuation Day”	means each Dealing Day and/or such other days as the Directors may determine;
“Valuation Point”	means the time specified in the relevant Supplement with respect to a given Fund; and
“Valuer”	means Goldman Sachs & Co. LLC or such other entity as may for the time being be appointed by the Management Company as its delegate to provide valuation services in relation to the assets of the Company.

#### Table of Available Currencies

Defined Term	Currency of
“AUD”	the Commonwealth of Australia
“BRL”	the Federative Republic of Brazil
“CAD”	Canada
“CHF”	Switzerland
“CNH”	refers to RMB traded outside the PRC
“CNY”	refers to RMB traded in the PRC
“DKK”	the Kingdom of Denmark
“EUR”	the Member States
“GBP”	the United Kingdom
“HKD”	Hong Kong
“IDR”	Indonesia
“ILS”	State of Israel

"INR"	the Republic of India
"JPY"	Japan
"KRW"	the Republic of Korea
"NOK"	Norway
"NZD"	New Zealand
"PLN"	Poland
"RMB"	the PRC
"SEK"	the Kingdom of Sweden
"SGD"	the Republic of Singapore
"USD"	the U.S.
"ZAR"	the Republic of South Africa.

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## INTRODUCTION

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### The Company and its Funds

The Company is an investment company with variable capital organised under the laws of Ireland as a public limited company pursuant to the Act. It was incorporated in Ireland on the 23 June 2005 under registration number 404210 and named GSAMI China Funds plc. It was authorised by the Central Bank as an alternative investment fund. The Company was then authorised as a UCITS pursuant to the UCITS Regulations on 24 April 2020 and it changed its name to Goldman Sachs Funds II plc on 17 April 2020.

The Company has appointed GSAMFS to be its UCITS management company. The Management Company has delegated portfolio management of the Company's assets to the Investment Adviser and the Investment Adviser has, with the approval of the Management Company, sub-delegated this portfolio management function to the Sub-Investment Advisers. The Investment Adviser will at all times perform its functions in relation to the Company and the Funds in accordance with the risk management parameters and policies, and leverage limits established by the Management Company. Each of the Sub-Investment Advisers will at all times performs their respective functions in relation to the Company and the Funds in accordance with the risk management parameters and policies established by the Management Company. The Company is promoted by Goldman Sachs Asset Management International. Details of the promoter may be found under the "Management and Administration – The Investment Adviser" section.

The Company's sole object, as set out in clause 2 of the Articles, is the collective investment of its Funds in property with the aim of spreading investment risk and affording the members of the Company the benefit of the results of the management of its Funds.

The Company is organised in the form of an umbrella fund with segregated liability between sub-funds. The Articles provide that the Company may offer separate series of Shares, each representing interests in a Fund. Each Fund will have a distinct portfolio of investments.

With the prior approval of the Central Bank, the Company from time to time may create a fund or funds, the investment policies and objectives for which shall be outlined in a Supplement, together with details of the initial offer period, the initial subscription price for each Share and such other relevant information in relation to the additional fund or funds as the Directors may deem appropriate, or the Central Bank requires, to be included. Each Supplement shall form part of, and should be read in conjunction with, this Prospectus. In addition, upon prior notification to, and clearance by, the Central Bank, the Company may create different classes of Shares within a Fund.

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## INVESTMENT OBJECTIVE AND POLICIES OF THE FUNDS

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The investment objective and policies of a Fund are set out in the relevant Supplement. Certain information applicable to the Funds generally is set out below.

### Investment in China

Where indicated in its Supplement, a Fund may invest in China.

#### *PRC Foreign Investment Regulations and Exchange Controls*

Regulations came into effect in December 2002 providing a legal framework for certain qualified foreign investors to invest for the first time in A Shares listed on either SSE or SZSE and in other permitted securities.

#### *Investment Regulations*

A Fund may invest in the Chinese securities market through multiple available foreign investment channels which currently include (without limitation to) the QFI program and the Stock Connect. To the extent such investment is made, the Investment Regulations governing the relevant channel will become applicable and should be complied with.

Under the Investment Regulations applicable to Stock Connect, qualified foreign institutions and investors may directly invest in selected PRC A Shares.

Under the Investment Regulations applicable to QFI program, certain qualified foreign institutions and investors may invest in PRC A Shares, PRC fixed income securities and other permitted securities through QFI program. The Company does not satisfy the criteria to qualify as a QFI itself and therefore invests via the GSAMI, which has obtained the QFI status approved by the CSRC. Potential investors should note that there is no guarantee that GSAMI will continue to maintain its QFI license. Moreover, the GSAMI license is not made exclusively available to the Company.

The Company may also take an exposure to PRC securities, including PRC A Shares, indirectly through financial derivative instruments, other permitted funds investing in PRC A Shares or through an access product, which is a security (such as a participatory note, warrant, option, participating certificate) linked to PRC A Shares or portfolios of PRC A Shares which aim to synthetically replicate the economic benefit of the relevant PRC A Shares or portfolios of PRC A Shares.

The investment via QFI program used to be subject to investment quota restrictions imposed by the SAFE for each QFI license holder. To further open the capital markets within PRC, SAFE announced its decision to remove the investment quota restrictions on 10 September 2019 and the implementing rules have become effective as of 6 June 2020. Under the current QFI program, the Company may invest in PRC A Shares, PRC fixed income securities and other permitted securities without being subject to any quota limitation, after the Investment Adviser (as QFI) completes the registration process with SAFE through a local custodian and opens relevant cash accounts with the local custodian for funds remittance.

Under the Investment Regulations related to the QFI program, direct investment in A Shares, bonds, securities investment funds and warrants listed on SSE or SZSE and stock index futures listed on the CFFEX is generally permitted. The scope of investments permitted, however, is narrowed by several restrictions. Firstly, Exchanges do not currently permit a QFI to enter into bond repurchase agreements. Secondly, CSRC and SAFE may impose certain unofficial requirements on the asset allocation from time to time. Thirdly, the QFIs may be subject to relevant PRC rules or guidance on industrial investment restrictions. Accordingly QFIs are only permitted to invest in market sectors which are open to foreign investment. Fourthly, no single foreign investor may (through QFIs, and all other available investment channels, including but not limited to Stock Connect) acquire more than 10% of the total number of shares of any listed company on Exchange and the aggregate holdings of all foreign investors in A Shares of any listed company (through the QFI regime and all other available channels, including but not limited to Stock Connect) cannot exceed 30% of the total number of its shares. Although it has not been explicitly set out under the Investment Regulations, in practice, the 10% restriction is also applied at the QFI level, i.e. a QFI may not hold 10% or more of the total number of shares of any listed company on Exchanges, regardless of the fact that such QFI may hold its interest on behalf of a number of different clients. Accordingly, as the GSAMI QFI license is also available to investors other than the Funds, the limit which the Funds may invest in the shares of one listed company may effectively be reduced below 10%. Where any of these applicable shareholding limits is crossed, the relevant Funds will be required to adjust the positions in respect of the excessive shareholding within a certain period.

Each QFI is obliged to appoint a licensed PRC custodian bank to act in respect of its holdings. This requirement is met by the appointment of the Sub-Depositary pursuant to the Supplementary Custodian Agreement to which the Investment Adviser (in its capacity as QFI) and the Depositary are also parties. Under the current Investment Regulations, the Sub-Depositary is responsible for opening securities trading accounts and the securities settlement accounts with the Securities System, as well as Renminbi accounts and foreign exchange accounts (if applicable) for each of its QFI customers.

Pursuant to the Investment Regulations, trading of stock index futures at the trading house for stock index futures, CFFEX, is available for QFIs as well. However, QFIs' investment in stock index futures is permitted to be made for hedging purposes only. As the definition of "hedging" is not clearly provided by the regulators, there may be certain degree of flexibility to interpret whether a certain transaction would be deemed as "hedging", subject to CFFEX or other competent regulators' further prevailing guidance. Subject to complying with applicable approval and/or filing requirements (including, without limitation, updating GSAMI's investment plan filed with CSRC and SAFE to include the trading of stock

index futures, and obtaining a hedging quota and trading code from CFFEX), the Company may take advantage of the investment opportunities related to stock index futures trading in accordance with the restrictions discussed above and in other applicable laws and regulations promulgated by CSRC and CFFEX. For the purpose of investing in stock index futures, the Investment Adviser may (but is not obliged to) appoint PRC futures companies (which, to the extent permitted by applicable law (including the delegation provisions of the UCITS Regulations), may include an affiliate) as its agent to trade stock index futures. Considering the trading rules for stock index futures continue to evolve, it should be reminded there might be potential risks which will affect the Fund's investment in stock index futures trading and the corresponding A Shares.

Under the Investment Regulations, there is no explicit limitation on number of PRC securities brokers per Exchange can be appointed. However, in practice, a Fund may or may not elect to use multiple brokers at an Exchange if it reasonably believes it is in the best interest of the relevant Fund and its Shareholders. To the extent permitted by applicable law (including the delegation provisions of the UCITS Regulations), the Investment Adviser and the Sub-Investment Advisers may in their absolute discretion direct the execution of some or all securities trades through an affiliate.

Although the Investment Regulations do not explicitly prohibit an investor's same day buy/sell activities (under QFI or Stock Connect programs), based on current guidance from the Exchanges, such activities are closely monitored by the Exchanges on a daily basis with a focus on fair trading and prevention of illegal transfer of interests. Should the volume of the same day buy/sell on a single stock by an investor at an Exchange exceed a certain percentage of the total volume of such stock, the investor may receive inquiries from the Exchange and be asked to provide explanations. It is possible that surveillance of such activities are conducted at the investor level, taking into account investments of other clients/funds which invest (or will invest) via the GSAMI QFI license or Stock Connect; as such, if the Investment Adviser as a whole is found to be engaging in same day buy/sell of any stock, the relevant Fund's further investment in the same stock could be restricted. For example, the relevant Fund could be restricted from purchasing a particular stock on the same day when any other fund / client account utilizing the GSAMI QFI license sells such stock.

Exchange-traded securities purchased on behalf of a Fund through the GSAMI QFI license are required to be recorded by CSDCC as credited to a securities trading account maintained in the joint names of the relevant Fund and GSAMI as QFI (or such other account name as approved by SAFE which may reference also the relevant Fund). Given that pursuant to the Investment Regulations the QFI will be the party entitled to the securities (albeit that this entitlement does not constitute an ownership interest or preclude the QFI purchasing securities on behalf of the relevant Fund) the assets of the relevant Fund may not be as well protected as they would be if it were possible for them to be registered and held solely in the name of the relevant Fund.

The Investment Regulations have been revised to remove the limitation on repatriation of funds. SAFE has discretions on the application and interpretation of the repatriation requirements under the Investment Regulations in any specific context and there is no certainty as to how such discretions might be exercised in the future. Under the Investment Regulations, the Sub-Depositary is required to deposit assets of the Company (that are exchange-traded securities) representing a percentage of the GSAMI's average amount of accumulated net inward funds for the preceding month (subject to a floor at zero) as a minimum clearing reserve fund, the percentage amount to be determined from time to time by the CSDCC Shanghai and Shenzhen branches. Currently, the minimum clearing reserve ratio determined by the CSDCC Shanghai and Shenzhen branches are 0.06%. In times of rising PRC security values assets retained in the clearing reserve fund may impact adversely on the performance of the relevant Fund and, conversely, in times of falling PRC security values may cause a Fund to perform better than might otherwise have been the case.

### **Investment Techniques and Instruments and Securities**

The Funds may employ certain active investment management techniques related to the currency, credit and interest rate and other market-related risks associated with a Fund's efforts to achieve its investment objective. Unless otherwise indicated in its Supplement, a Fund may, in order to maximise total returns, use the investment management techniques and instruments set out below and in the "*Financial Derivative Instruments*" section.

Investors should note that although the Funds may utilise the techniques and instruments referred to above and in the section entitled “*Risk Considerations*” below the Funds shall not be obliged to use such techniques and instruments. The following represents examples of the Investment Techniques a Fund may use.

### ***Currency Transactions***

A Fund may enter into spot and forward currency contracts in light of anticipated changes in currency exchange rates in an effort to increase total return as well as for hedging and risk management purposes.

### ***Options on Currencies***

A Fund may purchase and write put and call options on either the Base Currency or other currencies as part of the implementation of its investment policy or in an effort to protect against relative movements between the currencies and the subsequent changes in the Base Currency equivalent value or cost of investments.

### ***Options on Securities and Securities Indices***

A Fund may write and purchase call and put options on any security, or index composed of securities. Additional information on any index or indices utilised by the Fund for investment purposes shall be made available in the annual reports of the Company.

### ***Futures Contracts and Options on Futures Contracts***

A Fund may purchase and sell various kinds of futures contracts, including single stock futures, and purchase and write call and put options on any of such futures contracts in order to seek to increase total return by exposure to, or, in order to seek to hedge against, changes in interest rates, securities prices, other investment prices, index prices, or, to the extent the Fund invests in securities denominated in a currency other than the Base Currency, currency exchange rates, or to otherwise manage its term structure, sector selection and duration in accordance with its investment objective and policies. A Fund may also enter into closing purchase and sale transactions with respect to any of such contracts and options to enable it to close out a position in an existing contract.

Although the Investment Adviser is registered with the CFTC under the Commodity Exchange Act, as a commodity pool operator (a “CPO”) with respect to other pools that it operates, the Investment Adviser expects to operate the Company as if the Investment Adviser were exempt from registration as a CPO pursuant to Rule 4.13(a)(3) under the Commodity Exchange Act (the “Rule 4.13(a)(3) Exemption”). The Investment Adviser expects to rely on the Rule 4.13(a)(3) Exemption based on satisfaction of the criteria for such exemption, which include the following: (i) the offer and sale of the Shares is exempt from registration under the 1933 Act, as amended, and is being conducted without marketing to the public in the United States; (ii) the Company will at all times meet the trading limits of Rule 4.13(a)(3)(ii) with respect to any “commodity interest”; (iii) the Investment Adviser reasonably believes that each person who participates in the Company meets the eligibility criteria under Rule 4.13(a)(3); and (iv) the Shares will not be marketed as or in a vehicle for trading in the commodity futures or commodity options markets. In order to rely on the Rule 4.13(a)(3) Exemption, the Company may only engage in a limited amount of commodity interest transactions, which includes transactions involving futures contracts and swaps. As a result of still being so limited, the Company may not be able to engage in certain transactions, which could adversely affect the Company’s performance. Because the Investment Adviser will operate the Company as if it were exempt from registration as a CPO, the Investment Adviser will not be required to deliver a CFTC-compliant disclosure document and a certified annual report to Shareholders in the Company. For the avoidance of doubt, this will have no impact on the other reports that Shareholders in the Company will receive as described in this Prospectus. If at any time the Investment Adviser is unable to satisfy the criteria for the Rule 4.13(a)(3) Exemption, this Prospectus will be updated. For the avoidance of doubt, the Company will not invest directly in commodities.

### ***Securities Financing Transactions and Total Return Swaps***

Unless otherwise specified in the relevant Supplement, the Funds will not enter into any repurchase, reverse repurchase or securities lending agreements or total return swaps.

### ***When-Issued and Forward Commitment Securities***

A Fund may purchase securities on a when-issued basis. When-issued transactions arise when securities are purchased by the Fund with payment and delivery taking place in the future in order to secure what is considered to be an advantageous price and yield to the Fund at the time of entering into the transaction.

A Fund may also purchase securities on a forward commitment basis. In a forward commitment transaction, the Fund contracts to purchase securities for a fixed price at a future date beyond customary settlement time. Alternatively, a Fund may enter into offsetting contracts for the forward sale of other securities that it owns.

### ***Zero Coupon and Deferred Interest Bonds***

A Fund may invest in zero coupon bonds and deferred coupon bonds, which are debt obligations issued at a significant discount from face value. Zero coupon bonds do not require the periodic payment of interest by the issuer, while deferred interest bonds generally provide for a period of delay before the regular payment of interest begins.

### ***Asset-Backed and Receivables-Backed Securities***

A Fund may invest in asset-backed securities and receivables-backed securities. These are created by the grouping of certain governmental, government-related and private loans, receivables and other lender assets into pools, the interests in which are sold as individual securities. The securities may be structured to entitle the holder to receive payments of interest and principal at regular intervals or upon maturity or specified call dates. The interest rates may be fixed or floating.

### ***Hedging Strategies***

In addition to these active strategies, the Company reserves the right to employ a hedging strategy to hedge currency risks or the risk of fluctuations in the value of the assets of the Company but will not be obliged to do so. It should be further noted that even where the Company seeks to employ hedging strategies there can be no guarantee that it will be successful, particularly as appropriate instruments may not be available to effect the hedge. The Company does not currently intend to hedge the currency exposure of its investments into the Base Currency.

#### Currency Hedging at Share Class Level

A Fund may use FDI on behalf of a specific Currency Hedged Share Class in order to hedge some or all of the foreign exchange risk for such Currency Hedged Share Classes.

There are two methods used for Share class currency hedging:

- NAV Hedge. This type of hedging seeks to minimise the effect of exchange rate fluctuations between the Base Currency and the class currency of the Currency Hedged Share Class. It is typically used when most portfolio holdings are either denominated in, or hedged back to, the Base Currency. Where such hedging is undertaken, the class currency of the Currency Hedged Share Class is systematically hedged to the Base Currency. Where the NAV Hedge is applied successfully in respect of a Currency Hedged Share Class, the performance of the Currency Hedged Share Class is likely to move in line with the performance of the Share classes denominated in the Base Currency. The use of the NAV Hedge may substantially limit the holders of the relevant Currency Hedged Share Class from benefiting if the currency of the Currency Hedged Share Class decreases in value relative to the Base Currency.

- **Portfolio Hedge.** This type of hedging seeks to minimise the effect of exchange rate fluctuations between the currency exposures of the portfolio holdings and the class currency of the Currency Hedged Share Class. It is typically used when most of the portfolio holdings are neither denominated in, nor hedged back to, the Base Currency. Where such hedging is undertaken, the currency exposures of the assets of the Fund are systematically hedged back to the class currency of the Currency Hedged Share Class in proportion to the Currency Hedged Share Class' share of the Net Asset Value of the Fund, unless for specific currencies, it is impractical or not cost effective to apply the Portfolio Hedge. The use of the Portfolio Hedge may substantially limit the holders of the relevant Currency Hedged Share Class from benefiting if the class currency of the Currency Hedged Share Class decreases in value relative to the currencies in which the underlying assets of the Fund being hedged are denominated.

Where a Fund offers Currency Hedged Share Classes, the hedging method used by the Fund is indicated in the relevant Supplement.

Where currency hedging transactions are entered into to hedge any relevant currency exposure in respect of a Currency Hedged Share Class, each such transaction will be clearly attributable to the specific Currency Hedged Share Class and any costs shall be for the account of that Currency Hedged Share Class only. Accordingly, all such costs and related liabilities and/or benefits will accrue solely to and be reflected in the Net Asset Value per Share of such Currency Hedged Share Class. To the extent that hedging is successful, the performance of the relevant class is likely to move in line with the performance of the underlying asset or assets. In addition, investors in such classes will not benefit if the class currency falls against the Base Currency or against the currency in which the assets of the Fund are denominated.

Over-hedged or under-hedged positions may arise unintentionally due to factors outside the control of the Management Company, however, hedged positions will be kept under review to seek that: (i) over-hedged positions do not exceed 105% of the Net Asset Value of the Currency Hedged Share Class and (ii) under-hedged positions do not fall below 95% of the portion of the Net Asset Value of the Currency Hedged Share Class. The hedged positions will be kept under review to ensure that under-hedged positions do not fall below the levels set out above and are not carried forward from month to month and that over-hedged positions materially in excess of 100% and any under-hedged positions falling short of the level above will not be carried forward from month to month.

A Fund that hedges foreign exchange risk for any Currency Hedged Share Class may enter into forward foreign exchange contracts in order to hedge some or all of the foreign exchange risk for the relevant Currency Hedged Share Class.

#### Unhedged Classes

In the case of unhedged Share classes, a currency conversion will take place on subscription, redemption, switching and distribution at prevailing exchange rates and the investor is subject to currency risk in the form of potential capital losses resulting from movements of the exchange rate between the investor's currency and the currency of the Share class in which such investor invests.

#### **Ancillary Liquid Assets**

The Company may retain such amounts as the Directors consider appropriate to maintain a liquid portfolio of cash, deposits, money market instruments (including US or non-US government securities, commercial paper, certificates of deposit, bankers' acceptances issued by domestic branches of US banks that are members of the Federal Deposit Insurance Corporation), repurchase agreements and Government Securities denominated in Renminbi, U.S. Dollars or other major international currencies for the purposes of paying its anticipated fees and expenses and to meet redemption requests and any other liquidity needs. Investors should be aware that in case of any repatriation restriction imposed after investment, the Company may need to maintain high cash balances, including potentially balances held outside China, resulting in less of the proceeds of the Company being invested in China than would otherwise be the case if such local restrictions did not apply. Similarly, owing to currency exchange restrictions, as applicable, the Company may need to maintain high cash balances in currencies other than Renminbi and such cash balances may not be invested under the GSAMI QFI license. Where retained funds are not invested under the GSAMI QFI license, in times of rising PRC security values,

the portion of a Fund's assets retained in cash may represent a drag on the performance of the Funds and, conversely, in times of falling PRC security values may cause a Fund to perform better than might otherwise have been the case had a greater investment been made under the GSAMI QFI license.

### **Collective Investment Schemes**

The Funds may invest in other collective investment schemes with investment policies compatible with the relevant Fund and in accordance with the UCITS Regulations. The Funds may also invest in collective investment schemes which invest in money market instruments for the purposes of maintaining liquidity as described under "*Liquid Assets*" above. Unless otherwise disclosed in the relevant Supplement, a Fund may invest in other collective investment schemes up to 10% of its Net Asset Value including in those collective investment schemes managed by the Investment Adviser or an affiliate, including to the extent permitted by applicable law, those collective investment schemes designed for investment of cash balances. If a Fund makes such an investment it will bear its proportionate share of any fees and expenses paid by collective investment schemes in which the Fund may invest (including funds affiliated with the Investment Adviser), in addition to all fees and expenses payable by the Fund. Investments in funds affiliated with the Investment Adviser will be subject to the Investment Adviser's fiduciary obligations to the Fund and will be made on an arm's length basis. Where the Fund invests in units of a collective investment scheme managed by the Investment Adviser or its affiliates, and the Investment Adviser or its affiliate, as the case may be, is entitled to receive a preliminary charge for its own account in respect of an investment in such fund, the Investment Adviser or the affiliate, as appropriate, shall waive the preliminary charge. Where commission is received by the Investment Adviser by virtue of an investment on behalf of a Fund it will pay this commission into the property of the relevant Fund.

### **Adherence to Investment Objective and Policies**

The Management Company shall not make any change in the investment objectives or any material change in the investment policies of a Fund, as disclosed in the relevant Supplement, without the prior approval of the Shareholders in that Fund by ordinary resolution at a general meeting or by the prior written approval of all Shareholders of the Fund in accordance with the Instrument of Incorporation. The Management Company shall provide all Shareholders with reasonable notice of any such changes. A non-material change in the investment policy will not require Shareholder approval, however a reasonable notification period will be provided by the Fund to enable Shareholders to redeem their Shares prior to implementation of the change.

Limits on investments set down in this Prospectus apply at time of purchase of investments. If the set limits are subsequently exceeded for reasons beyond control of the Management Company or as a result of the exercise of subscription rights, the Management Company will adopt as a priority objective the remedying of that situation taking due account of the interests of Shareholders.

### **Risk Management**

The global exposure relating to FDI may be calculated through the commitment approach or Value-at-Risk (VaR) methodology.

Unless otherwise stated in the relevant Supplement, each Fund's global exposure and leverage will be calculated using the commitment approach and the Funds' global exposure will not exceed 100% of Net Asset Value. The commitment approach converts each Fund's FDI positions into the equivalent positions in the underlying assets and seeks to ensure that the FDI risk is monitored in terms of any future "commitments" to which it is (or may be) obligated.

Certain Funds may apply a VaR approach to calculate their global exposure, and this will be specified for each applicable Fund in the relevant Supplement. A global exposure calculation using the VaR approach should consider all the positions of the relevant Fund.

VaR is a means of measuring the potential loss to a Fund due to market risk and is expressed as the maximum potential loss measured daily at a 99% one-tailed confidence level over a one month time horizon. The holding period for the purpose of calculating global exposure, is one month.

Funds using the VaR approach are required to disclose their expected level of leverage which will be stated in the relevant Supplement. The expected level of leverage disclosed for each Fund is an indicative level and is not a regulatory limit. The Fund's actual level of leverage might significantly exceed the expected level from time to time however the use of FDI will remain consistent with the Fund's investment objective and risk profile and comply with its VaR limit. In this context leverage is a measure of the aggregate derivative usage and is calculated as the sum of the notional exposure of the FDI used, without the use of netting arrangements. As the calculation neither takes into account whether a particular FDI increases or decreases investment risk, nor takes into account the varying sensitivities of the notional exposure of the FDI to market movements, this may not be representative of the level of investment risk within a Fund.

VaR is calculated on a daily basis using an absolute or relative approach.

#### *Relative VaR*

The relative VaR approach is used for Funds where a derivative free benchmark or reference portfolio is defined reflecting the investment strategy which the Fund is pursuing. The relative VaR of a Fund (including derivatives) is expressed as a multiple of the VaR of a benchmark or reference portfolio and is limited to no more than twice the VaR on the comparable benchmark or reference portfolio. The reference portfolio for VaR purposes, as amended from time to time, may be different from the benchmark as stated in the "*Investment Objective and Policies*" section.

#### *Absolute VaR*

The absolute VaR approach calculates a Fund's VaR as a percentage of the Net Asset Value of the Fund as defined by the ESMA Guidelines 10-788. Absolute VaR is generally an appropriate approach in the absence of an identifiable reference portfolio or benchmark, for instance for funds using an absolute return target. Where indicated in the "*Investment Objective and Policies*" section that a Fund uses absolute VaR, the absolute VaR of the Fund will not exceed 20% of the Net Asset Value of the Fund, using a one-tailed confidence interval of 99%, a holding period of one month (20 business days) and a historical observation period of one year (250 business days).

Where a Fund uses FDI, the Management Company has a risk management process, submitted to the Central Bank, which enables it to accurately measure, monitor and manage the various risks associated with FDI, the use of efficient portfolio management techniques and the management of collateral. The Management Company will only employ FDI that are covered by the risk management process, as amended from time to time. A Fund will not utilise FDI until such time as a risk management process providing for such FDI has been submitted to the Central Bank. In the event of a Fund proposing to use additional types of FDI, the risk management process and the relevant Supplement will be amended to reflect this intention and the Fund will not utilise such FDI until such time as the risk management process providing for its use has been prepared and submitted to the Central Bank in accordance with the Central Bank requirements. The Management Company will, on request, provide supplementary information to Shareholders relating to the risk management methods employed including the quantitative limits that are applied and any recent developments in the risk and yield characteristics of the main categories of investment.

The creation of leveraged exposure to an index via FDI, for the inclusion of a leverage feature in an index, shall be taken into account in assessing compliance with the Prospectus disclosure requirements of Regulation 53(4) of the Central Bank UCITS Regulations.

### **Borrowing**

Subject to the below, under the Articles, the Directors are empowered to exercise all of the borrowing powers of the Company and to charge the assets of the Company as security for any such borrowings.

A Fund may not grant loans or act as guarantor on behalf of third parties. A Fund may borrow up to 10% of its Net Asset Value on a temporary basis. The Management Company shall ensure that, where a Fund has foreign currency borrowings which exceed the value of a back-to-back deposit, the excess is treated as borrowing for the purpose of the UCITS Regulations. Reverse repurchase agreements and

stock lending are not treated as borrowings for these purposes. Currency risks may arise where the offsetting balance is not maintained in the Base Currency of a Fund.

### Financial Derivative Instruments

Where indicated in its Supplement, a Fund may use FDI for investment, hedging or efficient portfolio management purposes in order to manage risk relating to a Fund's investments and/or to establish speculative positions. The Investment Adviser may use a wide range of strategies with FDI with respect to a Fund. Such strategies may include:

- (1) the use of interest rate futures to manage interest rate risk and yield curve exposure;
- (2) the use of interest rate swaps to implement relative value positions;
- (3) the use of currency forwards to hedge currency exposures and to purchase currency to make investments;
- (4) the use of total return swaps to gain synthetic exposure to certain markets or to implement long and short views on certain issuers or sectors in various asset classes;
- (5) the use of credit default swaps to manage sector or individual issuer's exposures and risks;
- (6) the use of index futures to hedge against currency risk and to take views on the direction of price movement for an index; and
- (7) the use of options to hedge against currency and interest rate risk.

The FDIs that may be used are set out below:

- (a) Forward currency contracts: these are often used to either hedge currency risk in a Fund or to establish speculative long and short views on certain currencies. Forward currency contracts are agreements between parties to exchange fixed amounts of different currencies at an agreed exchange rate at an agreed time in the future. In cases where forward currency contracts have been used either for hedging purposes or to establish speculative views it may be that in cases where such exposures need to be removed either due to a change in the view of the Investment Adviser or owing to Shareholder redemptions for instance, owing to the potential inability or inefficiencies that arise in cancelling such transactions ahead of the settlement date of such exposures, that would require equal and opposite forward currency contract positions to be executed to offset such exposures. In such scenarios, the net exposure is intended to be reduced to nil, however, where one is required to use the gross sum of notional exposure to calculate leverage one would aggregate both the range of applicable long positions as well as the range of applicable short positions (which are in effect cancelling each other out) and still incorporate that into the leverage calculation.
- (b) Interest rate swaps and futures: these are often used to hedge interest rate risk, manage interest rate risk in a Fund or to establish speculative views. An interest rate swap is a swap used to exchange the right to receive interest payments and an interest rate future is an agreement providing for the future delivery of an interest-bearing asset. The gross sum of notional 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 Fund by one year, in notional exposure terms that could equate to approximately 400% leverage despite the overall risk profile of the Fund having been reduced as it relates to interest rate risk.
- (c) Credit default swaps: these are often used to manage credit exposures and risk in a Fund, for instance with index credit default swaps to manage sector exposures and the use of single-name credit default swaps to implement long-short strategies as it relates to individual issuer

risk. A credit default swap is a swap used to transfer the risk of default on an underlying security from the holder of the security to the seller of the swap. The gross sum of notional 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 notional exposure to calculate leverage it would indicate a level of leverage despite the overall risk profile of the relevant Fund having been reduced as it relates to credit risk.

- (d) Total return swaps: these are often used to gain synthetic exposure to certain markets or to implement long and short views on certain issuers or sectors in various asset classes. A total return swap is an agreement between two parties whereby one party makes payments to the other based on an agreed rate, while the other party makes payments to the first party based on the return of an underlying asset or assets, such as one or more securities, a currency, an index or an interest rate. The reference assets underlying the total return swaps, if any, shall be any security, basket of securities or indices which are consistent with the investment policies of the Fund described in the Supplement.
- (e) Index futures: these are based on the value of the basket of securities that comprise an index. These contracts obligate the buyer or seller to pay cash to settle the futures transaction, based on the fluctuation of the index's value in response to the change in the relative values of the underlying securities that are included in the index over the term of the contract. No delivery of the underlying securities is made to settle the futures contract. The buyer or seller of an index future is obligated to pay cash to settle the transaction, based on the fluctuation of the index's value in response to the changes in the relative values of the underlying securities that are included in the index over the term of the contract. Either party may also settle the transaction by entering into an offsetting contract. An index cannot be purchased or sold directly.
- (f) Options: these are contracts sold by one party to another which offer the buyer the right, but not the obligation, to buy (in the case of a call option) or sell (in the case of a put option) an asset at a pre-agreed price either during a certain period of time or on a specific date. Options may be used to enhance the returns of a Fund, hedge, to achieve exposure to a particular market instead of using a physical security and to allow for efficient portfolio management.

Options may also be purchased to hedge against currency and interest rate risk, to express a view in relation to interest rate movements, and a Fund may write (sell) put options and covered call options to generate additional revenues. Purchasing options can provide an efficient, liquid and effective mechanism for taking positions in securities. This allows a Fund to benefit from future gains or losses in the value of a security without the need to purchase and hold the security. A Fund may also purchase call or put options on currencies to protect against exchange risks. A Fund may use bond, equity, interest rate, currency and index options and options on futures and swaps.

A Fund may only enter into OTC derivatives with counterparties in accordance with the requirements of the Central Bank UCITS Regulations where a credit assessment has been undertaken. Counterparties will not have discretion over the assets of a Fund, unless otherwise specified in the relevant Supplement. Where the counterparty is subject to a credit rating by any agency registered and supervised by ESMA, that rating shall be taken into account in the credit assessment. Where a counterparty is downgraded to A-2 or below (or comparable rating) by such a credit rating agency, a new credit assessment in respect of the counterparty will be undertaken without delay.

### **Repurchase Agreements, Reverse Repurchase Agreements and Securities Lending**

A Fund may enter into repurchase agreements, reverse repurchase agreements and securities lending agreements, subject to the conditions and limits set out in the Central Bank UCITS Regulations. Any such repurchase agreements, reverse repurchase agreements or securities lending agreements may only be used for efficient portfolio management purposes.

Under a repurchase agreement, the Fund acquires securities from a seller (for example, a bank or securities dealer) who agrees, at the time of sale, to repurchase the securities at a mutually agreed-upon date (usually not more than seven days from the date of purchase) and price, thereby determining

the yield to the relevant Fund during the term of the repurchase agreement. The resale price reflects the purchase price plus an agreed upon market rate of interest which is unrelated to the coupon rate or maturity of the purchased security. A Fund may also enter into reverse repurchase agreements under which it sells a security and agrees to repurchase it at a mutually agreed upon date and price.

Under a securities lending transaction, the Fund makes a loan of securities which it holds to a borrower upon terms that require the borrower to return equivalent securities to the Fund within a specified period and to pay the Fund a fee for the use of the securities during the period that they are on loan. The Management Company will ensure that it is able, at any time, to recall any security that has been lent out or terminate any securities lending agreement into which it has entered.

The Fund may lend its portfolio securities via a securities lending program through an appointed securities lending agent to brokers, dealers and other financial institutions desiring to borrow securities to complete transactions and for other purposes. Pursuant to the terms of the relevant securities lending agreement, the appointed lending agent will be entitled to retain a portion of the securities lending revenue to cover the fees and costs associated with the securities lending activity, including the delivery of loans, the management of collateral and the provision of any securities lending indemnity and such fees paid will be at normal commercial rates.

In the case that a Fund enters into a reverse repurchase agreement, it will have the right to recall the full amount of cash or to terminate the reverse repurchase agreement on either an accrued or a mark-to-market basis at any time. Where the cash is recallable at any time on a mark-to-market basis, the mark-to-market value of the reverse repurchase agreement shall be used for the purposes of the calculation of the Net Asset Value of the relevant Fund.

Fixed term reverse repurchase agreements which do not exceed seven days shall be regarded as arrangements on terms which allow the assets to be recalled at any time by the relevant Fund.

The Management Company shall ensure that all revenues from reverse repurchase agreements and securities lending, net of direct and indirect operational costs, are returned to the Fund. Securities lending agents appointed may be an affiliate of the Depositary or the Management Company. Details of the exposures obtained through efficient portfolio management techniques, the counterparties used, the type and amount of collateral received to reduce such exposures and any income and expenses, whether direct or indirect, generated by reverse repurchase agreements and securities lending will be disclosed in the annual reports of the Company.

A Fund may only enter into reverse repurchase agreements and stock lending arrangements with counterparties in accordance with the requirements of the Central Bank UCITS Regulations where a credit assessment has been undertaken. Counterparties will not have discretion over the assets of a Fund, unless otherwise specified in the relevant Supplement. Where the counterparty is subject to a credit rating by any agency registered and supervised by ESMA, that rating shall be taken into account in the credit assessment. Where a counterparty is downgraded to A-2 or below (or comparable rating) by such a credit rating agency, a new credit assessment in respect of the counterparty will be undertaken without delay. Investors should also read the "Risks associated with Efficient Portfolio Management Techniques" risk warning in the "Risk Considerations" section. The acceptable counterparties (which may or may not be related to the Management Company, Depositary or their delegates) will be entities with legal personality and located in OECD jurisdictions. They will be subject to ongoing supervision by a public authority, be financially sound and have the necessary organisational structure and resources for the relevant type of transaction.

Any assets of a Fund may be subject to the securities financing techniques outlined above. The assets of a Fund that are subject to securities financing techniques, total return swaps and any collateral received are safe-kept by the Depositary (or a sub-custodian on behalf of the Depositary). This is not applicable in the event that there is no title transfer, in which case the collateral can be held by a third party custodian which is subject to prudential supervision and unrelated to the provider of the collateral.

### **Collateral**

All assets received in respect of a Fund in the context of OTC FDI, reverse repurchase agreements or securities lending transactions will be considered as collateral for the purposes of the Central Bank

UCITS Regulations. The Company seeks to identify and mitigate risks linked to the management of collateral, including operational and legal risks, by risk management procedures employed by the Company. Any collateral received by a Fund will meet, at all times, the following criteria:

- **Liquidity.** Collateral (other than cash) should be highly liquid and traded on a regulated market or multi-lateral trading facility with transparent pricing in order that it can be sold quickly at a price that is close to its pre-sale valuation. Collateral should comply with the provisions of the Central Bank UCITS Regulations and shall be used in accordance with the requirements of this Prospectus and the UCITS Regulations.
- **Valuation.** Collateral should be valued on a daily basis and assets that exhibit high price volatility should not be accepted as collateral unless suitably conservative haircuts are in place. Collateral may be marked to market daily by the counterparty using its procedures, subject to any agreed haircuts, reflecting market values and liquidity risk and may be subject to variation margin requirements.
- **Issuer Credit Quality.** Collateral should be of high quality. The Management Company must ensure that where one or more credit rating agencies registered and supervised by ESMA have provided a rating of the issuer, the credit quality assessment process employed on behalf of the Fund has regard inter alia to those ratings. While there will be no mechanistic reliance on such external ratings, the Management Company must ensure that where there is a downgrade below the two highest short-term credit ratings by any agency registered and supervised by ESMA that has rated the issuer must lead to a new assessment of the credit quality of the issuer to ensure the collateral continues to be of high quality.
- **Correlation.** Collateral should be issued by an entity that is independent from the counterparty and is expected not to display a high correlation with the performance of the counterparty.
- **Diversification.** Subject to the below, collateral should be sufficiently diversified in terms of country, markets and issuers. Non-cash collateral will be considered to be sufficiently diversified if the relevant Fund receives from a counterparty a basket of collateral with a maximum exposure to any one issuer of 20% of the Fund's Net Asset Value. When the Fund is exposed to a variety of different counterparties, the various baskets of collateral are aggregated to ensure exposure to a single issuer does not exceed 20% of Net Asset Value.

A Fund may be fully collateralised in different transferable securities and money market instruments issued or guaranteed by a Member State, one or more of its local authorities, a third country, or a public international body to which one or more Member States belong. Any such Fund shall receive securities from at least 6 different issues, but securities from any single issue should not account for more than 30% of the Fund's Net Asset Value. A Fund may be fully collateralised in securities issued or guaranteed by any of the issuers listed in the "*Investment Restrictions*" section.

- **Immediately Available.** Collateral must be capable of being fully enforced by the Company at any time without reference to or approval from the counterparty.

It is proposed that each Fund may only accept the following types of collateral:

- cash;
- government or other public securities;
- certificates of deposit issued by Relevant Institutions;
- letters of credit with a residual maturity of three months or less, which are unconditional and irrevocable and which are issued by Relevant Institutions; and
- bonds/commercial paper issued by Relevant Institutions or by non-bank issuers.

Collateral will be valued, on a daily basis, using available market prices and taking into account appropriate discounts which will be determined by the Management Company for each asset class based on the haircut policy that it has implemented in respect of the Company for each class of assets to be received as collateral, as above. This policy takes account of the characteristics of the relevant asset class, including the credit standing of the issuer of the collateral, the price volatility of the collateral

and the results of any stress tests which may be performed in accordance with the stress testing policy. Collateral obtained under such agreement: (a) must be marked to market daily; and (b) must equal or exceed, in value, at all times the value of the exposure to the relevant counterparty, taking into the account the relevant counterparty exposure limits under the UCITS Regulations.

The Management Company will ensure that any Fund receiving collateral for at least 30% of its assets will undergo regular stress testing in accordance with the Company's liquidity stress-testing policy to assess the liquidity risk attached to the collateral it has received.

**Reinvestment of Collateral.** Non-cash collateral received cannot be sold, pledged or reinvested by a Fund. Cash received as collateral may not be invested or used other than as set out below:

- placed on deposit, or invested in certificates of deposit issued by Relevant Institutions;
- invested in high-quality government bonds;
- reverse repurchase transactions; or
- invested in a Short Term Money Market Fund, as defined in the ESMA Guidelines on a Common Definition of European Money Market Funds (ref: CESR/10-049).

Re-invested cash collateral will be diversified in accordance with the diversification requirements applicable to non-cash collateral. Invested cash collateral may not be placed on deposit with, or invested in securities issued by, the counterparty or a related entity. There is a risk that re-invested cash collateral could result in a reduction of the value of the collateral (because investments made may decline in value). This, in turn may cause losses to the Company and the relevant Fund because it is obliged to return collateral equivalent to the value of the returned security. In order to manage this risk, the cash collateral is re-invested in accordance with the guidelines set out above.

Collateral must be held by the Depositary, or its agent (where there is title transfer). This is not applicable in the event that there is no title transfer in which case the collateral can be held by a third party custodian which is subject to prudential supervision, and which is unrelated and unconnected to the provider of the collateral.

### **Dividend Policy**

The Directors may declare dividends in respect of the Funds.

In respect of the Distribution Class Shares, the Company may, at such time or times as the Directors may in their sole discretion determine, pay dividends per Share which may be composed of net investment income attributable to such Shares and, in addition, at the discretion of the Directors or the Management Company as their delegate, the distribution may also be composed of capital gains, if any, and capital attributable to such Shares, in order to provide flexibility to investors. As a result, the Net Asset Value of such Shares may fluctuate more than the other Share classes for which it is generally not intended to declare dividends in respect of capital gains or to distribute capital, and the potential for future appreciation of such Net Asset Value of such Shares may be eroded. The paying out of income and/or capital gains as dividends or distributing capital may also impact the tax position of investors who should accordingly take their own specific advice on investment in such Shares.

The Directors may from time to time, and in their sole discretion, determine that the Company shall, on behalf of one or more Funds, apply an equalisation formula in respect to any Distribution Class Shares for any period in which it is expected that significant subscriptions or redemptions of Shares in the relevant Fund during that period might have a significant impact on the net investment income of the relevant Fund which would otherwise be available for distribution in respect of that period. In such circumstances, the subscription price of the Distributing Class Shares in the relevant Fund will be deemed to include an equalisation amount which represents a portion the accrued income of the relevant Share Class up to the point of subscription, and the first distribution in respect of Distributing Class Shares in the relevant Fund will include a payment of capital usually equal to the amount of such equalisation payment. The redemption price of each Distributing Class Share will also include an equalisation payment in respect of the accrued income of the relevant Fund up to the Dealing Day on which the relevant Distributing Class Shares are redeemed.

Each dividend declared will be paid in cash by wire transfer to the bank details specified on the Shareholder's application for Shares unless the Company or the Management Company as its delegate receives a written request from a Shareholder for dividends to be paid in additional Shares of the Company. The written request must be received prior to the record date for a particular dividend and will apply to all future dividends unless a written election to receive future dividends in cash is received from the relevant Shareholder prior to the record date. Dividends will only be paid in additional Shares at the sole discretion of the Directors or the Management Company as their delegate and if permissible under applicable law. Where dividends are to be paid in additional Shares, such additional Shares will be issued to the relevant Shareholder at the Net Asset Value per Share of the relevant Share class as of the Business Day on which such dividends are declared. Dividends will be declared at the frequency specified in the relevant Supplement and are typically paid within three Business Days following the end of the relevant period.

Any dividend paid on a Share in a Fund that has not been claimed within six years of its declaration shall be forfeited and shall be paid for the benefit of the fund. No interest shall be paid on any dividend.

The distribution policy of any Fund or of any Share class may be changed by the Directors, upon reasonable notice to Shareholders of that Fund or Share class as the case may be and, in such circumstances, the distribution policies will be disclosed in an updated Prospectus.

In respect of the Accumulation Class Shares, the Company does not intend to declare dividends. Accordingly in the normal course of business any net income and net capital gains attributable to the Accumulation Class Shares will be accumulated daily in the Net Asset Value per Share of each class.

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**INVESTMENT RESTRICTIONS**


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The assets of each Fund will be invested in accordance with the investment restrictions contained in the UCITS Regulations which are summarised below and such additional investment restrictions, if any, as may be adopted by the Directors, the details of such additional investment restrictions will be set out below and/or in the Relevant Supplement.

<b>1</b>	<b>Permitted Investments</b>
	Investments of a UCITS are confined to:
<b>1.1</b>	Transferable securities and money market instruments which are either admitted to official listing on a stock exchange in a Member State or non-Member State or which are dealt on a market which is regulated, operates regularly, is recognised and open to the public in a Member State or non-Member State.
<b>1.2</b>	Recently issued transferable securities which will be admitted to official listing on a stock exchange or other market (as described above) within a year.
<b>1.3</b>	Money market instruments other than those dealt on a regulated market.
<b>1.4</b>	Units of UCITS.
<b>1.5</b>	Units of alternative investment funds.
<b>1.6</b>	Deposits with credit institutions.
<b>1.7</b>	Financial derivative instruments.
<b>2</b>	<b>Investment Restrictions</b>
<b>2.1</b>	A UCITS may invest no more than 10% of net assets in transferable securities and money market instruments other than those referred to in paragraph 1.
<b>2.2</b>	<p>Recently Issued Transferable Securities</p> <p>(1) Subject to paragraph (2) a responsible person shall not invest any more than 10% of assets of a UCITS in securities of the type to which Regulation 68(1)(d) of the UCITS Regulations 2011 apply.</p> <p>(2) Paragraph (1) does not apply to an investment by a responsible person in US Securities known as “Rule 144 A securities” provided that;</p> <p style="margin-left: 20px;">(a) the relevant securities have been issued with an undertaking to register the securities with the SEC within 1 year of issue; and</p> <p style="margin-left: 20px;">(b) the securities are not illiquid securities i.e. they may be realised by the UCITS within 7 days at the price, or approximately at the price, which they are valued by the UCITS.</p>
<b>2.3</b>	A UCITS may invest no more than 10% of net assets in transferable securities or money market instruments issued by the same body provided that the total value of transferable securities and money market instruments held in the issuing bodies in each of which it invests more than 5% is less than 40%.
<b>2.4</b>	Subject to the prior approval of the Central Bank, the limit of 10% (in 2.3) may be raised to 25% in the case of bonds that are issued by a credit institution which has its registered office in a Member State and is subject by law to special public supervision designed to protect bondholders. If a UCITS invests more than 5% of its net assets in these bonds issued by one issuer, the total value of these investments across all issuers may not exceed 80% of the Net Asset Value of the UCITS.
<b>2.5</b>	The limit of 10% (in 2.3) is raised to 35% if the transferable securities or money market instruments are issued or guaranteed by a Member State or its local authorities or by a non-Member State or public international body of which one or more Member States are members.
<b>2.6</b>	The transferable securities and money market instruments referred to in 2.4. and 2.5 shall not be taken into account for the purpose of applying the limit of 40% referred to in 2.3.

<b>2.7</b>	A UCITS shall not invest more than 20% of its assets in deposits made with the same body.
<b>2.8</b>	<p>The risk exposure of a UCITS to a counterparty to an OTC derivative may not exceed 5% of net assets.</p> <p>This limit is raised to 10% in the case of a credit institution authorised in the EEA; a credit institution authorised within a signatory state (other than an EEA Member State) to the Basle Capital Convergence Agreement of July 1988; or a credit institution authorised in Jersey, Guernsey, the Isle of Man, Australia or New Zealand.</p>
<b>2.9</b>	<p>Notwithstanding paragraphs 2.3, 2.7 and 2.8 above, a combination of two or more of the following issued by, or made or undertaken with, the same body may not exceed 20% of net assets:</p> <ul style="list-style-type: none"> <li>- investments in transferable securities or money market instruments;</li> <li>- deposits, and/or</li> <li>- counterparty risk exposures arising from OTC derivatives transactions.</li> </ul>
<b>2.10</b>	The limits referred to in 2.3, 2.4, 2.5, 2.7, 2.8 and 2.9 above may not be combined and consequently exposure to a single body shall not exceed 35% of net assets.
<b>2.11</b>	Group companies are regarded as a single issuer for the purposes of 2.3, 2.4, 2.5, 2.7, 2.8 and 2.9. However, a limit of 20% of net assets may be applied to investment in transferable securities and money market instruments within the same group.
<b>2.12</b>	<p>A UCITS may invest up to 100% of net assets in different transferable securities and money market instruments issued or guaranteed by any Member State, its local authorities, non-Member States or public international body of which one or more Member States are members.</p> <p>The individual issuers must be listed in the prospectus and may be drawn from the following list:</p> <p>OECD Governments (provided the relevant issues are investment grade), Government of the People's Republic of China, Government of Brazil (provided the issues are of investment grade), Government of India (provided the issues are of investment grade), Government of Singapore, European Investment Bank, European Bank for Reconstruction and Development, International Finance Corporation, International Monetary Fund, Euratom, The Asian Development Bank, European Central Bank, Council of Europe, Eurofima, African Development Bank, International Bank for Reconstruction and Development (The World Bank), The Inter-American Development Bank, European Union, Federal National Mortgage Association (Fannie Mae), Federal Home Loan Mortgage Corporation (Freddie Mac), Government National Mortgage Association (Ginnie Mae), Student Loan Marketing Association (Sallie Mae), Federal Home Loan Bank, Federal Farm Credit Bank, Tennessee Valley Authority, Straight-A Funding LLC.</p> <p>The UCITS must hold securities from at least 6 different issues, with securities from any one issue not exceeding 30% of net assets.</p>
<b>3</b>	<b>Investment in Collective Investment Schemes ("CIS")</b>
<b>3.1</b>	A UCITS may not invest more than 20% of net assets in any one CIS.
<b>3.2</b>	Investment in alternative investment funds may not, in aggregate, exceed 30% of net assets.
<b>3.3</b>	The CIS are prohibited from investing more than 10% of net assets in other open-ended CIS.
<b>3.4</b>	When a UCITS invests in the units of other CIS that are managed, directly or by delegation, by the UCITS management company or by any other company with which the UCITS management company is linked by common management or control, or by a substantial direct or indirect holding, that management company or other company may not charge subscription,

	conversion or redemption fees on account of the UCITS investment in the units of such other CIS.
<b>3.5</b>	Where by virtue of investment in the units of another CIS, the responsible person, an investment manager or an investment advisor receives a commission on behalf of the UCITS (including a rebated commission), the responsible person shall ensure that the relevant commission is paid into the property of the UCITS.
<b>4</b>	<b>Index Tracking UCITS</b>
<b>4.1</b>	A UCITS may invest up to 20% of net assets in shares and/or debt securities issued by the same body where the investment policy of the UCITS is to replicate an index which satisfies the criteria set out in the Central Bank UCITS Regulations and is recognised by the Central Bank
<b>4.2</b>	The limit in 4.1 may be raised to 35%, and applied to a single issuer, where this is justified by exceptional market conditions.
<b>5</b>	<b>General Provisions</b>
<b>5.1</b>	An investment company, ICAV or management company acting in connection with all of the CIS it manages, may not acquire any shares carrying voting rights which would enable it to exercise significant influence over the management of an issuing body.
<b>5.2</b>	A UCITS may acquire no more than: <ul style="list-style-type: none"> <li>(i) 10% of the non-voting shares of any single issuing body;</li> <li>(ii) 10% of the debt securities of any single issuing body;</li> <li>(iii) 25% of the units of any single CIS;</li> <li>(iv) 10% of the money market instruments of any single issuing body.</li> </ul> <p>NOTE: The limits laid down in (ii), (iii) and (iv) above may be disregarded at the time of acquisition if at that time the gross amount of the debt securities or of the money market instruments, or the net amount of the securities in issue cannot be calculated.</p>
<b>5.3</b>	5.1 and 5.2 shall not be applicable to: <ul style="list-style-type: none"> <li>(i) transferable securities and money market instruments issued or guaranteed by a Member State or its local authorities;</li> <li>(ii) transferable securities and money market instruments issued or guaranteed by a non-Member State;</li> <li>(iii) transferable securities and money market instruments issued by public international bodies of which one or more Member States are members;</li> <li>(iv) shares held by a UCITS in the capital of a company incorporated in a non-member State which invests its assets mainly in the securities of issuing bodies having their registered offices in that State, where under the legislation of that State such a holding represents the only way in which the UCITS can invest in the securities of issuing bodies of that State. This waiver is applicable only if in its investment policies the company from the non-Member State complies with the limits laid down in 2.3 to 2.11, 3.1, 3.2, 5.1, 5.2, 5.4, 5.5 and 5.6, and provided that where these limits are exceeded, paragraphs 5.5 and 5.6 below are observed.</li> <li>(v) Shares held by an investment company or investment companies or ICAV or ICAVs in the capital of subsidiary companies carrying on only the business of management, advice or marketing in the country where the subsidiary is located, in regard to the repurchase of units at unit-holders' request exclusively on their behalf.</li> </ul>
<b>5.4</b>	UCITS need not comply with the investment restrictions herein when exercising subscription rights attaching to transferable securities or money market instruments which form part of their assets.

<b>5.5</b>	The Central Bank may allow recently authorised UCITS to derogate from the provisions of 2.3 to 2.12, 3.1, 3.2, 4.1 and 4.2 for six months following the date of their authorisation, provided they observe the principle of risk spreading.
<b>5.6</b>	If the limits laid down herein are exceeded for reasons beyond the control of a UCITS, or as a result of the exercise of subscription rights, the UCITS must adopt as a priority objective for its sales transactions the remedying of that situation, taking due account of the interests of its unitholders.
<b>5.7</b>	Neither an investment company, ICAV nor a management company or a trustee acting on behalf of a unit trust or a management company of a common contractual fund, may carry out uncovered sales of: <ul style="list-style-type: none"> <li>- transferable securities;</li> <li>- money market instruments*;</li> <li>- units of CIS; or</li> <li>- financial derivative instruments.</li> </ul>
<b>5.8</b>	A UCITS may hold ancillary liquid assets.
<b>6</b>	<b>Financial Derivative Instruments</b>
<b>6.1</b>	A UCITS' global exposure relating to FDI must not exceed its total net asset value.
<b>6.2</b>	Position exposure to the underlying assets of FDI, including embedded FDI in transferable securities or money market instruments, when combined where relevant with positions resulting from direct investments, may not exceed the investment limits set out in the Central Bank UCITS Regulations/Guidance. (This provision does not apply in the case of index based FDI provided the underlying index is one which meets with the criteria set out in Central Bank UCITS Regulations.)
<b>6.3</b>	UCITS may invest in FDIs dealt in over-the-counter (OTC) provided that the counterparties to over-the-counter transactions (OTCs) are institutions subject to prudential supervision and belonging to categories approved by the Central Bank.
<b>6.4</b>	Investment in FDIs are subject to the conditions and limits laid down by the Central Bank

The Company shall not acquire commodities, precious metals or certificates representing them.

The Directors may at their absolute discretion from time to time impose such further investment restrictions as shall be compatible with or in the interests of investors, in order to comply with the laws and regulations of the countries where investors are located.

The investment restrictions referred to above are deemed to apply at the time of purchase of the investments. If such limits are exceeded for reasons beyond the control of the Company, or as a result of the exercise of subscription rights, the Company must adopt, as a priority objective, the remedying of the situation, taking due account of the interests of Shareholders.

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\* Any short selling of money market instruments by UCITS is prohibited

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**FEES AND EXPENSES**

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**Establishment Costs**

The total costs and expenses of establishing the Company were amortised on a straight line basis over the first financial year of the Company. The costs and expenses of the conversion of the Company to a UCITS will be borne by the Investment Adviser.

**Fees and Expenses**

Details of the fees payable to the Management Company, Administrator, Depositary, Investment Adviser and any Sub-Investments Adviser are set out in the relevant Supplement.

**Sales Charge**

In addition, the Distributor may levy a sales charge of up to 5% which is payable to the Distributor on subscription for Shares.

Without prejudice to the above, the Investment Adviser, the Distributor and/or a Sub-distributor may from time to time and at their sole discretion and out of their own resources decide to rebate to some or all Shareholders, or to distributors or to intermediaries, part or all of the investment management and/or distribution fees payable to them.

**Redemption Charge**

Where specified in the relevant Supplement, a redemption charge of up to 3% of the Net Asset Value of the Shares being redeemed may be levied and paid to the Investment Adviser.

**Dilution Adjustment**

The Net Asset Value per Share may be subject to a dilution adjustment, as more particularly described under "*Determination of Net Asset Value - Dilution Adjustment*" below.

**Operating Expenses**

Each Fund will also pay certain other costs and expenses incurred in its operation, details of which will be set out in the relevant Supplement.

**Investment in Other Collective Investment Schemes**

Subject to the investment restrictions described in this Prospectus, Funds may invest in other UCITS eligible collective investment schemes, including exchange traded funds (the "**Undertakings**") managed by the Management Company, the Investment Adviser or their affiliates. No double-charging of fees payable to the Management Company and Investment Adviser (together the "**GS Management Fees**") will occur. The avoidance of a double-charge of the GS Management Fees on such assets is achieved by either: a) excluding the assets from the net assets on which the GS Management Fees are calculated; or b) investing in Undertakings via Share classes that do not accrue GS Management Fees or other equivalent fees payable to the relevant adviser's group; or c) the GS Management Fees being netted off by a rebate to the Company or Fund of the GS Management Fee (or equivalent) charged to the underlying Undertakings; or d) charging only the difference between the GS Management Fee of the Company or Fund and the GS Management Fee (or equivalent) charged to the underlying Undertakings.

Subscription, redemption and conversion charges of other UCITS eligible collective investment schemes, including exchange traded funds, managed by the Management Company, the Investment Adviser or their affiliates into which a Fund may invest will be waived.

Where a Fund invests in Undertakings managed by investment managers which are not affiliates of the Management Company or the Investment Adviser, the management fees may be charged regardless of

any fees reflected in the price of the shares or units of the Undertakings.

Funds may invest in other UCITS eligible collective investment schemes, including exchange traded funds, including those managed by the Management Company, the Investment Adviser or their affiliates which may charge performance fees. Such fees will be reflected in the Net Asset Value of the relevant Fund.

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**ADMINISTRATION OF THE COMPANY**

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**Determination of Net Asset Value**

The Administrator shall determine the Net Asset Value of the Company, the Net Asset Value of each Fund and the Net Asset Value per Share of each class of Shares, as appropriate, under the supervision of the Directors and the Management Company and with the assistance, when required, of the Valuer to the nearest two decimal places (or to such other number of decimal places as the Directors may determine from time to time), on each Valuation Day and in accordance with the Articles and this Prospectus. All approvals given or decisions made by the Administrator in relation to the calculation of the Net Asset Value of the Company, the Net Asset Value of each Fund or the Net Asset Value per Share of each class of Shares will be given or made, as the case may be, where the Administrator considers it appropriate to do so following consultation with the Directors or the Management Company.

The Net Asset Value of each Fund shall be calculated by the Administrator ascertaining the value of the assets of the relevant Fund as at the applicable Valuation Point for the relevant asset and deducting from such amount the liabilities of the Fund which shall include all fees and expenses payable, accrued and estimated to be payable out of the assets of the Fund. Shares of Funds are expected to perform differently and each Fund will bear its own fees and expenses to the extent specifically attributable to that Fund. Any liabilities of the Company that are not attributable to any Fund may be allocated amongst the Funds based on their respective Net Asset Value or on any other reasonable basis approved by the Directors, following consultation with the Administrator having taken into account the nature of the liabilities.

The Net Asset Value of each class of Shares of each Fund shall be determined by calculating the amount of the Net Asset Value of each fund attributable to each class. The amount of the Net Asset Value of each Fund attributable to a class shall be determined by establishing the number of Shares in issue in the class, by allocating relevant class expenses and management fees to the class and making appropriate adjustments to take account of distributions paid out of the Funds, if applicable, and apportioning the Net Asset Value of each Fund accordingly. Currency related transactions may be utilised for the benefit of a particular class of Shares and, in such circumstances, their cost and related liabilities and/or benefits shall be for the account of that class only. Accordingly, such costs and related liabilities and/or benefits will be reflected in the Net Asset Value per Share for Shares of any such class. Where there is more than one class in any Fund denominated in the same currency (which is a currency other than the Base Currency), the Investment Adviser may aggregate any currency related transactions entered into on behalf of such classes and apportion the gains/loss on and the costs of the relevant financial instruments pro rata to each such class of the Funds. The currency exposures of the assets of the Funds will not be allocated to separate classes.

The Net Asset Value per Share of a class shall be calculated by dividing the Net Asset Value of the class by the number of Shares in issue in that class. Class expenses or management fees or charges not attributable to a particular class may be allocated amongst the classes based on their respective Net Asset Value or any other reasonable basis approved by the Directors following consultation with the Management Company and having taken into account the nature of the fees and charges. Class expenses or management fees relating specifically to a class will be charged to that class. Where classes of Shares are issued which are priced in a currency other than the Base Currency, currency conversion costs will be borne by that class.

The Management Company has appointed the Valuer as its delegate to provide certain valuation services to the Management Company in relation to the assets of the Company. The Valuer shall assist the Management Company in establishing, maintaining, implementing and reviewing written valuation policies and procedures that ensure a transparent and appropriately documented valuation process in relation to, inter alia, the assets of the Company. The Valuer shall not be directly liable for any of its acts or omissions to either the Company or any Shareholder under the terms of the Valuation Agreement and the Management Company shall remain liable to the Company for the proper performance of any valuation pursuant to the terms of the Management Agreement.

When determining the probable realisation value or fair value of assets, one or more of a variety of valuation methodologies may be used (depending on factors including the asset type). The asset may

be valued using market quotations or evaluated prices from a recognised independent third party pricing service. Where a pricing service does not supply a price, a transaction price or broker quote may be applied. If such prices are not representative of their value, or there is no price available, the Management Company may determine the value by leveraging proprietary models, inputs etc. which would represent the fair value at which it is expected to be resold. Fixed income investments are generally valued using quotations from a recognised pricing service approved by the Management Company. Pricing services generally value fixed income securities assuming orderly transactions of an institutional round lot size, but the Funds may hold or transact in such securities in smaller odd lot sizes. Odd lots may trade at lower prices than institutional round lots. Fixed income investments for which a pricing service does not supply a quotation will be valued through the use of broker quotes whenever possible or any other price deemed appropriate by the Management Company, in conformity with the guidelines established by the Board of Directors as may be supplemented by the Management Company's valuation policy.

The value of any cash in hand or on deposit, bills and demand notes payable and accounts receivable, prepaid expenses, cash dividends and interest declared or accrued and not yet received is deemed to be the full amount thereof, unless in any case the same is unlikely to be paid or received in full, in which case the Management Company in conformity with the guidelines established by the Board of Directors as may be supplemented by the Management Company's valuation policy shall determine the fair value thereof after making such discount as it considers appropriate in such case to reflect the true value thereof.

Equity and debt securities which are listed or traded on a securities exchange will be valued at the last available known price for such securities on the Valuation Day. Where a security is listed on several exchanges, the relevant market shall be the one which constitutes the main market or the one which the Management Company determines provides the fairest criteria for valuing such a security. Securities listed or traded on a securities exchange but acquired or traded at a premium or at a discount outside or off the relevant market may be valued taking into account the level of premium or discount at the date of valuation.

Equity and debt securities which are not listed or traded on a securities exchange will be valued at their probable realisation value estimated with care and in good faith by the Management Company or a competent person appointed by the Management Company and approved for the purpose by the Depositary or any other means (and the rationale/methodologies used are clearly documented) provided the value is approved by the Depositary. Pricing services generally value fixed income securities assuming orderly transactions of an institutional round lot size, but the Funds may hold or transact in such securities in smaller odd lot sizes. Odd lots may trade at lower prices than institutional round lots.

Equity or debt securities which are listed or quoted on a securities exchange, but which are not regularly traded thereon or in respect of which no prices are available, will be valued in accordance with the preceding paragraph.

Derivative instruments dealt in or traded on an exchange or market will be valued at the last published settlement price as at the Valuation Point on the applicable exchange or market. Where it is not the practice of the relevant market to quote a settlement price or if a settlement price is not available for any reason (including where a trade occurs after the last published settlement price but before the Valuation Point), such derivative instruments shall be valued at probable realisation value estimated with care and in good faith by the Management Company or a competent person appointed by the Management Company and approved for the purpose by the Depositary or any other means (and the rationale/methodologies used are clearly documented) provided the value is approved by the Depositary. The probable realisation value may be so determined as (i) the last closing price at the time closest to, but no later than, the Valuation Point, if such price is available or (ii) the midpoint of the bid and ask prices. However, in the absence of two-way trading, the derivative instruments shall be valued at the last bid price for long positions and the last ask price for short positions provided that if all the latter prices are not available, such instruments shall be valued at probable realisation value estimated with care and in good faith by the Management Company or a competent person appointed by the Management Company and approved for the purpose by the Depositary or any other means (and the rationale/methodologies used are clearly documented) provided the value is approved by the Depositary.

Derivative instruments which are not dealt an exchange or market shall be valued on each Valuation Day at their fair market value as determined using counterparty supplied valuations, an independent pricing service or valuation models which use market data inputs supplied by an independent pricing service. If no such price sources are available, OTC derivative contracts will be valued at their fair value pursuant to a valuation method adopted by the Board of Directors as may be supplemented by the Management Company's valuation policy which shall be a valuation method widely accepted as good market practice (i.e. used by active participants on setting prices in the market place or which has demonstrated to provide reliable estimate of market prices), provided that adjustments that the Management Company, in conformity with the guidelines established by the Board of Directors as may be supplemented by the Management Company's valuation policy, and as may deem fair and reasonable be made. In any event, OTC derivative contracts will always be valued on an arm's-length basis

Notwithstanding the above provisions, forward foreign exchange contracts and interest rate swap contracts may be valued by reference to freely available market quotations.

Units or shares of a collective investment scheme shall be valued on the basis of the latest available net asset value per unit or share, as applicable.

Asset prices in a currency other than the Base Currency of a Fund will be converted into the Base Currency using the officially reported exchange rate ruling on such day.

In the event of it being impossible or incorrect to carry out a valuation of a specific investment in accordance with the valuation rules set out above or if such valuation is believed not to be representative of a security's fair market value or if it is considered by reason of market illiquidity or otherwise the Management Company could not reasonably be expected to realise an investment at such value, the Management Company is entitled to use other generally recognised valuation principles in order to reach a proper valuation of that specific instrument, provided that the alternative method used must be approved by the Depository and the rationale/methodologies used shall be clearly documented.

Where "fair value" prices are provided other than through an independent fair value service, such prices shall be generated by the Valuer, and, unless the Management Company fails to ratify such prices (in circumstances where the Management Company is required to ratify such prices) as are provided to it by the Valuer, those prices shall then be delivered to the Administrator, who shall be required to comply with its contractual obligations to the Company and its statutory duties under Irish law when processing such prices for inclusion in its calculation of the Net Asset Value of the Company.

The Funds may utilise "fair value" prices provided by an independent fair value service and where they do this valuation will supersede, and be instead of, the method of valuation set out above although that method of valuation would form the basis of the valuation to which the fair value adjustment would be applied. Fair value prices may be used to ensure appropriate accounting for events that could affect the values of certain Fund holdings that may occur between the close of the market on which those holdings are traded and the time of determining the Net Asset Value, and which would not otherwise be reflected in the Net Asset Value.

One effect of using an independent fair value service may be to reduce stale pricing arbitrage opportunities presented by the pricing of Shares. However, this involves the risk that the values used by the Management Company to price the securities may be different from those used by other investment companies and investors to price the same securities.

Generally, fund security trades are accounted for and valued in the Fund's Net Asset Value on a trade date plus one basis. Occasionally, events affecting the values of such securities may occur between the time of trade execution and the calculation of Net Asset Value which will not be reflected in the computation of the Fund's Net Asset Value unless it is deemed by the Directors, in consultation with the Management Company, that such event would materially affect the Net Asset Value, in which case an adjustment would be made.

### *Dilution Adjustment*

On any Dealing Day where there are net subscriptions or redemptions the Directors may determine in respect of a Fund, based on such reasonable factors as they see fit (including, without limitation, the prevailing market conditions and the level of subscriptions or redemptions requested by the relevant Shareholders or potential Shareholders in relation to the size of the relevant Fund) to apply a dilution adjustment to the Net Asset Value per Share of the relevant Fund. This adjustment is intended to pass the estimated costs associated with ongoing subscription and redemption activity to the investors who are subscribing or redeeming (as applicable) and to preserve the value of the underlying assets of the relevant Fund. The dilution adjustment may take account of trading spreads on that Fund's investments, the value of any Duties and Charges incurred as a result of trading and may also include an allowance for market impact.

Investors should be aware that, the factor used to determine the dilution adjustment ("dilution factor") will under normal conditions not exceed 2% of the Net Asset Value of the relevant Share Class of the Fund. The dilution factors applied to individual Funds will be reviewed by the Investment Adviser on a periodic basis in order to verify their appropriateness in light of prevailing market conditions.

Notwithstanding the above, where exceptional circumstances (including, but not limited to, widening bid offer spreads often as a result of high market volatility and/or illiquidity, exceptional market conditions market disruptions) the Management Company, in consultation with the Directors, may decide, in the best interest of Shareholders and in respect of any particular Fund and on any Business Day, to apply a dilution factor which is above 2%. Shareholders will be informed on such decision via a notice and/or a publication posted on [www.gsam.com](http://www.gsam.com).

If the aggregate subscription proceeds received by the relevant Fund with respect to Shares issued by that Fund on any Dealing Day materially exceed the aggregate redemption proceeds payable by the Fund with respect to Shares redeemed by the Fund on that Dealing Day, then that Fund shall be valued on an offer basis.

### **Share Ownership Restrictions and Requirements**

Shareholders and prospective investors in the Company must not be U.S. Persons unless they are Permitted U.S. Persons. The Company will not register as an investment company by virtue of Section 3(c)(7) of the 1940 Act, because it will offer Shares only to investors who are not U.S. Persons and to Permitted U.S. Persons who are "qualified purchasers" as that term is defined in the 1940 Act and the rules promulgated thereunder, and only on a private placement basis. The offering of Shares will be exempt from registration under the 1933 Act because the Shares are only being offered to investors who are not U.S. Persons pursuant to Regulation S promulgated under the 1933 Act, and to U.S. Persons who are "accredited investors" as defined in Regulation D promulgated under the 1933 Act. Because it is not registered under the 1940 Act the Company will not be required to adhere to certain investment policies required under the 1940 Act.

Pursuant to the Investment Regulations the Company will refuse investment by any investor who it reasonably believes to be a resident of China.

Due to the taxation requirements of allowing such, the Company may also restrict or refuse investment by Irish Residents (other than Exempt Irish Residents).

### **Minimum Investment**

Initial subscriptions for lesser amounts may be accepted at the Company's or its agents' discretion.

Applicants will be obliged to certify that they are aware of the risks of investing in the Shares. Subject to the section "Transfer of Shares and Transfer/Issue of Shares to U.S. Persons" below, applicants will generally also be obliged to certify that, save to the extent they are Permitted U.S. Tax Persons, they are not U.S. Persons. The Company, the Management Company, the Distributor and the Registrar and Transfer Agent reserve the right to reject in whole or in part any application for Shares. Where an application for Shares is rejected, the subscription monies shall be returned to the applicant within

fourteen days of the date of such application at the applicant's cost and risk and no interest or other compensation will be payable in respect of such returned monies. No minimum subscription requirement applies in the case of subsequent subscriptions.

### **Minimum Investment Amounts**

The minimum investment amount for each class of Shares shall be set out in the relevant Supplement.

### **Terms Applicable to all Offering of Shares**

The Directors and the Distributor have the right to decline to accept any applications for any or no reason. The Directors may also scale down any or all applications. Any monies paid in respect of such rejected or scaled down applications shall be returned to applicants at their risk and without interest. In particular Shares will not be issued by the Company unless the Directors are satisfied, taking into account the Investment Regulations, the availability of the GSAMI QFI license, that the Company will be able to invest the proceeds of such issues efficiently in accordance with the investment objective and policy of the relevant Fund.

A sales charge not exceeding 5% of the proceeds received in respect of each subscription application may be retained by the Distributor. The Distributor may waive, or differentiate between investors as to the amount of, any such sales charge, and pass such sale charge in full to, or share such sales charge in part with, any Sub-distributor appointed by it.

The Net Asset Value per Share in relation to any subscription may be subject to a dilution adjustment, as more particularly described under "*Determination of Net Asset Value - Dilution Adjustment*" above.

### **Subscriptions**

For Share classes in which no Shares have yet been issued, applications may be made during the initial offer period set out in the relevant Supplement or such earlier or later time as the Directors may determine. Such Shares will be issued at the initial offer price set out in the relevant Supplement.

Thereafter, applications may be made to purchase Shares of each Fund on any Dealing Day. Such applications must be received by the Company, or its agents appointed to receive such, by the Subscription Cut-Off Time in order to be effective on that Dealing Day. The Company may in its absolute discretion elect a later cut-off time provided that this is prior to the Valuation Point, which shall in that event apply to all investors, and which may be undertaken, for example, to assist the Investment Manager to achieve the desired market exposure for the Fund. If a subscription order is received prior to Subscription Cut-Off Time, Shares will be issued at the Net Asset Value per Share (plus Duties and Charges, if applicable) applicable on that Dealing Day. Subscription orders received after the Subscription Cut-Off Time will be held over without interest and will be issued at the Net Asset Value per Share applicable on the next Dealing Day. Subscription orders will not be processed at times when the calculation of the Net Asset Value per Share is suspended in accordance with the terms of this Prospectus and the Articles.

Subscription monies must be paid by wire transfer to the bank account of the Registrar and Transfer Agent in connection with subscriptions to the relevant Fund as notified to investors by the Management Company for onward transmission to the Depository. Cleared funds representing the subscription monies must be received by the Company no later than the third Business Day following the relevant Dealing Day unless otherwise agreed by the Management Company.

The Directors may but shall not be obliged to make a provisional allotment of Shares. If cleared funds are not subsequently received the Directors reserve the right to cancel the provisional allotment of Shares. In such an event the investor shall be liable for any loss to the Fund. In the event that cleared funds are received by the Company by the required Business Day, the Directors reserve the right to charge interest on such subscription monies commencing on the relevant Dealing Day.

An applicant wishing to make an initial subscription for Shares in a Fund must complete and send a signed original purchase agreement (an "Original Account Agreement") to the Management Company

(or as it shall direct) for onward transmission to the Registrar and Transfer Agent. Original Account Agreements may be sent by facsimile or electronic means provided that the original version is sent by post immediately thereafter. Subsequent purchases of Shares, following an initial subscription pursuant to a properly completed Original Account Agreement, may be made by completing and submitting an additional purchase agreement (an "Additional Purchase Agreement") to the Management Company at the address specified on the Original Account Agreement for onward transmission to the Registrar and Transfer Agent. Additional Purchase Agreements may be sent by facsimile or electronic means.

Original Account Agreements and Additional Purchase Agreements can be obtained by contacting the Management Company.

The Company or the Management Company may, in their sole discretion, reject any subscription order for Shares for any or no reason, including where the Company or Management Company, as appropriate, reasonably believes the subscription order may represent a pattern of excessive trading or market timing activity in respect of the Company.

The Articles are governed by Irish law and the courts of Ireland shall have exclusive jurisdiction in relation to them.

Measures aimed towards the prevention of money laundering may require detailed verification of the applicant's identity. Depending on the circumstances of each application, a detailed verification may not be required where (i) the applicant makes the payment from an account held in the applicant's name at a recognised financial institution; or (ii) the application is made through a recognised intermediary. These exceptions will only apply if the financial institution or intermediary referred to above are within a country recognised by Ireland as having equivalent anti-money laundering regulations. The Company, the Management Company, a Sub-distributor, the Administrator, the Depositary and the Registrar and Transfer Agent acting on behalf of the Company, reserve the right to request such information as is necessary to verify the identity of an applicant. In the event of delay or failure by the applicant to produce any information required for verification purposes, the Company (or the Management Company or a Sub-distributor or the Depositary or the Administrator or the Registrar and Transfer Agent acting on its behalf) may refuse to accept the application and an investor's money will be returned without interest. The original form of the Original Account Agreement and supporting documentation in relation to anti-money laundering checks must be received promptly. Shareholders will not be permitted to request the redemption of their Shares unless the original form of the Original Account Agreement has been received by the Administrator, and all anti-money laundering checks required by the Central Bank have been completed in respect of the relevant subscription.

The Company may issue fractional Shares up to one thousandth of a Share.

## **Redemptions**

Shares will be redeemable, subject to the provisions relating to suspension of redemptions referred to below, on a daily basis at the Net Asset Value per Share (less Duties and Charges, if applicable), calculated as at the relevant Dealing Day.

## **Redemption Applications**

Shareholders may request that Shares be redeemed on any Dealing Day by completing and submitting a redemption application (a "Redemption Application") by way of original documentation, facsimile or electronic means to the Management Company at the address / fax number indicated on such form or any other form of communication in accordance with the requirements of the Central Bank. Such Redemption Application must be received by the Company, or its agents appointed to receive such, by the Redemption Cut-Off Time in order to be effective on that Dealing Day. The Company may in its absolute discretion elect a later cut-off time provided that this is prior to the Valuation Point, which shall in that event apply to all Shareholders. If a redemption order is received prior to Redemption Cut-Off Time, Shares will be redeemed at the Net Asset Value per Share applicable on that Dealing Day. Redemption Applications received after the Redemption Cut-Off Time shall be effective on the next Dealing Day. Redemption Applications will not be processed at times when the calculation of the Net Asset Value per Share is suspended in accordance with the terms of this Prospectus and the Articles.

Shares which have been subject to a Redemption Application will be entitled to declared dividends, if any, up to the Dealing Day upon which the redemption is effective provided that the relevant redeeming shareholder is shareholder of record on the date of declaration of the dividend. Redemption Applications received by way of fax or electronic means will only be processed where payment is made to the Shareholder's account of record. Any amendment to a Shareholder's registration details and payment instructions will only be effected on receipt of original documentation.

A Shareholder may not make a Redemption Application for a partial redemption of Shares which would result in that Shareholder holding less than the minimum investment for that Share class, except where, in the Board's discretion, this may be treated as a request to redeem the Shareholder's entire holding.

If a redeeming Shareholder requests redemption of a number of Shares representing 5% or more of the Net Asset Value of a Fund, the Management Company may, in its sole discretion, redeem the Shares by way of a redemption in kind and in such circumstances the Management Company will, if requested by the redeeming Shareholder, sell the investments on behalf of the Shareholder (the cost of the sale can be charged to the Shareholder). Where a redemption is requested for a number of Shares representing less than 5% of the Net Asset Value of a Fund, the Management Company may only redeem the Shares by way of a redemption in kind with the consent of the redeeming Shareholder, save in the case of a Shareholder whose original subscription was in kind. In all cases of redemptions in kind, asset allocation is subject to the approval of the Depositary.

If redemption requests on any Dealing Day represent 10% or more of the Net Asset Value of a Fund, the Management Company may, in its discretion, refuse to redeem any Shares in excess of 10% (at any time including after the cut-off time on the Dealing Day). Any request for redemption on such Dealing Day shall be reduced rateably and the redemption requests shall be treated as if they were received on each subsequent Dealing Day until all Shares to which the original request related have been redeemed.

### **Redemption Price and Settlement Period**

Shares shall be redeemed at the applicable Net Asset Value per Share on the Dealing Day on which redemption is effected.

The Net Asset Value per Share in relation to any redemption may be subject to a dilution adjustment, as more particularly described under "*Determination of Net Asset Value - Dilution Adjustment*" above.

All payments of redemption monies shall be made as soon as is reasonably practicable following the relevant Dealing Day (except in the exceptional circumstances specified below and except in the event of any delay occurring in repatriating funds invested in China via the GSAMI QFI license), and generally, subject to the foregoing, within three days of such Dealing Day and shall be made by telegraphic transfer at the expense of the Company to the Shareholder's account, details of which shall be notified by the Shareholder to the Management Company in the Original Account Agreement.

Where a Shareholder has redeemed its Shares and the relevant Fund is assessed tax by the PRC authorities or any other tax which tax is attributable to periods in or prior to the redemption date for such Shares and which was not reflected in the Net Asset Value of the Fund used to determine the redemption price of the Shares redeemed, such Shareholder shall indemnify the Fund on its own behalf and on behalf of the Investment Adviser against the relevant portion of such tax which would have been reflected in the Net Asset Value of the redeemed Shares had it been so reflected prior to the redemption of those Shares and the equivalent portion of any professional fees, interest and other costs and expenses incurred by the relevant Fund and the Investment Adviser in respect of such an assessment.

### **Waiver of Subscription and Redemption Requirements**

The Company may, subject to its obligation to act in the best interests of the Shareholders, approve waivers in connection with the processing of subscription or redemption requests of Shareholders including, without limitation, with respect to any Subscription Cut-Off Time, Redemption Cut-Off Time, minimum redemption and holding amounts, as applicable. To the extent permitted by applicable law, such waivers may be granted to any Shareholder who requests same, including without limitation, affiliates of the Management Company, the Investment Adviser and the Sub-Investment Advisers,

including persons who have a security interest in the Shares of certain Shareholders.

### **Liquidity Management**

The Management Company has a liquidity management policy which is designed to enable it to monitor the liquidity risk of the Funds. The systems and procedures employed by the Management Company in this regard allow it to apply various tools and arrangements necessary to respond appropriately to redemption requests.

In normal circumstances, redemption requests will be processed as set out in this Prospectus. Other arrangements may also be used in response to redemption requests, including the deferral of such redemption requests in certain circumstances or use of similar arrangements (as set out in this Prospectus) which, if activated, will restrict the redemption rights investors benefit from in normal circumstances. The Directors may also temporarily suspend redemptions in certain circumstances as set out under “*Administration of the Company—Temporary Suspension of Valuation of the Shares and of Sales and Redemptions*” below.

The Management Company manages liquidity risk taking into account the investment strategy, the liquidity profile and the redemption policy of the Company. For this purpose, it seeks to ensure that sufficient immediately liquid assets are available to mitigate potential cash outflows caused by stressed market environments and to meet client redemptions in stressed market environments. The Management Company conducts stress tests to enable it to assess and monitor the liquidity risk of the Company. These stress tests are conducted regularly under both normal and exceptional liquidity conditions in order to provide a comprehensive assessment of the liquidity risk faced by the Company. It also provides guidance to and oversees the Investment Adviser in respect of its management of liquidity risk.

### **Operation of the Subscription and Redemption Collection Account**

The Company has established a collection account at umbrella level in the name of the Company (the “**Umbrella Cash Collection Account**”), and has not established such accounts at sub-fund level. All subscriptions into and redemptions and distributions due from the Funds will be paid into the Umbrella Cash Collection Account. Monies in the Umbrella Cash Collection Account, including early subscription monies received in respect of a Fund, do not qualify for the protections afforded by the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) Investor Money Regulations 2015 for Fund Service Providers.

Pending issue of the Shares and / or payment of subscription proceeds to an account in the name of the relevant Fund, and pending payment of redemption proceeds or distributions, monies in the Umbrella Cash Collection Account are assets of the relevant Funds to which they are attributable, and the relevant investor will be an unsecured creditor of the relevant Fund in respect of amounts paid by or due to it.

All subscriptions (including subscriptions received in advance of the issue of Shares) attributable to, and all redemptions, dividends or cash distributions payable from, a Fund will be channelled and managed through the Umbrella Cash Collection Account. Subscriptions amounts paid into the Umbrella Cash Collection Account will be paid into an account in the name of the Company. Redemptions and distributions, including blocked redemptions or distributions, will be held in the Umbrella Cash Collection Account until payment due date (or such later date as blocked payments are permitted to be paid), and will then be paid to the relevant or redeeming Shareholder.

The Depositary will be responsible for safe-keeping and oversight of the monies in the Umbrella Cash Collection Account, and for ensuring that relevant amounts in the Umbrella Cash Collection Account are attributable to the appropriate Funds.

The Management Company (or one of its affiliates), the Registrar and Transfer Agent, and the Depositary have agreed an operating procedure in respect of the Umbrella Cash Collection Account, which identifies the participating sub-funds of the Company, the procedures and protocols to be followed in order to transfer monies from the Umbrella Cash Collection Accounts, the daily reconciliation processes, and the procedures to be followed where there are shortfalls in respect of a Fund due to late

payment of subscriptions, and / or transfers to a Fund of moneys attributable to another Fund due to timing differences.

Where subscription monies are received in the Umbrella Cash Collection Account without sufficient documentation to identify the investor or the relevant Fund, such monies shall be returned to the relevant investor. Failure to provide the necessary complete and accurate documentation is at the investor's risk.

### **Written Confirmations of Ownership**

The Registrar and Transfer Agent shall be responsible for maintaining the Company's register of Shareholders in which all issues, redemptions and transfers of Shares will be recorded. All Shares issued will be in registered form and no Share certificates will be issued. Ownership will be evidenced by entry in the Share register. Following each subscription and redemption of Shares written confirmations of ownership will be sent to each Shareholder. Although authorised to do so under the Articles, the Company does not propose to issue bearer certificates. A Share may be registered in a single name or in up to four joint names. The register of Shareholders shall be available for inspection at the registered office of the Company during normal business hours.

### **Mandatory Redemption of Shares, Forfeiture of Dividend and Deduction of Irish Tax**

Without prejudice to its rights to require a transfer of Shares as specified below, the Company may require that a Shareholder(s) redeem the whole or a specified percentage of his Shares if the Directors consider (i) that such Shareholder(s) continuing to hold Shares would be detrimental to the pecuniary, taxation, material legal or regulatory interests of the Company or Shareholders as a whole or (ii) that redemption is appropriate because of adverse political, economic, fiscal or regulatory changes affecting the Company. Shares so compulsorily redeemed will be redeemed at the Net Asset Value per Share calculated on the relevant Dealing Day.

In addition, the Company may, in its absolute discretion, redeem all outstanding Shares in any of the Funds where the Directors (in consultation with the Management Company) consider it necessary or appropriate to protect, maintain, or otherwise prevent the cancellation of the GSAMI QFI license, or under such other circumstances where a compulsory redemption is required from the PRC by the Investment Regulations or otherwise

If a redemption or transfer causes a Shareholder's holding in a class of Shares to fall below the minimum investment for that class of Shares the Company may redeem the whole of that Shareholder's holding in that class.

Shareholders are required to notify the Registrar and Transfer Agent and Distributor immediately in writing in the event that they become Irish Residents or U.S. Persons.

None of the Shares may be offered or sold, directly or indirectly, to any U.S. Person unless authorised by the Company as further described below in "Transfer of Shares and Transfer/Issue of Shares to U.S. Persons". Accordingly, if a transferee who is an unauthorised U.S. Person applies to register a transfer of Shares, or if the Directors or the Administrator otherwise becomes aware that a Shareholder is an unauthorised U.S. Person, the Administrator, on behalf of and subject to the ultimate discretion of the Directors, may direct such person to sell their Shares and to provide to the Administrator evidence of such transaction, within 30 days' notice from the Administrator. If such person fails to comply with the direction, the Directors or the Administrator on its behalf may effect redemption of the Shares as agent for that person as provided for in the Articles and will account for the redemption proceeds to such person. In addition, the Directors have authorised the Distributor to determine from time to time the number or percentage of U.S. Persons who may be admitted to any Fund as a whole pursuant to an applicable policy and procedure and accordingly may require the compulsory transfer or redemption of Shares of a U.S. Person where the continued holding of Shares by such a Shareholder may result in adverse tax, pecuniary, legal, regulatory or material administrative disadvantages to the Company (including any Fund) or its Shareholders as a whole.

Shareholders who become Irish Resident (and are not Exempt Irish Residents) will cause the Company to become subject to Irish tax on a subsequent disposal of Shares held by such Shareholders whether by way of a redemption or transfer and on any distributions made in respect of such Shares. The Company will be obliged to account for and remit such tax to the Irish Revenue Commissioners. However, the Company shall be entitled to deduct from the payment arising on such a chargeable event an amount equal to the appropriate tax and/or where applicable, to redeem and/or cancel such number of Shares held by the Shareholder or such beneficial owner as are required to discharge the tax liability. The relevant Shareholder shall indemnify and keep the Company indemnified against loss arising to the Company by reason of the Company becoming liable to account for tax in any jurisdiction on the happening of a chargeable event if no such deduction, redemption or cancellation has been made. The Irish taxation implications of disposals of Shares by Shareholders are outlined in the section entitled "Taxation" below.

The Company reserves the right to redeem or require the transfer of any Shares which are or become owned, directly or indirectly, by an Irish Resident, or by a U.S. Person or other person if the holding of the Shares by such Irish Resident, U.S. Person or other person is unlawful or detrimental to the interests of the Company or otherwise contrary to the provisions of this Prospectus or the Articles.

The Articles of the Company permit the Company to redeem Shares where during a period of six years no cheque in respect of any dividend on the Shares has been cashed and no acknowledgement has been received in respect of any share certificate or other confirmation of ownership of the Shares sent to the Shareholder and require the Company to hold the redeem monies in a separate interest bearing account which shall be a permanent debt of the Company. The Articles also provide that any unclaimed dividends may be forfeited after six years and on forfeiture will form part of the assets of the relevant Fund.

### **Adjustments**

If at any time the Company determines, in its sole discretion, that an incorrect number of Shares was issued to a Shareholder because the Net Asset Value in effect on the Dealing Day was incorrect, the Company will implement such arrangements as it determines, in its sole discretion, are required for an equitable treatment of such Shareholder, which arrangements may include redeeming a portion of such Shareholder's shareholding for no additional consideration or only partial consideration or issuing new Shares to such Shareholder for no consideration or only partial consideration, as appropriate, so that the number of Shares held by such Shareholder following such redemption or issuance, as the case may be, is the number of Shares as would have been issued at the correct Net Asset Value. A determination that the Net Asset Value was incorrect in respect of a Dealing Day may arise where the Directors subsequently determine, based on professional advice, that the Net Asset Value reflected an under-accrual or over-accrual for tax or other liabilities. In addition, if at any time after a redemption of Shares (including in connection with any complete redemption by a Shareholder) the Company determines, in its sole discretion, that the amount paid to such Shareholder or former Shareholder pursuant to such redemption was materially incorrect (including because the Net Asset Value at which the Shareholder or former Shareholder purchased such Shares or at which the redemption was effected was materially incorrect), the Company will pay to such Shareholder or former Shareholder any additional amount that the Company determines such Shareholder or former Shareholder would have been entitled to receive had the redemption been effected at the correct Net Asset Value, or, in the Company's sole discretion, seek payment from such Shareholder or former Shareholder of (and such Shareholder or former Shareholder shall be required to pay) the amount of any excess payment that the Company determines such Shareholder or former Shareholder received, in each case without interest. Further, the Company may, although it is under no obligation to, make the foregoing adjustments in the event that the amount paid was incorrect (but not to a material extent). In the event that the Company elects not to seek the payment of such amounts from a Shareholder or former Shareholder or is unable to collect such amounts from a Shareholder or former Shareholder, the Net Asset Value will be less than it would have been had such amounts been collected.

Under certain circumstances, the Company may be required to make a payment in respect of, or may, subject to any limitations under applicable law, determine to establish an accrual for, a direct or indirect liability (including a tax liability) that is attributable to prior periods and for which no accrual has previously been made. Even though the Net Asset Value of the applicable Shares in effect for prior periods was not

necessarily incorrect under the then-current accounting standards, the Company may, in the sole discretion of the Directors, subject to any limitations under applicable law, determine that it is appropriate to take measures in an effort to allocate the burden of a direct or indirect liability among Shareholders and former Shareholders such that the direct or indirect liability is borne by the Shareholders and former Shareholders in proportion to their respective interests in the Company for the period in which such liability was incurred or existed or in such other manner as the Company shall determine is equitable and reasonable. Such measures may include one or more of the arrangements described in the preceding paragraph, including adjustments to the Net Asset Value (including for prior periods), redeeming a portion of a Shareholder's Shares or issuing additional Shares to a Shareholder for no consideration, and seeking repayment of distributed amounts from Shareholders or former Shareholders

### **Transfer of Shares and Transfer/Issue of Shares to U.S. Persons**

Transfers of Shares must be effected by transfer in writing in any usual or common form or in any other form approved by the Directors from time to time. Every form of transfer must state the full name and address of each of the transferor and the transferee and must be signed by or on behalf of the transferor. The Company may require any transferee or assignee to execute the application form and such other subscription materials as are necessary so that the Company may satisfy itself that the transfer would not be unlawful or result or be likely to result in any adverse regulatory, tax or fiscal consequence or material administrative disadvantage to the Company or the Shareholders as a whole including, without limitation, if it would cause the Company to be required to register pursuant to the 1934 Act, or the rules promulgated thereunder, to register as an investment company under the 1940 Act or to register any Shares under the 1933 Act. The Directors will decline to register any transfer of Shares unless the transfer form is deposited at the registered office of the Company, or such other place as the Directors may reasonably require, accompanied by such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer. The transferor shall be deemed to remain the holder of the Shares until the name of the transferee is entered in the register of Shareholders. A transfer of Shares will not be registered unless the transferee, if not an existing Shareholder, has completed the application form contained in this Prospectus to the satisfaction of the Directors.

Shares are freely transferable except that the Directors or their delegate may decline to register a transfer of Shares:

- (a) if the transfer is to a U.S. Person other than a Permitted U.S. Person;
- (b) if in the opinion of the Directors the transfer would be unlawful or result or be likely to result in any adverse regulatory, tax or fiscal consequence or material administrative disadvantage to the Company or the Shareholders as a whole including, without limitation, if it would cause the Company to be required to register pursuant to the 1934 Act, or the rules promulgated thereunder to register as an investment company under the 1940 Act or to register any shares under the 1933 Act;
- (c) in the absence of satisfactory evidence of the transferee's identity;
- (d) if the transfer is a "chargeable event" giving rise to an obligation on the Company to deduct appropriate tax unless the Company is satisfied that it can levy the aggregate tax on this proposed transferor by way of forfeiture of such number of Shares of the proposed transferor as are necessary to discharge such liability and unless the Company receives a valid Declaration from the proposed transferee. See "Taxation" below; or
- (e) if, as a result of the transfer, the aggregate Net Asset Value of the Shares held by the transferor or transferee would be less than the foreign currency equivalent of €100,000.

Each applicant for Shares who is a Permitted U.S. Person will be required to provide such representations, warranties, or documentation as may be required by the Directors to ensure that such requirements are met prior to approval of such sale or transfer by the Directors. The Directors shall determine from time to time in their absolute discretion the number of Permitted U.S. Persons who may be admitted to the Company.

### Conversion of Shares by way of Exchange

The Articles permit Shareholders with the consent of the Directors (or their delegate) to convert their Shares in a given class (the "Original Class") to Shares in any other class (including a class in a different Fund) (the "New Class") on giving notice to the Company in such form as the Company may request. The Directors (or their delegate) may permit such conversion but shall not be obliged to do so. At present the Company has only established two Funds.

Conversion shall take place in accordance with the following formula:

where :

$$N = \frac{(U \times R \times F) - X}{P}$$

N = the number of Shares which will be issued in the new class;

U = the number of the Shares to be converted;

R = the redemption price per Share;

F = the currency conversion factor (if any) as determined by the Administrator (in consultation with the Investment Adviser);

P = the price of a Share in the new class; and

X = a conversion charge (if any) not exceeding 5% of the value of the Shares being converted.

If N is not a whole number of Shares the Company reserves the right to issue fractional Shares in the new class or to return the surplus arising to the Shareholder seeking to convert the Shares.

No conversion fees will be charged in respect of any such conversion except in the case of conversion from one currency to another where, as provided in the formula above, a currency conversion factor will be used to ensure that the costs of any foreign exchange trade necessitated by the conversion will be borne by the converting Shareholder. Shareholders should contact a Distributor for further information.

When requesting the conversion of Shares as an initial investment in a Fund, Shareholders should ensure that the Net Asset Value of the Shares converted is equal to or exceeds the minimum investment (if any) for the relevant Fund. In the case of a conversion of a partial holding only, the value of the remaining holding must also be at least equal to any minimum holding for the relevant Fund. If the number of Shares of the New Class to be issued on conversion is not an integral number of Shares, the Company may at its discretion issue fractional new Shares or return the surplus arising to the Shareholder seeking to convert Shares of the Original Class. The Fund may make a payment in lieu of any fractional amount smaller than one thousandth of a Share.

The general provisions and procedures relating to redemptions of Shares of the Original Class and subscriptions for Shares of the New Class will apply to any conversion of Shares. Shares may be exchanged on any Dealing Day, upon notice given not later than the earlier of the cut-off time for redemptions for the Original Class or the cut-off time for subscriptions for the New Class, as set out in the Prospectus or the relevant Supplement. Such notice must be given in writing, on a form available from a Distributor or Administrator and may be sent by facsimile or any other form of communication agreed by the Central Bank to Goldman, Sachs & Co. LLC at the number set out on the Original Account Agreement.

To facilitate a conversion, the Directors may determine to declare an additional Dealing Day(s). Any such declaration of an additional Dealing Day(s) by the Directors shall be notified in advance to all Shareholders. In the event that an additional Dealing Day(s) is declared, the Directors may determine that the costs involved in declaring such an additional Dealing Day(s) will be borne by the Shareholder requesting the conversion.

In the event that an exchange request is received after the relevant cut-off time such request will be effected on the following Dealing Day.

Shareholders should be aware that the Company reserves the right to accept or reject an exchange of Shares in its discretion. The Company reserves the right to suspend or terminate the exchange privileges of any Shareholder who engages in what the Company believes to be an excessive pattern of exchanges.

A Shareholder should obtain and read the Prospectus and the Supplement relating to any Fund or any class of Shares of a Fund and consider its investment objective, policies and applicable fees before requesting any exchange into that fund or any class of Shares of a Fund.

The exchange of Shares of a fund may be temporarily suspended by the fund upon the occurrence of certain events described under “*Temporary Suspension of Valuation of the Shares and of Subscriptions and Redemptions*” below.

An exchange of Shares may have tax consequences for a Shareholder. Shareholders should consult with their normal tax adviser if they are in any doubt as to such tax consequences.

### **Conversion of Shares by way of Redemption and Subscription**

Rather than converting Shares in an Original Class to Shares in a New Class as described above, Shareholders may redeem Shares in a given class in accordance with the provisions set out under the section entitled “Redemptions” above and may, with the consent of the Directors or their delegate, request the use of the redemption proceeds to subscribe for Shares in a New Class, in accordance with the section entitled “Subscriptions” above. In such cases, no cash payment is made to or from the Shareholder and relevant money will be held in the Umbrella Cash Collection Account as more fully described below in section 13.1.1 “Operation of the Subscription and Redemption Collection Account.” In the event that the redemption proceeds are greater than the amount need to purchase the Shares, the excess amount shall be paid to the Shareholder in the normal manner.

When requesting the conversion of Shares as an initial investment in a Fund, Shareholders should ensure that the Net Asset Value of the Shares converted is equal to or exceeds the minimum investment (if any) for the relevant Fund. In the case of a conversion of a partial holding only, the value of the remaining holding must also be at least equal to any minimum holding for the relevant Fund.

Shareholders should be aware that the Management Company reserves the right to accept or reject a conversion of Shares in its discretion.

A Shareholder should obtain and read the Prospectus and the Supplement relating to any Fund or any class of Shares of a Fund and consider its investment objective, policies and applicable fees before requesting any conversion into that Fund or any class of Shares of a Fund.

To facilitate a conversion, the Directors may determine to declare an additional Dealing Day(s). Any such declaration of an additional Dealing Day(s) by the Directors shall be notified in advance to all Shareholders. In the event that an additional Dealing Day(s) is declared, the Directors may determine that the costs involved in declaring such an additional Dealing Day(s) will be borne by the Shareholder requesting the conversion.

### **Availability of the Net Asset Value per Share**

Except where the determination of the Net Asset Value per Share of a Fund has been suspended, in the circumstances described below, the Net Asset Value per Share of each class of Shares and the historical performance of the Funds shall be available at the registered office of the Company, on request from the Management Company and on such media as may be decided from time to time by the Directors or the Management Company on behalf of the Company. Such information will relate to the Net Asset Value per Share for the previous Dealing Day and is made available for information purposes only. It is not an invitation to subscribe for or redeem Shares at that Net Asset Value per Share.

**Temporary Suspension of Valuation of the Shares and of Subscriptions and Redemptions**

The Directors may (with respect to redemptions at any time up to the relevant Dealing Day and notwithstanding the fact that a timely redemption request has been submitted) temporarily suspend the determination of the Net Asset Value of a particular Fund and the subscription, transfer or redemption of Shares in that Fund during:

- (a) any period (other than ordinary holiday or customary weekend closings) when any market is closed which is the main market for a significant part of the relevant Fund's investments, or when trading thereon is restricted or suspended; or
- (b) any period when any situation exists as a result of which disposal or valuation by the Company of assets of the relevant Fund is not practically feasible or if feasible would be on terms materially disadvantageous to Shareholders; or
- (c) any period when for any reason the prices of any investments of the relevant Fund cannot be reasonably, promptly or accurately ascertained by that Fund; or
- (d) any period when remittance of monies which will, or may be, involved in the realisation of, or in the payment for, investments of the relevant Fund cannot, in the opinion of the Directors, be carried out at normal rates of exchange; or
- (e) any period when proceeds of the subscription or redemption of the Shares cannot be transmitted to or from the relevant Fund's account; or
- (f) upon the publication of a notice convening a general meeting of Shareholders for the purpose of resolving to wind-up of the Company; or
- (g) any period when the Company is unable to dispose of holdings or to repatriate the proceeds of such disposals; or
- (h) any period when the Directors determine that it is in the best interests of Shareholders to do so.

Any such suspension shall be published by the Company in such manner as it may deem appropriate to the persons likely to be affected thereby if, in the opinion of the Company, such suspension is likely to continue for a period exceeding fourteen days and any such suspension shall be notified immediately and in any event within the same Business Day to the Central Bank. In the event that the suspension is likely to continue for a period exceeding six months the Directors shall convene an extraordinary general meeting for the purposes of considering the conversion of the Company to a closed-end investment company.

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**MANAGEMENT AND ADMINISTRATION**

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**The Board of Directors**

The Board of Directors has overall responsibility for the management of the Company (and any wholly owned subsidiaries) including making general policy decisions and reviewing the actions of the Management Company and the Depositary and any other service providers appointed by the Company from time to time.

The Directors are responsible for managing the business affairs of the Company in accordance with the Articles. It is intended that the Company will be centrally managed and controlled in Ireland. Under the Articles, the Directors have delegated certain of their duties, discretions and/or powers. Details of service providers to which duties, discretions and/or powers of the Directors have been delegated are set out below. The terms and conditions of the appointment of any such service provider, including the fees and expenses payable to such service provider, may be altered by agreement with the relevant service provider from time to time, provided any such alteration must be in accordance with the requirements of the Central Bank and (to the extent that they are a delegate of the Management Company) the delegation provisions of the UCITS Regulations. The Directors and/or the Management Company may also determine to replace any of the service providers described below, provided any such replacement shall be in accordance with the terms of the appointment of such service provider, the requirements of the Central Bank and the provisions of the UCITS Regulations.

The Directors are listed below with their principal occupations. All of the Directors serve in a non-executive capacity. The address of the Directors is the registered office of the Company.

Although certain of the Directors may be connected to Goldman Sachs or its affiliates, in their capacity as Directors of the Company they will function as persons with independent fiduciary responsibilities, and will not be subject to the control of Goldman Sachs in the exercise of such responsibilities.

Pursuant to the Articles, the Directors shall be indemnified and secured harmless out of the assets and profits of the Company from and against all actions, costs, charges, losses, damages and expenses, which they or any of them, their or any of their heirs, administrators or executors shall or may incur or sustain by reason of any contract entered into or any act done, concurred in, or omitted in or about the execution of their duty or supposed duty in their respective offices or trusts, except such (if any) as they shall incur or sustain by or through their own wilful act, neglect or default respectively, and the amount for which such indemnity is provided shall immediately attach as a lien on the property of the Company and have priority as between the Shareholders over all other claims.

The Directors of the Company as of the date of this Prospectus are as follows:

**Directors employed by Goldman Sachs**

**Katherine Uniacke** is an Advisory Director of GSAM. Prior to retiring as a Goldman Sachs Partner in 2012, Ms. Uniacke was Chief Operating Officer of GSAM's Global Portfolio Management team within the Investment Management Division. Ms. Uniacke joined Goldman Sachs in 1983 as an analyst in the Fixed Income Division after receiving her undergraduate degree from Gettysburg College. While at Goldman Sachs, she earned an MBA degree from the New York University Stern School of Business. She was head of Global Cash Services, head of distribution in North America and head of the fiduciary management business.

**Jonathan Beinrer** is an advisory director of Goldman Sachs. He was previously chief investment officer and co-head of the Global Fixed Income and Liquidity Solutions team in Goldman Sachs Asset Management (GSAM), where he oversaw traditional, alternative and money market assets. Jonathan joined GSAM in 1990 and has over 30 years of industry experience. He was named managing director in 1997 and partner in 2004. Jonathan earned dual BS degrees, summa cum laude, from the University of Pennsylvania in 1988.

## Directors not employed by Goldman Sachs

**Frank Ennis** acts as an independent consultant and independent director in the funds industry. From 1985 to 1999 he was a partner in PricewaterhouseCoopers and in 1989 he was involved in the Mutual Fund Practice. Most of his career was concerned with providing financial and strategic advice to international companies interested in establishing a presence in Ireland. In addition to global marketing and networking for the International Financial Services Centre (the "IFSC") he was involved in advising on key aspects of start-ups in Dublin, the structuring of fund products and the marketing and distribution of funds in the European market. He had an extensive range of international clients. From 2000-2001 Mr. Ennis was joint CEO and a board member of Trinity Technology Limited. The company was engaged in the technology sector and went into compulsory liquidation on 14 May 2001. He graduated from Trinity College Dublin with a BBS degree in 1977. Having qualified as a Chartered Accountant in 1981, he was admitted as a Fellow to the Institute of Chartered Accountants in 1991.

**Gráinne Alexander** is an independent non executive director. She has worked in the investment industry for over twenty years with experience as a senior executive in fund management, investment strategy, investment consultancy and company management. She was a European partner at Mercer Investment Consulting (involved in the establishment of Mercer's funds business) and following that, Chief Executive at F&C Management's Irish asset management firm, F&C Ireland. She was also a director of the Irish Association of Investment Managers and a director of Cayman listed funds. Gráinne is a Fellow of the Society of Actuaries in Ireland. She is a non executive director at RBC Investor Services Ireland and is a director of Goldman Sachs's European domiciled fund companies. She received a Diploma in Company Direction from the Institute of Directors in 2013.

The Company Secretary is Matsack Trust Limited.

The Articles do not stipulate a retirement age for Directors and do not provide for retirement of Directors by rotation. The Articles provide that a Director may be a party to any transaction or arrangement with the Company or in which the Company is interested provided that he has disclosed to the Directors the nature and extent of any material interest which he may have. A Director may not vote in respect of any contract in which he has a material interest. However, a Director may vote in respect of any proposal concerning any other company in which he is interested, directly or indirectly, whether as an officer or shareholder or otherwise, provided that he is not the holder of 5% or more of the issued shares of any class of such company or of the voting rights available to members of such company. A Director may also vote in respect of any proposal concerning an offer of Shares in which he is interested as a participant in an underwriting or sub-underwriting arrangement and may also vote in respect of the giving of any security, guarantee or indemnity in respect of money lent by the Director to the Company or in respect of the giving of any security, guarantee or indemnity to a third party in respect of a debt obligation of the Company for which the Director has assumed responsibility in whole or in part.

The Articles provide that the Directors may exercise all the powers of the Company to borrow money, to mortgage or charge its undertaking, property or any part thereof and may delegate these powers to the Management Company.

## The Management Company

The Company has appointed GSAMFS, a wholly-owned subsidiary of The Goldman Sachs Group, Inc., as its UCITS management company. The Management Company was incorporated in Ireland on 20 March 2018 as a limited liability company and is authorised by the Central Bank pursuant to the UCITS Regulations and acts as alternative investment fund manager or designated management company to a number of collective investment undertakings, including both AIFs and UCITS, that have investment programmes that may or may not be similar to the Funds and/or any other fund or funds established by the Company.

The Management Company is responsible for the portfolio management of the Company and exercising the risk management function in respect of each Fund. In addition, the Management Company's duties include valuation, fund administration, transfer agency, distribution and shareholder services. As further described in this Prospectus, the Management Company has delegated certain functions with respect to these duties to certain affiliates and third parties. In particular, the Management Company has

delegated certain portfolio management functions in relation to each of the Funds to the Investment Adviser, as described in “*The Investment Adviser*” (and the Investment Adviser has, with the approval of the Management Company, sub-delegated such functions in relation to certain Funds to the Sub-Investment Advisers as described in the section entitled “*The Sub-Investment Advisers*”), certain valuation functions to the Valuer as described in the section entitled “*The Valuer*”, certain Fund administration functions to the Administrator as described in the section entitled “*The Administrator*” and certain transfer agency functions to the Registrar and Transfer Agent as described in the section entitled “*The Registrar and Transfer Agent*”. Notwithstanding any delegation the Management Company shall remain liable to the Company for the proper performance of its portfolio management, risk management, valuation, fund administration, transfer agency, distribution and other functions. The Investment Adviser and, where relevant, the Sub-Investment Advisers will be responsible to the Management Company in respect of the management of the investment of the assets of each Fund in accordance with its investment objectives and policies, subject always to the supervision and direction of the Management Company, and in respect of the Sub-Investment Advisers, the Investment Adviser.

In its capacity as management company, the Management Company may receive a fee payable out of the assets of a Fund, as described in the section entitled “Fees and Expenses”. In addition, the Management Company is entitled to be reimbursed by the Funds for its reasonable out-of-pocket expenses. In addition, under the terms of the Management Agreement, the Management Company may require the Company to pay the fees (including any irrecoverable value added tax thereon) of any service providers which it has appointed as delegates.

The Management Company has remuneration policies, procedures and practices which are consistent with and promote sound and effective risk management. They apply to staff whose professional activities have a material impact on the risk profile of the Management Company and are designed not to encourage risk-taking which is inconsistent with the risk profile of the Company. The details of the up-to-date policy, including a description of how remuneration and benefits are calculated, the identity of persons responsible for awarding the remuneration and benefits, including the composition of the remuneration committee (if any), are available free of charge on request or at <https://www.gsam.com/content/dam/gsam/pdfs/international/en/pds-and-regulatory/important-additional-information/GSAMFSL%20-%20Compensation%20Policy%20Statement.pdf?sa=n&rd=n>. The policy summary will be made available for inspection and a paper copy may be obtained, free of charge, at the registered office of the Company.

The company secretaries of the Management Company are Amy Wareham and Daniel Jackson.

The directors of the Management Company as of the date of this Prospectus are as follows:

- Barbara Healy, who is an independent director and chartered accountant by profession, with over 25 years’ experience in the asset management industry (at JP Morgan and SEI, amongst others);
- Tom Fitzgerald, who is also the Chief Risk Officer for the Management Company and has over 20 years’ experience in the financial services sector, including as senior risk manager in the prime services business of Credit Suisse in Dublin and Chief Credit Officer for Goldman Sachs Bank Europe plc.
- Victoria Parry, who is an independent non-executive director and consultant, with over 20 years’ experience in the asset management industry (at Man Group plc and GLG Partners LP, amongst others).
- Nicholas Philips, joined the board of the Management Company in August 2020 after retiring from his role as head of International Third Party Distribution for Goldman Sachs Asset Management (GSAM) and has over 30 years’ experience in the asset management industry (at Goldman Sachs and Credit Suisse, amongst others).

The Management Agreement provides that each of the Management Company, its associates, service providers and any of their respective officers, directors, partners, members, shareholders, agents,

delegates, employees and contingent workers and any person nominated by the Company, the Management Company or any delegate who services on the board of directors or advisory board or equivalent body of any body corporate, partnership or other incorporated or unincorporated association in which a Fund holds an interest for investment purposes (an "Investment") (each an "Management Company Indemnified Person"), to the extent permitted by applicable law, shall be entitled to be indemnified on an after tax basis out of the assets of the Company against any and all claims, liabilities, losses, costs or expenses (including legal fees) ("Liabilities") of any nature whatsoever, known or unknown, liquidated or unliquidated incurred by them or threatened in connection with the subject matter of the Management Agreement or in the course of the discharge of Management Company's functions under the Management Agreement or any action or omission taken or suffered by any Management Company Indemnified Person in good faith in its capacity as a member of the board of directors or advisory board or equivalent body of any Investment howsoever any such Liabilities may have occurred except to the extent that such Liabilities have resulted from the gross negligence, bad faith, wilful default or fraud of such Management Company Indemnified Person in the performance or failure to perform by it or him of its or his obligations and duties under the Management Agreement or in his or its capacity as a member of the board of directors or advisory board or equivalent body of any Investment.

The Management Agreement shall continue in force until terminated by either party thereto on not less than 60 calendar days' notice in writing (or such shorter notice as may be agreed) to the other party. Either party to the Management Agreement may terminate the Management Agreement immediately at any time by notice taking immediate and subsequent effect if: (i) the other party has committed a material breach or is in persistent breach of any of the terms of the Management Agreement or any applicable law and has not remedied such breach within 30 business days after service of notice by the other party requiring it to be remedied; (ii) an encumbrancer takes possession or a trustee, liquidator, receiver, administrative receiver, administrator, examiner or similar officer is appointed in respect of all or any substantial part of the business, undertaking or assets of either party or distress or any form of execution is levied or enforced upon or sued out against any substantial assets and is not discharged within 15 business days of being levied, enforced or sued out, or any security interest (of any nature) affecting the substantial assets becomes enforceable; (iii) any liquidation, bankruptcy, insolvency, reorganisation or similar proceeding are instituted against either party in any jurisdiction (except for the purposes of and followed by an amalgamation or re-construction previously approved in writing by the other party) other than proceedings commenced by a frivolous or vexatious petition or a petition which the party who is the subject of the petition has bona fide grounds to dispute and which is dismissed within a period of 30 business days; (iv) the affected party is excused from the performance of any material obligation under the Management Agreement by virtue of a force majeure event for a continuous period of 20 business days; or (v) either party becomes or is declared insolvent.

The Management Agreement is governed by the laws of Ireland.

### **The Investment Adviser**

The Investment Adviser is GSAMI. GSAMI is located at Plumtree Court, 25 Shoe Lane, London EC4A 4AU, United Kingdom. GSAMI currently serves a wide range of clients including mutual funds, private and public pension funds, governmental entities, endowments, foundations, banks, insurance companies, corporations, and private investors and family groups. GSAMI and its advisory affiliates, with financial centres around the globe, have a worldwide staff of over 1000 investment management professionals. GSAMI is regulated by the FCA and is a registered investment adviser under the Advisers Act. GSAMI is part of The Goldman Sachs Group, Inc., which is a bank holding company and together with Goldman Sachs & Co. LLC and its other subsidiaries and affiliates constitutes one of the world's oldest and largest investment banking and securities firms, was founded in 1869 and has at present more than 30 offices worldwide.

Pursuant to the Investment Advisory Agreement, the Management Company has delegated certain portfolio management functions in relation to each of the Funds to the Investment Adviser and, pursuant to the Investment Advisory Sub-Delegation Agreement, the Investment Adviser has, with the approval of the Management Company, sub-delegated such functions to the Sub-Investment Advisers. Each of the Investment Adviser and the Sub-Investment Advisers will at all times perform its functions in relation to the Company in accordance with the risk management parameters and policies established by the Management Company.

In its capacity as investment adviser, the Investment Adviser will receive an Investment Management Fee payable out of the assets of the Funds as described in the section entitled “Fees and Expenses”. In addition, the Investment Adviser is entitled to be reimbursed out of the assets of the Funds for its reasonable out-of-pocket expenses.

The Investment Adviser will select brokers and dealers through which to effect transactions for the Company on a best execution basis. Best price, giving effect to brokerage commissions and commission equivalents, if any, and other transaction costs, is normally an important factor in this decision, but the selection also takes into account the quality of brokerage services, including such factors as execution capability, willingness to commit capital, creditworthiness and financial stability, financial responsibility and strength, and clearance and settlement capability. In managing the assets of the Company, the Investment Adviser may receive services that constitute research under applicable law from brokers. The use of commissions or research arrangements to pay for such research or other services, whether provided directly or indirectly, may be utilised, to the extent permissible under applicable law, for the benefit of the Investment Adviser’s other accounts, as well as the Company.

Each of the Investment Adviser, any of its affiliates, any permitted delegate and any of their respective officers, directors, partners, members, shareholders, agents, delegates, employees and contingent workers and any person nominated by the Management Company, the Investment Adviser or any permitted delegate who serves as the request of the Management Company, the Investment Adviser or any permitted delegate on the board of directors or advisory board or equivalent body of an Investment (each an “Investment Adviser Indemnified Person”), to the extent permitted by applicable law, shall be entitled to be indemnified on an after tax basis out of the assets of the Company against Liabilities of any nature whatsoever, known or unknown, liquidated or unliquidated incurred by them or threatened to the extent that such that such Liabilities have resulted from the Company’s failure to pay any fees or expenses due from the Company to the Investment Adviser under the Investment Advisory Agreement. Where it reasonably determines that the Management Company has not enforced, whether intentionally or otherwise, one or more of its rights against the Investment Adviser and such non-enforcement is not due to an attempt by the Management Company to resolve a potential dispute in relation to such rights between the Management Company and the Investment Adviser, the Company may be entitled to enforce such rights for its own benefit provided it assumes the Management Company’s obligations corresponding to such rights, including, without limitation, the indemnity obligations of the Management Company stipulated in the Investment Advisory Agreement for the benefit of any Investment Adviser Indemnified Person.

The Investment Advisory Agreement shall continue in force until terminated by the Management Company or the Investment Adviser upon 30 days’ written notice to the Investment Adviser or the Investment Adviser upon 30 days’ written notice to the Management Company. Either the Management Company or the Investment Adviser may terminate the Investment Advisory Agreement immediately at any time by notice in writing to the other if: (i) required to do so by applicable law or by any competent regulatory authority; (ii) the other party (which, in case of the Management Company, shall include the Company) is subject to an insolvency event; (iii) the other party (which, in case of Management Company, shall include the Company) ceases to be in a position to fulfil its obligations under the Investment Advisory Agreement; or (iv) the other party (which, in case of Management Company, shall include the Company) commits a material breach of the Investment Advisory Agreement and, where such material breach is capable of remedy, it has continued unremedied for a period of 30 calendar days. In addition, the Management Company shall be able to terminate the appointment of the Investment Adviser with immediate effect when this is in the best interests of the investors of the Company.

### **The Sub-Investment Advisers**

Pursuant to the Investment Advisory Sub-Delegation Agreement, the Investment Adviser has appointed the Sub-Investment Advisers described below with respect to the Goldman Sachs China A-Share Equity Portfolio. Details of any Sub-Investment Advisers appointed with respect to other Funds will be set out in the relevant Supplement(s).

The Investment Adviser has appointed Goldman Sachs Asset Management (Singapore) Pte. Ltd. as a Sub-Investment Adviser to the Company. It was established on 5 November 2013 and is an affiliate of

Goldman Sachs & Co. LLC and The Goldman Sachs Group, Inc. It has a principal place of business at 1 Raffles Link, #07-01 South Lobby, Singapore and is regulated in the conduct of its investment business by the Monetary Authority of Singapore.

The Investment Adviser has appointed Goldman Sachs Asset Management Co., Ltd. as a Sub-Investment Adviser to the Company. It is an affiliate of Goldman Sachs & Co. LLC and The Goldman Sachs Group, Inc. It was established on 6 February 1996 and registered as a mutual fund management company with the Ministry of Finance of Japan, was registered as an investment adviser with the Director of Kanto Local Finance Bureau on 18 January 2002 and received a licence to conduct discretionary investment management business from the Prime Minister of Japan on 29 March 2002. It acquired the business of Goldman Sachs Asset Management Japan Limited on 1 April 2002.

The Investment Adviser has appointed Goldman Sachs Asset Management (Hong Kong) Limited as a Sub-Investment Adviser to the Company. It was established on 10 April 2015 as an affiliate of Goldman Sachs & Co. LLC and The Goldman Sachs Group, Inc. It has a principal place of business at 68/F Cheung Kong Center, 2 Queen's Road Central, Hong Kong and is regulated in the conduct of its investment business by the Hong Kong Securities and Futures Commission.

The Investment Adviser has appointed Goldman Sachs Asset Management, L.P. as a Sub-Investment Adviser to the Company. It was established on 18 April 1990 as an affiliate of Goldman Sachs & Co. LLC and The Goldman Sachs Group, Inc. It has a principal place of business at 200 West Street, New York, NY 10013, USA and is regulated in the conduct of its investment business by the U.S. Security and Exchange Commission.

In its capacity as sub-investment adviser, each Sub-Investment Adviser will receive fees from the Investment Adviser as described in the section entitled "Fees and Expenses". In addition, each Sub-Investment Adviser is entitled to be reimbursed out of the assets of the Funds for its reasonable out-of-pocket expenses. Details of these Sub-Investment Advisers shall be available on request to Shareholders.

The Investment Adviser may terminate the appointment of a Sub-Investment Adviser in relation to the Company if the Management Company has withdrawn its consent to the sub-delegation to that Sub-Investment Adviser under the Investment Advisory Sub-Delegation Agreement. Such appointment will also terminate if the relevant Sub-Investment Adviser ceases to carry on business as a going concern.

### **The Administrator**

The Management Company has appointed State Street Fund Services (Ireland) Limited to act as administrator to the Company with responsibility for performing the day-to-day administration of the Company and for providing accounting services for the Company, including the calculation of the Net Asset Value and the Net Asset Value per Share of each series of Shares.

The Administrator is a private limited liability company incorporated in Ireland on 23 March 1992 and has its registered office at 78 Sir John Rogerson's Quay, Dublin 2, Ireland. The Administrator is registered with the Central Bank as an approved fund administration company. The Administrator provides administrative services for a number of corporations and partnerships throughout the world and is a wholly owned subsidiary of State Street Corporation.

For its services under the Administration Agreement, the Administrator receives a fee payable out of the assets of the Company. In addition, the Administrator is entitled to be reimbursed out of the assets of the Company for its reasonable out-of-pocket expenses and disbursements.

The Administration Agreement provides that the Administrator will not be liable to the Management Company or the Company for any damages or other losses arising out of the performance of its services thereunder except where the loss results directly from negligence, bad faith, fraud or wilful default, and contains provisions for the indemnification of the Administrator by the Company in certain circumstances against liabilities to other parties arising in connection with the performance of its services to the Company.

In some circumstances, the Company may be entitled to enforce one or more rights the Management Company has against the Administrator for its own benefit provided it assumes the Management Company's obligations corresponding to such rights, including, without limitation, the indemnity obligations of the Management Company stipulated in the Administration Agreement for the benefit of the Administrator.

The Administration Agreement shall continue in force for an initial period of six months and thereafter may be terminated by the Management Company or the Administrator at any time upon 90 days' written notice to the other. In addition, a party to the Administration Agreement may also terminate the Administration Agreement for cause if any other party thereto (the "defaulting party") (among other things): (i) has committed a material breach of the Administration Agreement which is either incapable of remedy or has not been remedied within 30 days of any other party to the Administration Agreement serving notice upon the defaulting party requiring it to remedy the breach; or (ii) is subject to insolvency proceedings.

### **The Valuer**

Goldman Sachs & Co. LLC, a wholly-owned subsidiary of The Goldman Sachs Group, Inc., has been appointed by the Management Company to provide valuation services in relation to the assets of the Company.

The Valuer shall not be directly liable for any of its acts or omissions to either the Company or any Shareholder under the terms of the Valuation Agreement and the Management Company shall remain liable to the Company for the proper performance of any valuation pursuant to the terms of the Management Agreement.

For its services under the Valuation Agreement, the Valuer may receive a fee paid by the Management Company.

The Valuer will provide certain valuation services to the Management Company in relation to the assets of the Company and shall assist the Management Company in establishing maintaining, implementing and reviewing written valuation policies and procedures that ensure a transparent and appropriately documented valuation process in relation to, inter alia, the assets of the Company.

See "*Determination of Net Asset Value*" for further information on the role of the Valuer.

### **The Depositary**

#### *Introduction and Key Depositary Duties*

The Company has appointed State Street Custodial Services (Ireland) Limited as Depositary pursuant to the Depositary Agreement.

The Depositary is a private limited liability company incorporated in Ireland and has its registered office at 78 Sir John Rogerson's Quay, Dublin 2, Ireland. The principal activity of the Depositary is to act as the custodian of the assets of collective investment schemes. The Depositary is ultimately owned by State Street Corporation. The Depositary is regulated by the Central Bank.

For its services under the Depositary Agreement, the Depositary receives a fee payable out of the assets of the Company.

The Depositary Agreement contains provisions governing the responsibilities and duties of the Depositary. They include, amongst others, the following:

- (i) ensuring that the Company's cash flows are properly monitored, and that all payments made by or on behalf of Shareholders upon the subscription of Shares have been received and that all cash of the Company has been booked in the appropriate accounts;

- (ii) safekeeping the assets of the Company, which includes (a) except as otherwise agreed, holding in custody all financial instruments that can be registered in a financial instrument account opened in the Depositary's books and all financial instruments that can be physically delivered to the Depositary and (b) for other assets, verifying the ownership of the Company (or the Management Company acting on behalf of the Company) of such assets and maintaining an up-to-date record accordingly;
- (iii) ensuring that the sale, issue, re-purchase, redemption and cancellation of Shares are carried out in accordance with applicable national law and the Articles;
- (iv) ensuring that the value of the Shares is calculated in accordance with the applicable laws and the Articles;
- (v) carrying out the instructions of the Management Company, unless they conflict with the applicable national law or the Articles;
- (vii) ensuring that in transactions involving the Company's assets any consideration is remitted to the Company within the usual time limits; and
- (viii) ensuring that the Company's income is applied in accordance with the applicable national law and the Articles.

#### *Depositary Liability*

In carrying out its duties the Depositary shall act honestly, fairly professionally, independently and solely in the interests of the Company and its Shareholders.

In the event of a loss of a financial instrument held in custody, determined in accordance with the UCITS Regulations, the Depositary shall return financial instruments of identical type or the corresponding amount to the Company without undue delay. Pursuant to the UCITS Regulations, the Depositary shall not be liable if it can prove that the loss of a financial instrument held in custody has arisen as a result of an external event beyond its reasonable control, the consequences of which would have been unavoidable despite all reasonable efforts to the contrary. The Depositary will also be liable to the Company for any loss suffered by it arising from the Depositary's negligent or intentional failure to properly fulfil its obligations pursuant to the UCITS Regulations.

The Shareholders may invoke the liability of the Depositary directly or indirectly through the Management Company provided that this does not lead to a duplication of redress or to unequal treatment of the Shareholders.

#### *Delegation and Conflicts of Interest*

The Depositary may delegate the performance of its safekeeping functions, subject to certain conditions. If the Depositary does so, the liability of the Depositary will not be affected by the fact that it has entrusted the safekeeping function to a third party. Information on any delegates of the Depositary will be available on request from the Management Company or the Company and Appendix E lists the local sub-custodians within the State Street Global Custody Network. As part of the normal course of its business, the Depositary or the safekeeping delegate may from time to time have entered into arrangements with other clients, funds or other third parties for the provision of safekeeping and related services.

The Depositary will ensure that where: (i) any conflicts of interest arise between it and the Company, the Shareholders or the Management Company the performance of its depositary tasks is functionally and hierarchically separate from its other potentially conflicting tasks and (ii) any conflicts of interest arise between the safekeeping delegate and the Company, the Shareholders or the Management Company the performance of the safekeeping tasks is functionally and hierarchically separate from the safekeeping delegate's other potentially conflicting tasks. The Depositary will ensure that any such potential conflicts of interest will be properly identified, managed, monitored and disclosed, and will at all times have regard to its obligations under applicable laws.

### *Re-use of the Company's assets*

The Depositary Agreement contains a provision which provides that the Depositary or third parties to whom safekeeping duties are delegated may only re-use the Company's assets with the prior agreement of the Company or the Management Company acting on its behalf and any rights of re-use of the assets will be subject to such conditions as the Company or the Management Company acting on its behalf may impose.

### *Termination*

The Depositary Agreement shall continue until it is terminated in accordance with its terms, which provide, amongst other things in this regard, that each of the Company and the Depositary may terminate the Depositary Agreement on 90 days' written notice to the other parties to the Depositary Agreement. Such termination shall take effect on the appointment of a replacement depositary approved by the Central Bank and the Company will seek to appoint a new depositary within 180 days from the date on which notice is given. However, if within 180 days from the date of the relevant notice, no new depositary approved by the Central Bank has been appointed, the directors of the Company shall, subject to the approval of the Central Bank, repurchase the Shares or appoint a liquidator to wind up the Company.

Up-to-date information regarding the Depositary, its duties, a description of any safekeeping functions delegated by the depositary, the delegation of functions by the Depositary (including the list of such delegates) and conflicts of interest that may arise both generally and in the context of delegation is available on request from the Management Company.

### **The Distributor**

The Management Company acts as Distributor for the Company and may appoint from time to time a number of Sub-distributors.

Sub-distributors, who may be either affiliated or unaffiliated with the Distributor, may be appointed by the Distributor in its discretion from time to time. Sales of Shares will be made through the Distributor and any Sub-distributors pursuant to the procedures set forth below.

Please note that sales to Permitted U.S. Persons are restricted and additional terms and procedures are applicable to the distribution of Shares to Permitted U.S. Persons and within the U.S. and North America by the North America Distributor or any Sub-distributor as set out in the section entitled "Transfer of Shares and Transfer/Issue of Shares to U.S. Persons" above.

The Distributor may levy a sales charge of up to 5% payable on subscription for Shares, as set out in the section entitled "Fees and Expenses".

Subject to applicable law and regulation, the Investment Adviser and its affiliates or (with the approval of the Investment Adviser), the Distributor or the North America Distributor and/or their Sub-distributors and agents may in their discretion on a negotiated basis enter into an agreement with a Shareholder or prospective investors (or an agent thereof) under which they make payments to or for the benefit of such Shareholder, which represent a rebate of all or part of the fees paid to the Investment Adviser out of the assets of the Company in respect of that part of the value of the Company which may, for this purpose only, be deemed to be represented by some or all of the Shares owned by that Shareholder.

Consequently, the effective net fees payable by a Shareholder who receives a rebate under the arrangements described above may be lower than the fees payable by a Shareholder who does not participate in such arrangements. Save for the reasons of compliance with Swiss requirements and subject to the Management Company's duty to treat investors fairly, neither the Investment Adviser nor the Company intermediaries shall be under any obligation to make any such arrangement available to other Shareholders. Investors should note that the termination of such rebate arrangements may lead to redemptions from the Company which could cause the Company to incur dealing costs. In the case of distribution activity in Switzerland, the Investment Adviser, the Distributor, the North America Distributor and/or their affiliates may, upon request, pay rebates directly to Shareholders. The purpose

of rebates is to reduce the fees or costs incurred by the relevant Shareholder. Rebates are permitted provided that:

- the rebates are paid from fees received by the Investment Adviser, the Distributor, the North America Distributor and/or their affiliates and therefore do not represent an additional charge on the Company's assets;
- the rebates are granted on the basis of objective criteria; and
- all Shareholders who meet these objective criteria and demand rebates are also granted such rebates within the same timeframe and to the same extent.

The objective criteria for the granting of rebates by the Investment Adviser, the Distributor, the North America Distributor and/or their affiliates are as follows:

- the amount of Shares subscribed to by the Shareholders or the total volume such Shareholders hold in a fund or across the various portfolios/funds and other funds managed by the Investment Adviser, the Distributor, the North America Distributor and/or their affiliates, as applicable;
- a Shareholder's willingness to provide support in the launch or early phase and/or the investment amount(s) contributed by such Shareholder whether on a one-off basis or as part of the continuing commitment to participation at the launch or early stage of the Company;
- alternative fee arrangements that may be in place between a Shareholder and the Investment Adviser, the Distributor, the North America Distributor or their affiliates;
- the overall relationship between the Shareholder and the Investment Adviser, the Distributor, the North America Distributor and/or their affiliates; and
- the overall investment capacity of the Company which may impact the decision to offer rebate payments throughout the Company's lifecycle.

Following the request of a Shareholder, the Investment Adviser, the Distributor, the North America Distributor and/or their affiliates must disclose to the Shareholder free of charge the amounts (ranges) of such rebates applicable to the Share classes to which the Shareholder has subscribed.

In addition, the Investment Adviser or the Distributor may make payments to third parties as remuneration for effecting sales of Shares. Such payments can take a number of forms, including sales charges and distribution fees, as well as rebates of all or part of the fees paid to the Management Company or the Investment Adviser out of the assets of the Company in respect of that part of the value of the Company represented by assets raised by such third parties. Such payments may be funded by the Distributor or Investment Adviser, and to the extent payments made by the Distributor or the Investment Adviser are not disclosed sales charges and/or distribution fees, they are made by the Distributor or the Investment Adviser in its absolute discretion out of its own financial resources and either paid directly or via the Company intermediaries. Shareholders and prospective investors are encouraged to seek information from any intermediary through whom they purchase Shares in respect of any sales charges, distribution fees or rebates such intermediary may receive in respect of the purchase of Shares and are advised, in respect of intermediated sales of Shares, that it is likely that such payments will have been made. When dealing with intermediaries and in the event that the intermediary is in receipt of a sales charge, distribution fee or rebate as described above, Shareholders are advised to investigate such matters to determine whether or not any conflict potentially arising from such situation is addressed to its reasonable satisfaction and to ensure that compliance with any such intermediaries' duty to act in the best interests of the client is not impaired. The Distributor, unless acting as intermediary as referred to above, shall have no additional duty in that respect as per the applicable law.

The Investment Adviser, the Distributor, the North America Distributor and/or their affiliates may pay retrocessions as remuneration for distribution activity in respect of the Shares in Switzerland. This

remuneration may be deemed payment for the following services in particular:

- distributing the Company to potential Shareholders in Switzerland;
- setting up processes for subscribing, holding and custody of the Shares;
- providing, upon request, the current marketing and legal documents;
- providing access to legally required publications and other documentation;
- performing due diligence in areas such as money laundering, client investment objectives and distribution restrictions;
- operating and maintaining an electronic distribution and/or information platform;
- clarifying and answering specific questions from potential Shareholders relating to the Company or the Investment Adviser;
- drafting fund research material;
- managing investor relationships;
- subscribing for Shares as a "nominee" for several investors; and
- mandating and monitoring additional distributors.

Retrocessions are not deemed to be rebates even if they are ultimately passed on, in full or in part, to Shareholders.

The recipients of the retrocessions must ensure transparent disclosure and inform Shareholders, unsolicited and free of charge, about the levels of remuneration they may receive for distribution.

Following request, the recipients of retrocessions must disclose the amounts they actually receive for distributing the collective investment schemes to the relevant Shareholders.

### **The Registrar and Transfer Agent**

The Management Company has appointed RBC Investor Services Ireland Limited to act as Registrar and Transfer Agent with responsibility for the processing of subscriptions and transfers of Shares and requests for redemptions and exchanges of Shares, the safekeeping of the register of Shareholders of the Company, the co-ordination of its services with those of the Administrator, the Depositary and other service providers to the Company and the provision and supervision of services with regard to the mailing of statements, reports, notices and other documents to the Shareholders. The Registrar and Transfer Agent is a company incorporated with limited liability in Ireland on 31 January, 1997.

The Management Company will perform investors' identification checks, notably for the purpose of anti-money laundering. The Registrar and Transfer Agent shall be allowed to rely on such checks.

The rights and duties of the Registrar and Transfer Agent are governed by the RTA Agreement. For its services, the Registrar and Transfer Agent receives a fee payable out of the assets of a Fund, as described in the section entitled "Fees and Expenses". In addition, RBC is entitled to be reimbursed by the Funds for its reasonable out-of-pocket expenses and disbursements.

RBC may, in accordance with the conditions set out in the RTA Agreement, and subject to compliance at all times with applicable law and regulation, delegate its duties under the RTA Agreement.

In addition, as per the RTA Agreement, RBC may be required to communicate to the Management Company, upon the latter's request, information relating to the Company and/or the Shareholders as the

Management Company may deem necessary to perform its services, notably the provision of operational and administrative services to the Shareholders.

In some circumstances, the Company may be entitled to enforce one or more rights the Management Company has against the Registrar and Transfer Agent under the RTA Agreement for its own benefit provided it assumes the Management Company's obligations corresponding to such rights, including, without limitation, the indemnity obligations of the Management Company stipulated in the RTA Agreement for the benefit of the Registrar and Transfer Agent.

The RTA Agreement may be terminated by the Management Company or the Registrar and Transfer Agent at any time upon 90 days' written notice to the other parties to the RTA Agreement. However, the breach of any material provision contained in the RTA Agreement by any party thereto (a "Party") shall entitle any other Party to terminate the RTA Agreement upon a 30 days' prior written notice unless such breach is cured within such period. In addition, the RTA Agreement may be terminated immediately by any Party on written notice to the other Parties if:

- (i) a Party has become insolvent or unable to pay its debts as they fall due; or
- (ii) a Party has gone or will go into liquidation whether voluntary or compulsorily (except a voluntary liquidation upon terms previously approved in writing by the other Parties); or
- (iii) a Party has had a receiver appointed over all or part of its assets or has received notice of any proceedings or proposed proceedings for winding up; or
- (iv) the Company will cease to be authorised under the laws of Ireland; or
- (v) the Registrar and Transfer Agent will cease to be authorised to perform its duties and obligations under the RTA Agreement; or
- (vi) such immediate termination is required by the Management Company or the Company in order to act in the interest of Shareholders.

### **Auditor**

PricewaterhouseCoopers has been appointed as the Auditor of the Company. The Auditor's responsibility is to audit and express an opinion on the financial statements of the Company in accordance with applicable law and accounting standards.

### **Paying Agents**

Local laws/regulations in certain Member States, certain countries in the EEA or any other country where a Fund is registered may require (i) the Management Company to appoint Paying Agent (and the Management Company may also make such appointment notwithstanding that it is not a legal or regulatory requirement) and (ii) the maintenance of accounts by such Paying Agents through which subscription and redemption monies or dividends may be paid. Shareholders who choose or who are obliged under local regulations to pay subscription monies, or receive redemption monies or dividends, through a Paying Agent are subject to the credit risk of the Paying Agent with respect to (a) the subscription monies for investment in a Fund held by the Paying Agent prior to the transmission of such monies to the Administrator for the account of the relevant Fund and (b) the redemption monies and dividend payments held by the Paying Agent (after transmission by the Company) prior to payment to the relevant Shareholder. Fees and expenses of the Paying Agents appointed by the Management Company, which will be at normal commercial rates, will be borne by the Fund in respect of which a Paying Agent has been appointed. All Shareholders of the relevant Fund on whose behalf a Paying Agent is appointed may use the services provided by Paying Agents appointed by the Management Company on behalf of the Company.

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**TAXATION**

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**Ireland**

*The following is a summary of certain Irish tax consequences of the purchase, ownership and disposal of Shares. The summary does not purport to be a comprehensive description of all of the Irish tax considerations that may be relevant. The summary relates only to the position of persons who are the absolute beneficial owners of Shares and may not apply to certain other classes of persons.*

*The summary is based on Irish tax laws and the practice of the Irish Revenue Commissioners in effect on the date of this Prospectus (and is subject to any prospective or retroactive change). Potential investors in Shares should consult their own advisors as to the Irish or other tax consequences of the purchase, ownership and disposal of Shares.*

**Taxation of the Company**

The Company intends to conduct its affairs so that it is Irish tax resident. On the basis that the Company is Irish tax resident, the Company qualifies as an 'investment undertaking' for Irish tax purposes and, consequently, is exempt from Irish corporation tax on its income and gains.

The Company will be obliged to account for Irish income tax to the Irish Revenue Commissioners if Shares are held by non-exempt Irish resident Shareholders (and in certain other circumstances), as described below. Explanations of the terms 'resident' and 'ordinarily resident' are set out at the end of this summary.

Distributions of income and capital gains on securities issued in countries other than Ireland may be subject to taxes including withholding taxes imposed by such countries. The Company may not be able to benefit from a reduction in the rate of withholding tax by virtue of the double taxation treaties in operation between Ireland and other countries.

**Taxation of non-Irish Shareholders**

Where a Shareholder is not resident (or ordinarily resident) in Ireland for Irish tax purposes, the Company will not deduct any Irish tax in respect of the Shareholder's Shares once the declaration set out in the application form has been received by the Company confirming the Shareholder's non-resident status. The declaration may be provided by an intermediary who holds Shares on behalf of investors who are not resident (or ordinarily resident) in Ireland, provided that, to the best of the intermediary's knowledge, the investors are not resident (or ordinarily resident) in Ireland. An explanation of the term 'intermediary' is set out at the end of this summary.

If this declaration is not received by the Company, the Company will deduct Irish tax in respect of the Shareholder's Shares as if the Shareholder was a non-exempt Irish resident Shareholder (see below). The Company will also deduct Irish tax if the Company has information which reasonably suggests that a Shareholder's declaration is incorrect. A Shareholder will generally have no entitlement to recover such Irish tax, unless the Shareholder is a company and holds the Shares through an Irish branch and in certain other limited circumstances. The Company must be informed if a Shareholder becomes Irish tax resident.

Generally, Shareholders who are not Irish tax resident will have no other Irish tax liability with respect to their Shares. However, if a Shareholder is a company which holds its Shares through an Irish branch or agency, the Shareholder may be liable to Irish corporation tax in respect of profits and gains arising in respect of the Shares (on a self-assessment basis).

**Taxation of exempt Irish Shareholders**

Where a Shareholder is resident (or ordinarily resident) in Ireland for Irish tax purposes and falls within any of the categories listed in section 739D(6) Taxes Consolidation Act of Ireland ("TCA"), the Company

will not deduct Irish tax in respect of the Shareholder's Shares once the declaration set out in the application form has been received by the Company confirming the Shareholder's exempt status.

The categories listed in section 739D(6) TCA can be summarised as follows (each, an "**Exempt Irish Resident**"):

1. Pension schemes (within the meaning of section 774, section 784 or section 785 TCA).
2. Companies carrying on life assurance business (within the meaning of section 706 TCA).
3. Investment undertakings (within the meaning of section 739B TCA).
4. Investment limited partnerships (within the meaning of section 739J TCA).
5. Special investment schemes (within the meaning of section 737 TCA).
6. Unauthorised unit trust schemes (to which section 731(5)(a) TCA applies).
7. Charities (within the meaning of section 739D(6)(f)(i) TCA).
8. Qualifying managing companies (within the meaning of section 734(1) TCA).
9. Specified companies (within the meaning of section 734(1) TCA).
10. Qualifying fund and savings managers (within the meaning of section 739D(6)(h) TCA).
11. Personal Retirement Savings Account (PRSA) administrators (within the meaning of section 739D(6)(i) TCA).
12. Irish credit unions (within the meaning of section 2 of the Credit Union Act 1997).
13. The National Asset Management Agency.
14. The National Treasury Management Agency or a Fund Investment Vehicle (within the meaning of section 37 of the National Treasury Management Agency (Amendment) Act 2014) of which the Minister for Finance is the sole beneficial owner, or Ireland acting through the National Treasury Management Agency.
15. The National Pensions Reserve Fund Commission or a Commission investment vehicle.
16. Qualifying companies (within the meaning of section 110 TCA).
17. Any other person resident in Ireland who is permitted (whether by legislation or by the express concession of the Irish Revenue Commissioners) to hold Shares in the Company without requiring the Company to deduct or account for Irish tax.

Irish resident Shareholders who claim exempt status will be obliged to account for any Irish tax due in respect of Shares on a self-assessment basis.

If this declaration is not received by the Company in respect of a Shareholder, the Company will deduct Irish tax in respect of the Shareholder's Shares as if the Shareholder was a non-exempt Irish resident Shareholder (see below). A Shareholder will generally have no entitlement to recover such Irish tax, unless the Shareholder is a company within the charge to Irish corporation tax and in certain other limited circumstances.

## Taxation of other Irish Shareholders

Where a Shareholder is resident (or ordinarily resident) in Ireland for Irish tax purposes and is not an 'exempt' Shareholder (see above), the Company will deduct Irish tax on distributions, redemptions and transfers and, additionally, on 'eighth anniversary' events, as described below.

### *Distributions by the Company*

If the Company pays a distribution to a non-exempt Irish resident Shareholder, the Company will deduct Irish tax from the distribution. The amount of Irish tax deducted will be:

1. 25% of the distribution, where the distributions are paid to a Shareholder who is a company which has made the appropriate declaration for the 25% rate to apply;
2. 41% of the distribution, in all other cases.

The Company will pay this deducted tax to the Irish Revenue Commissioners.

Generally, a Shareholder will have no further Irish tax liability in respect of the distribution. However, if the Shareholder is a company for which the distribution is a trading receipt, the gross distribution (including the Irish tax deducted) will form part of its taxable income for self-assessment purposes and the Shareholder may set off the deducted tax against its corporation tax liability.

### *Redemptions and transfers of Shares*

If the Company redeems Shares held by a non-exempt Irish resident Shareholder, the Company will deduct Irish tax from the redemption payment made to the Shareholder. Similarly, if such an Irish resident Shareholder transfers (by sale or otherwise) an entitlement to Shares, the Company will account for Irish tax in respect of that transfer. The amount of Irish tax deducted or accounted for will be calculated by reference to the gain (if any) which has accrued to the Shareholder on the Shares being redeemed or transferred and will be equal to:

1. 25% of such gain, where the Shareholder is a company which has made the appropriate declaration for the 25% rate to apply; and
2. 41% of the gain, in all other cases.

The Company will pay this deducted tax to the Irish Revenue Commissioners. In the case of a transfer of Shares, to fund this Irish tax liability the Company may appropriate or cancel other Shares held by the Shareholder. This may result in further Irish tax becoming due.

Generally, a Shareholder will have no further Irish tax liability in respect of the redemption or transfer. However, if the Shareholder is a company for which the redemption or transfer payment is a trading receipt, the gross payment (including the Irish tax deducted) less the cost of acquiring the Shares will form part of its taxable income for self-assessment purposes and the Shareholder may set off the deducted tax against its corporation tax liability.

If Shares are not denominated in euro, a Shareholder may be liable (on a self-assessment basis) to Irish capital gains taxation on any currency gain arising on the redemption or transfer of the Shares.

### *Eighth Anniversary' Events*

If a non-exempt Irish resident Shareholder does not dispose of Shares within eight years of acquiring them, the Shareholder will be deemed for Irish tax purposes to have disposed of the Shares on the eighth anniversary of their acquisition (and any subsequent eighth anniversary). On such deemed disposal, the Company will account for Irish tax in respect of the increase in value (if any) of those Shares over that eight year period. The amount of Irish tax accounted for will be equal to:

1. 25% of such increase in value, where the Shareholder is a company which has made the appropriate declaration for the 25% rate to apply; and
2. 41% of the increase in value, in all other cases.

The Company will pay this tax to the Irish Revenue Commissioners. To fund the Irish tax liability, the Company may appropriate or cancel Shares held by the Shareholder.

However, if less than 10% of the Shares (by value) in the relevant Fund are held by non-exempt Irish resident Shareholders, the Company may elect not to account for Irish tax on this deemed disposal. To claim this election, the Company must:

1. confirm to the Irish Revenue Commissioners, on an annual basis, that this 10% requirement is satisfied and provide the Irish Revenue Commissioners with details of any non-exempt Irish resident Shareholders (including the value of their Shares and their Irish tax reference numbers); and
2. notify any non-exempt Irish resident Shareholders that the Company is electing to claim this exemption.

If the exemption is claimed by the Company, any non-exempt Irish resident Shareholders must pay to the Irish Revenue Commissioners on a self-assessment basis the Irish tax which would otherwise have been payable by the Company on the eighth anniversary (and any subsequent eighth anniversary).

Any Irish tax paid in respect of the increase in value of Shares over the eight year period may be set off on a proportionate basis against any future Irish tax which would otherwise be payable in respect of those Shares and any excess may be recovered on an ultimate disposal of the Shares.

#### *Share exchanges*

Where a Shareholder exchanges Shares on arm's length terms for other Shares in the Company or for Shares in another Fund of the Company and no payment is received by the Shareholder, the Company will not deduct Irish tax in respect of the exchange.

#### **Stamp duty**

No Irish stamp duty (or other Irish transfer tax) will apply to the issue, sale, transfer, redemption, repurchase, cancellation of or subscription for Shares. If a Shareholder receives a distribution *in specie* of assets from the Company, a charge to Irish stamp duty could potentially arise.

#### **Gift and Inheritance tax**

Irish capital acquisitions tax (at a rate of 33%) can apply to gifts or inheritances of Irish situate assets or where either the person from whom the gift or inheritance is taken is Irish domiciled, resident or ordinarily resident or the person taking the gift or inheritance is Irish resident or ordinarily resident.

The Shares could be treated as Irish situate assets because they have been issued by an Irish company. However, any gift or inheritance of Shares will be exempt from Irish gift or inheritance tax once:

1. the Shares are comprised in the gift or inheritance both at the date of the gift or inheritance and at the 'valuation date' (as defined for Irish capital acquisitions tax purposes);
2. the person from whom the gift or inheritance is taken is neither domiciled nor ordinarily resident in Ireland at the date of the disposition; and
3. the person taking the gift or inheritance is neither domiciled nor ordinarily resident in Ireland at the date of the gift or inheritance.

## OECD Common Reporting Standard

The Council of the EU has recently adopted Directive 2014/107/EU, which amends Directive 2011/16/EU on administrative cooperation in the field of taxation. This 2014 Directive provides for the adoption of the regime known as the “Common Reporting Standard” proposed by the Organisation for Economic Co-operation and Development which generalised the automatic exchange of information within the European Union as of 1 January 2016. Under these measures, the Company may be required to report information relating to Shareholders, including the identity and residence of Shareholders, and income, sale or redemption proceeds received by Shareholders in respect of the Shares. This information may be shared with tax authorities in other EU member states and jurisdictions which implement the OECD Common Reporting Standard.

Each Shareholder should be aware that Ireland has implemented the Common Reporting Standard. Certain information regarding Shareholders (including personal identifiers) and their investment in the Company (including information on account balances, income, profits and gains) may be annually reported to the Irish tax authorities by the Company which will exchange that information with the tax authorities of jurisdictions that sign and implement the Common Reporting Standard in which those Shareholders are tax resident.

### Meaning of terms

#### *Meaning of ‘residence’ for companies*

A company which has its central management and control in Ireland is tax resident in Ireland irrespective of where it is incorporated. A company which does not have its central management and control in Ireland but which was incorporated in Ireland on or after 1 January 2015 is tax resident in Ireland except where the company is regarded as not resident in Ireland under a double taxation treaty between Ireland and another country.

A company which does not have its central management and control in Ireland but which was incorporated before 1 January 2015 in Ireland is resident in Ireland except where:

1. the company (or a related company) carries on a trade in Ireland and either the company is ultimately controlled by persons resident in EU member states or in countries with which Ireland has a double tax treaty (a “tax treaty country”), or the company (or a related company) are quoted companies on a recognised stock exchange in the EU or in a tax treaty country; or
2. the company is regarded as not resident in Ireland under a double tax treaty between Ireland and another country.

Finally, a company that was incorporated in Ireland before 1 January 2015 will also be regarded as resident in Ireland if the company is (i) managed and controlled in a territory with which a double taxation agreement with Ireland is in force (a ‘relevant territory’), and such management and control would have been sufficient, if exercised in Ireland, to make the company Irish tax resident; and (ii) the company would have been tax resident in that relevant territory under its laws had it been incorporated there; and (iii) the company would not otherwise be regarded by virtue of the law of any territory as resident in that territory for the purposes of tax.

#### *Meaning of ‘residence’ for individuals*

An individual will be regarded as being tax resident in Ireland for a calendar year if the individual:

1. spends 183 days or more in Ireland in that calendar year; or
2. has a combined presence of 280 days in Ireland, taking into account the number of days spent in Ireland in that calendar year together with the number of days spent in Ireland in the preceding year. Presence in Ireland by an individual of not more than 30 days in a calendar year will not be reckoned for the purposes of applying this ‘two year’ test.

An individual is treated as present in Ireland for a day if that individual is personally present in Ireland at any time during that day.

#### *Meaning of 'ordinary residence' for individuals*

The term 'ordinary residence' (as distinct from 'residence') relates to a person's normal pattern of life and denotes residence in a place with some degree of continuity. An individual who has been resident in Ireland for three consecutive tax years becomes ordinarily resident with effect from the commencement of the fourth tax year. An individual who has been ordinarily resident in Ireland ceases to be ordinarily resident at the end of the third consecutive tax year in which the individual is not resident. For example, an individual who is resident and ordinarily resident in Ireland in 2022 and departs Ireland in that year will remain ordinarily resident in Ireland up to the end of the tax year in 2025.

#### *Meaning of 'intermediary'*

An 'intermediary' means a person who:

1. carries on a business which consists of, or includes, the receipt of payments from a regulated investment undertaking resident in Ireland on behalf of other persons; or
2. holds units in such an investment undertaking on behalf of other persons.

### **Additional Information on Taxation Related to the Funds' Investments in the PRC**

Certain Funds may invest in the PRC. Substantially all investments by such Funds in the PRC will be made and held through the GSAMI QFI license, Stock Connect and/or other permissible channels under Investment Regulations. The following is a general summary of certain Chinese taxes that may be imposed on the relevant Fund directly or imposed on the Investment Adviser and borne by the relevant Fund by way of reimbursement by the relevant Fund to the Investment Adviser with respect to these types of investments. With respect to the latter case, the relevant Fund will reimburse the Investment Adviser for any Chinese taxes imposed in respect of the relevant Fund's assets. The relevant Fund may also seek to invest through other QFIs. In cases where the relevant Fund makes investments through other QFIs the following summary is expected to be generally applicable to such QFIs. However, to what extent the relevant Fund may agree to reimburse such QFIs for any Chinese taxes imposed in respect of these other investments will vary by contracts entered into with them on a case-by-case basis.

#### **Taxation related to the QFI program**

##### ***Uncertain status of QFI tax consequences***

China's QFI regime commenced in 2002. To date, there are some guidance on the Chinese tax consequences of QFI transactions and some of which are relatively new developments. Accordingly, the following summary of the Chinese tax consequences of QFI transactions may be based in part on published rules (if available) as well as on how other analogous investments are taxed in China. The Chinese tax authorities may issue further guidance on the tax consequences of QFI transactions at any time. Therefore, the Chinese tax positions of QFI transactions may need to be updated accordingly. Before further guidance is issued and is well established in the administrative practice of the Chinese tax authorities, the practices of the Chinese tax authorities that collect Chinese taxes with respect to QFI transactions may differ from, or be applied in a manner inconsistent with, the practices with respect to the analogous investments described herein or any further guidance which may be issued. In addition, given some of the developments are relatively new and lack of further guidance, there are uncertainties on how the tax authorities will implement the tax policies in practice.

##### ***Chinese tax ownership of QFI investments***

China has not issued guidance with respect to the tax ownership of equity securities and debt instruments held through a QFI license for Chinese tax purposes.

There is a general lack of clear tax ownership rule and in practice the judgement call might be made by the relevant PRC tax authority on a case-by-case basis. On 9 September, 2015, the Company has obtained an approval from its competent tax authority about tax exemption with respect to capital gains from trading of A Shares of non-land rich companies during the period starting from 17 November 2009 and ending on 16 November 2014, indicating that the Company itself, not the Investment Adviser as QFI, is treated as a taxpayer by the competent tax authority for treaty application and proceeds repatriation purposes. Nevertheless, no assurance can be given that the tax authority will not reverse that approval in the future or otherwise seek to retroactively collect taxes from prior periods.

### **Chinese Enterprise Income Tax ("EIT")**

#### *Dividend and interest*

According to the PRC EIT Law (the "**EIT Law**") and its Implementation Rules, effective from 1 January 2008, as amended from time to time, PRC-sourced dividends, interest, rents, royalties, capital gains and other income derived by non-PRC tax resident enterprises that have no place of business or establishment ("**PE**") in the PRC, or have a PE in the PRC but the income derived is not effectively connected with such PE, should generally be subject to Chinese Withholding Income Tax ("**WHT**") at a rate of 10%, which may be reduced by the applicable double tax agreement or arrangement.

The SAT issued a tax circular on 23 January 2009, i.e., Notice on Issues relating to Withholding Tax of Dividends and Interests Paid by a Resident Enterprise to a Qualified Foreign Institutional Investor (Guo Shui Han [2009] No.47) which confirms that a QFII will be subject to WHT at 10% on dividends and interest it derived from China (subject to reduction by applicable tax treaties). The PRC resident enterprises who distribute dividends or pay interest to the QFII will be the withholding agent to withhold the 10% WHT. Notwithstanding the above, under the general provision of PRC EIT Law, interest from government bonds issued by the PRC Ministry of Finance ("**MOF**") or bonds issued by local government of a province, autonomous regions, municipalities directly under the PRC government or municipalities separately listed on the state plan, as approved by the PRC State Council is exempt from WHT. The above WHT exemption is applicable to QFIIs.

On 22 November 2018, the MOF and SAT jointly issued Circular Cai Shui [2018] No.108 ("**Circular 108**") to clarify that foreign institutional investors (including QFIs) are temporarily exempt from WHT with respect to bond interest income derived in the PRC bond market for the period from 7 November 2018 to 6 November 2021. Circular 108 is silent on the PRC WHT treatment with respect to non-government bond interest derived prior to 7 November 2018, which is subject to clarification from the PRC tax authorities. On 22 November 2021, the MOF and SAT jointly issued Circular Cai Shui [2021] No.34 ("**Circular 34**") to formally extend the tax exemption period provided in Circular 108 to 31 December 2025.

#### *Capital gains*

On 31 October 2014, the MOF, SAT and CSRC jointly issued Circular Cai Shui [2014] No. 79 ("**Circular 79**"), which provides that effective from 17 November 2014, generally QFIs are temporarily exempt from WHT on the capital gains derived from the trading of A Shares and other PRC equity investments; however, QFIs shall be subject to WHT on capital gains derived before 17 November 2014 pursuant to the laws.

Notwithstanding the promulgation of Circular 79, it remains uncertain as to how long the temporary WHT exemption will last for gains realized by the Company from disposing of A Shares and other China equity investments through GSAMI QFI license on and after 17 November 2014 and there are no published rules with respect to the collection of the WHT on such gains retrospectively. In practice, the SAT, Beijing tax bureau and Shanghai tax bureau have collected WHT on gains realized by QFIs from the disposal of equity investments retroactively for a period of 5 years (i.e. from 17 November 2009 to 16 November 2014) when QFIs followed Circular 79 to perform WHT filings. Where the QFIs are eligible to enjoy treaty relief on capital gains, the WHT was retroactively collected on gains derived by QFIs from the disposal of A-shares of land-rich companies only.

Accordingly, on 9 September 2015, the Company has obtained an approval from its competent tax authority about tax exemption with respect to capital gains from trading of A shares of non-land rich companies during the period starting from 17 November 2009 and ending on 16 November 2014. Nevertheless, no assurance can be given that the tax authority will not reverse that approval in the future or otherwise seek to retroactively collect taxes from prior periods.

Circular 79 is silent as to the WHT treatment of capital gains realized by QFIs from the trading of debt instruments. Currently, there is no specific rule governing WHT on gains derived from the trading of PRC debt instruments. In the absence of such specific rule, the WHT treatment should be governed by the general tax provisions of the PRC CIT Law. Based on the current interpretation of the SAT and the local tax authorities, on the basis that debt instruments are treated as movable assets, gains realized by foreign investors (including QFIs) from investment in PRC debt instruments should be treated as non-PRC sourced income and thus should not be subject to WHT. However, due to lack of written clarification, such position may change in practice.

### ***Chinese Stamp Duty ("SD")***

SD under the PRC laws generally applies to the conclusion and receipt of dutiable documents listed in the PRC's Provisional Rules on SD. For sale of A-shares and B-shares listed on the Exchanges, SD is generally imposed on the seller at a rate of 0.1% of the sales consideration. SD is not imposed on the purchase or sale of debt securities traded in the PRC.

### ***Chinese Value-added Tax ("VAT") and local surcharges***

With effect from 1 May 2016, taxpayers in all industries have become subject to VAT in lieu of business tax pursuant to the Circular on Overall Replacement of Business Tax by Value-added Tax on A Pilot Basis jointly issued by the MOF and SAT on 24 March 2016 ("**Circular 36**"). Circular 36 provides for a 6% VAT rate for financial services (including interest income and transfer of financial products), replacing the 5% tax rate formerly applied under the business tax regime. In addition, urban maintenance and construction tax (currently at the rate ranging from 1% to 7%), educational surcharge (currently at the rate of 3%) and local educational surcharge (currently at the rate of 2%) are imposed based on the VAT liabilities.

### ***Dividend and Interest***

Under the current VAT regulations, dividend does not fall within VAT scope. According to Circular 36, deposit interest is not subject to VAT and interest received from government bonds issued by the MOF, or bonds issued by local government of a province, autonomous regions, and municipalities directly under the Central Government or municipalities separately listed on the state plan, as approved by the PRC State Council is exempt from VAT. Under Circular 36, interest income on non-government bonds should be subject to 6% VAT. On 22 November 2018, the MOF and SAT jointly issued Circular 108 to clarify that foreign institutional investors (including QFIs) are temporarily exempt from VAT with respect to bond interest income derived in the PRC bond market for the period from 7 November 2018 to 6 November 2021. Circular 108 is silent on the PRC VAT treatment with respect to non-government bond interest derived prior to 7 November 2018, which is subject to clarification from the PRC tax authorities. On 22 November 2021, the MOF and SAT jointly issued Circular Cai Shui [2021] No.34 ("**Circular 34**") to extend the tax exemption period provided in Circular 108 to December 31, 2025.

### ***Capital gains***

Circular 36 specifically provides that QFIIs are exempted from VAT with respect to gains derived from trading of securities in China.

### **Taxation related to the RQFII program**

The tax treatment of an investment in China under the RQFII program is similar to that under the QFII program, though the legal basis on the VAT exemption on the gains derived from trading of securities in the PRC is Circular Cai Shui [2016] No. 70 ("**Circular 70**") issued by the MOF and SAT. According to

Circular 70, RQFIIIs are exempted from VAT with respect to gains derived from trading of securities in China.

### **Taxation related to the Stock Connect**

In respect of trading of A Shares through the Stock Connect, pursuant to Circular Cai Shui [2014] No. 81 dated 31 October 2014 *on the Taxation Policy of the Pilot Program for the Mutual Stock Market Access between Shanghai and Hong Kong Stock Markets* and Circular Cai Shui [2016] No.127 dated 5 November 2016 *on the Taxation Policy of the Pilot Program for the Mutual Stock Access between Shenzhen and Hong Kong Stock Markets*, both jointly issued by the MOF, SAT and CSRC and Circular 36:

- EIT and VAT shall be exempt on a temporary basis on the gains earned by the Stock Connect Investors (including corporate and individual investors) from the transfer of A Shares listed on SSE/SZSE;
- Stock Connect Investors are required to pay WHT on dividend and bonus of A Shares at a standard rate of 10%, which will be withheld and paid to the relevant PRC tax authority by the respective listed companies (before the HKSCC is able to provide details such as investor identities and holding periods to CSDCC, the policy of differentiated rates of taxation based on holding periods will temporarily not be implemented) and are entitled to a tax refund if a lower tax rate is applicable under relevant tax treaty, subject to the approval by the relevant PRC tax authority; and
- Stock Connect Investors are required to pay SD arising from the sale of A Shares and the transfer of A Shares by way of succession and gift in accordance with the prevailing PRC tax regulations.

### **U.S. Taxation**

#### **GOLDMAN SACHS DOES NOT PROVIDE LEGAL, TAX OR ACCOUNTING ADVICE. GOLDMAN SACHS CLIENTS SHOULD OBTAIN INDEPENDENT TAX ADVICE BASED ON THEIR PARTICULAR SITUATION.**

The following summary describes certain significant U.S. federal income tax consequences of owning Shares. The summary contained herein is not a full description of the complex tax rules involved and is based on the Code, the U.S. Treasury Regulations promulgated thereunder (the "Treasury Regulations"), rulings of the U.S. Internal Revenue Service (the "IRS") and court decisions, all as in effect or in existence on the date of this Prospectus and all of which are subject to change, possibly with retroactive effect. In this regard, H.R. 1, 115th Cong. (2017), known as the "Tax Cuts and Jobs Act" (the "TCJA"), was signed into law on December 22, 2017. The TCJA imposes a number of significant changes, and it should be noted that there are numerous aspects of the TCJA that are subject to interpretation and that will require clarification, but only limited guidance has been issued to date. Technical corrections legislation may be needed to clarify certain of these provisions and to give proper effect to U.S. Congressional intent. It is unclear if and when such technical corrections or other legislative changes will be enacted, and future regulatory guidance and legislation, or the absence thereof, may significantly affect the impact of the TCJA. Accordingly, each prospective Shareholder is urged to consult its own tax advisors regarding the impact of the TCJA on an investment in the Company. Prospective Shareholders should note that future tax legislation and regulations could result in material tax or other costs for the Company or some or all of its Shareholders, or require a significant restructuring of the manner in which the Company or the Funds are organized or operated.

The Company has not sought a ruling from the IRS or any other U.S. federal, state or local agency or any opinion of counsel with respect to any of the tax consequences to the investors or the tax issues affecting the Company.

This summary is necessarily general and does not address all of the tax consequences relevant to a particular investor or to certain investors subject to special treatment under the U.S. federal income tax

laws. Each prospective investor is advised to consult with its own tax adviser with respect to the U.S. federal, state, local and non-U.S. tax consequences of, and/or the filing requirements, if any, associated with the purchase, ownership and disposition of Shares.

## **Taxation of the Company**

### **Entity Tax Classification**

The Company was formed as an Irish public limited company; accordingly, it cannot “check the box” to be treated as a “partnership” for U.S. federal income tax purposes and will be treated, under applicable Treasury Regulations, as a corporation for U.S. federal income tax purposes.

### **U.S. Net Basis Income Taxation**

The Company expects that substantially all of its income will be derived from its investments. The Company does not expect that it will be subject to U.S. federal income tax on a net basis on any of the income it derives from those investments.

### **U.S. Withholding Taxes**

Subject to certain exceptions, fixed or determinable annual or periodic gains, profits and income, including dividends, certain dividend equivalent payments, interest and gains attributable to original issue discount, derived by a non-U.S. Person from sources within the United States, that are not effectively connected with a U.S. trade or business, are subject to U.S. federal withholding taxes at a rate of 30% or such lesser rate as may apply pursuant to an applicable income tax treaty. Certain types of income are specifically exempted from such withholding tax, including interest that qualifies as “portfolio interest” within the meaning of Section 881 of the Code and interest paid to a non-U.S. corporation on its deposits with U.S. banks.

### **Foreign Account Tax Compliance Act**

Pursuant to U.S. withholding provisions commonly referred to as the Foreign Account Tax Compliance Act (“**FATCA**”), certain payments of U.S. source fixed or determinable, annual or periodic income, certain payments made after 31 December 2018 attributable to gross proceeds from the sale or other disposition of property that could produce U.S. source interest or dividends, and certain payments (or a portion thereof) made after 31 December 2018 by a foreign financial institution, to a foreign financial institution or other foreign entity will be subject to a withholding tax of 30% unless it is compliant with various reporting requirements.

The United States has entered into an intergovernmental agreement with the Government of Ireland regarding the implementation of FATCA by Irish financial institutions (the “Irish IGA”). Under FATCA and the Irish IGA, the Company and each Fund will be treated as a “foreign financial institution” for this purpose. As a foreign financial institution, in order to be compliant with FATCA, the Company and each Fund will be required to register with the IRS and will need to, among other requirements: (i) obtain and verify information on all of its Shareholders to determine which Shareholders are “Specified U.S. Persons” (i.e., U.S. Tax Persons other than tax-exempt entities and certain other persons) and in certain cases, non-U.S. persons whose owners are Specified U.S. Persons (“U.S. Owned Foreign Entities”); and (ii) annually report information on its Shareholders that are non-compliant with FATCA, Specified U.S. Persons and U.S. Owned Foreign Entities to the Government of Ireland (or the Irish Revenue Commissioners) or to the IRS. The Government of Ireland will exchange the information reported to it with the IRS annually on an automatic basis. In addition, each non-U.S. entity in which a Fund invests (each, an “Offshore Entity”) may be required to obtain and provide similar information to the IRS or its local tax authority under the terms of an intergovernmental agreement in order to be compliant with FATCA. No assurances can be provided that the Company, the Funds and each Offshore Entity will be exempt from this 30% withholding tax.

Any Shareholder that fails to provide the required information or that is otherwise not compliant with FATCA may be subject to this withholding tax in respect of all or a portion of any redemption or distribution payments made by a Fund after 31 December 2018. Moreover, each Shareholder should be

aware that, as a result of an investment in a Fund, the tax authorities in the Shareholder's jurisdiction of tax residence may be provided information relating to such Shareholder, pursuant to the provisions of a treaty, an intergovernmental agreement or otherwise, directly or indirectly by the Fund. Shareholders should consult their own tax advisers regarding the potential implications of this withholding tax.

## **Taxation of Shareholders of the Company**

### **Shareholders that are Permitted U.S. Tax Persons**

Dividends received with respect to stock of a corporation, and gain derived from the sale or redemption of such stock are generally not treated as unrelated business taxable income ("UBTI"), except that a portion of any such gain or dividend income may be treated as UBTI if the stock is debt financed property. Moreover, while the Company believes it will be a "passive foreign investment company" (a "PFIC") within the meaning of Section 1297 of the Code, Permitted U.S. Tax Persons that own Shares and do not debt-finance the acquisition of their Shares generally should not be subject to the interest charge for "deferred tax amounts" applicable to certain taxable U.S. Tax Persons owning PFIC stock. In connection with prior legislation, the U.S. Congress considered whether income derived from ownership of stock of a non-U.S. corporation should, under certain circumstances, be treated as UBTI to the extent that it would be so treated if earned directly by a Shareholder. Subject to a narrow exception (relating to insurance company income), the U.S. Congress did not adopt rules requiring such treatment. Under these principles, dividends and gains derived from an investment in Shares by a Shareholder that is a Permitted U.S. Tax Person should not result in UBTI notwithstanding that the Company may use debt financing, unless such Shareholder itself, directly or indirectly, debt finances the acquisition of its Shares. Notwithstanding the foregoing, some risk may exist that the Company's activities would cause Permitted U.S. Tax Persons to incur UBTI. Moreover, if a Permitted U.S. Tax Person, directly or indirectly, debt finances the acquisition of its Shares, any redemption, disposition or "excess distribution" (as defined in Section 1291 of the Code) with respect to such Shares would, in the absence of an election to include in income currently its share of the Company's earnings, be subject to the interest charge (treated as an addition to tax) for "deferred tax amounts" imposed under the PFIC rules. The Company will not provide Shareholders with the information they would need to include in income currently their share of the Company's earnings. Additional tax considerations may be applicable to Permitted U.S. Tax Persons that are charitable remainder trusts and certain beneficiaries of charitable remainder trusts that invest in the funds. Charitable remainder trusts and other Permitted U.S. Tax Persons are urged to consult their own tax advisers concerning the U.S. tax consequences of an investment in the Shares.

A Permitted U.S. Tax Person that transfers cash to the Company in exchange for Shares, in a transfer described in Section 351 of the Code, will likely be required to file IRS Form 926 (Return by a U.S. Transferor of Property to a Foreign Corporation) if (1) immediately after the transfer, such Permitted U.S. Tax Person holds (directly, indirectly or by attribution) at least 10% of the total voting power or the total value of the Company, or (2) the amount of cash transferred by such Permitted U.S. Tax Person (or any related person) to the Company during the 12-month period ending on the date of the transfer exceeds US\$100,000. In addition, any Permitted U.S. Tax Person that directly or indirectly owns 10% or more (taking into account certain attribution rules which have been expanded under the TCJA) of either the combined voting power or total value of the Shares of the Company will likely be required to file IRS Form 5471 (Information Return of U.S. Tax Persons with Respect to Certain Foreign Corporations). Such form requires certain disclosures concerning the filing Shareholder, other Shareholders, and the Company. Upon request, the Company will make reasonable efforts to provide all of the information about the Company or its Shareholders needed to complete these forms. Moreover, under certain circumstances, a Permitted U.S. Tax Person may be subject to the disclosure requirements of the Treasury Regulations under Section 6011 of the Code directed at tax shelters (including the filing of IRS Form 8886 (Reportable Transaction Disclosure Statement)) with respect to the Company and may be required to file IRS Form 8621 (Information Return by a Shareholder of a Passive Foreign Investment Company or Qualified Electing Fund) with respect to the Company, including if it recognizes UBTI in respect of its investment in the Company. Substantial penalties may be imposed for failure to make, on a timely basis, the filings referred to in this paragraph. Shareholders that are Permitted U.S. Tax Persons are urged to consult their own tax advisers concerning these and any other reporting requirements, including any reporting obligations relating to foreign financial accounts.

## Shareholders that are Non-U.S. Tax Persons

In general, dividends received in respect of Shares by a Shareholder that is a non-U.S. Tax Person, and gain recognized on the sale, exchange or retirement of Shares by a non-U.S. Tax Person, will not be subject to U.S. federal income or withholding tax (other than taxes under FATCA as described under “—Taxation of the Company—Foreign Account Tax Compliance Act”), unless (i) such income is effectively connected with the conduct of a trade or business by such non-U.S. Tax Person in the United States, or (ii) in the case of gain, the non-U.S. Tax Person is a nonresident alien individual who holds Shares as a capital asset and is present in the United States for more than 182 days in the taxable year of the disposition and certain other conditions are satisfied.

### *Other Jurisdictions*

#### *Taxation of the Company*

In general, the manner in which the Company and each Fund and its income will be subject to taxation in the various countries in which it conducts investment activities will depend on whether the Company and each Fund is treated as having a trade or business in the particular country. Although the Company and each Fund will endeavour, to the extent consistent with achieving its management and investment objectives, to minimise the risk that it is treated as engaged in a trade or business in a particular country that might result in significant taxation, no assurance can be provided in this regard.

It is possible that certain amounts received from sources within non-U.S. countries will be subject to withholding, capital gains, stamp duty or other taxes imposed by such countries. Tax treaties between certain countries, if applicable, may reduce or eliminate such taxes. However, in certain circumstances, it may not be administratively feasible to claim such benefits and each Fund shall have sole discretion as to whether such Fund will apply for benefits on behalf of itself or the Shareholders under any tax treaty. It is impossible to predict the rate of non-U.S. tax a Fund will pay in advance because the amount of the Fund's assets to be invested in various countries, and the ability of such fund to reduce such taxes, is not known.

A Fund may also be subject to U.S. state and/or local tax.

#### *Taxation of Shareholders*

The tax treatment of Shareholders that are non-U.S. Tax Persons in their jurisdictions of tax residence will depend entirely on the laws of such jurisdictions, and may vary considerably from jurisdiction to jurisdiction. Shareholders may be subject to special tax, reporting, or other regimes in their jurisdictions of tax residence, including potential material adverse tax consequences. For example, considerations in certain jurisdictions may include, among other things, that (i) the manner and/or jurisdiction in which the Company is organized and operated may materially adversely affect a Shareholder's basis in its Shares, such Shareholder's ability to obtain a deduction or credit for such basis, or both, (ii) all or a portion of the income from a Shareholder's Shares may be subject to unfavorable tax rates as compared to the rates applicable to direct investments in the Company's assets, (iii) a Shareholder may be unable to claim a deduction or credit for withholding taxes borne by the Company, whereas a direct investment in the Company's assets might allow a claim for such credit, (iv) an investment in the Company could result in a Shareholder recognizing taxable income in its jurisdiction of tax residence significantly in excess of cash received by such Shareholder from the Company, including but not limited to as a result of taxation on an accrual basis, possibly in amounts that exceed the Shareholder's actual economic income from the Company, (v) there may be restrictions on the use of a Shareholder's share of the Company's deductions or losses in its jurisdiction of tax residence, (vi) there may be special filing requirements in a Shareholder's jurisdiction of tax residence in respect of its investment in Shares, and (vii) information provided by the Company to Shareholders may not be timely or sufficient for a Shareholder to file required tax returns in its jurisdiction of tax residence. Accordingly, each prospective Shareholder is strongly urged to consult its tax adviser with respect to the tax and tax filing implications for the prospective Shareholder of an investment in the Company in the prospective Shareholder's jurisdiction of tax residence, as well as any other jurisdiction in which such prospective Shareholder is subject to taxation.

***Tax Reporting***

After the end of the Company's fiscal year, the Company will provide Shareholders with certain financial information as described in, "General—Reports" below which information they may use in the preparation of required tax returns. **The information provided by the Company to the Shareholders may not be timely or sufficient for Shareholders to comply with their tax filing obligations in their jurisdictions of tax residence.** Each Shareholder will be responsible for the preparation and filing of such Shareholder's own income tax return, and Shareholder should expect to obtain extensions of the filing date for their income tax returns.

***Uncertain Tax Positions***

In compliance with U.S. GAAP or other applicable accounting standards, the Company may recognize certain tax assets or liabilities in situations where there is uncertainty about whether such assets or liabilities should be recognized and/or about the amount that should be recognized. Any such tax assets or liabilities may be allocated among the Shareholders at the time they are recognized, and any benefit or detriment associated with a reversal of such recognition may be allocated among the Shareholders at the time the recognition is reversed. For example, if the Company recognizes all or part of an uncertain tax liability, then a Shareholder that withdraws from the Company after such recognition would have the amount redeemed determined after taking into account a reduction for its allocable share of such tax liability, and any such redeeming Shareholder generally would not receive any additional distribution or other benefit if such liability were not subsequently paid in full and the associated tax liability reduced or removed from the Company's financial statements.

**The tax and other matters described in this Prospectus do not constitute, and should not be considered as, legal or tax advice to prospective shareholders.**

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**RISK CONSIDERATIONS**

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**Investment in the Company carries significant risk, and investment in the Company should be regarded as long term in nature and is only suitable for investors who understand the risks involved and who are able and willing to withstand the total loss of their investment.**

**1 Introduction****1.1 General**

In general, each Fund is intended for long-term investors who can accept the risks associated with investing in a particular Fund. There can be no assurance that the investment objective of a Fund will be achieved. No guarantee or representation is made that the investment program of a Fund will be successful, and investment results of the Fund may vary substantially over time. The possibility of total or partial loss of capital exists, and prospective investors should not subscribe for Shares unless they can readily bear the consequences of such loss.

An investment in Shares of a Fund does not constitute a complete investment programme. Investors may wish to complement an investment in a Fund with other types of investments. Investors should be aware that the value of the Shares may fall as well as rise. Investors may not get back the amount initially invested, and income, if any, may fluctuate. The value of investments of a Fund may be affected by a variety of factors, including economic and political developments, interest rates and foreign exchange rates, as well as issuer-specific events.

Whilst some risks will be more relevant to certain Funds, investors should ensure that they understand all the risks discussed in this Prospectus and the relevant Supplement, insofar as they may relate to that Fund.

**The difference at any one time between the sale and redemption price of Shares in a Fund means that the investment should be viewed as medium to long term.**

The following risk considerations detail particular risks associated with an investment in the Company, which investors are encouraged to discuss with their professional advisers. It does not purport to be a comprehensive summary of all of the risks associated with an investment in the Company.

**2 PRC Specific Risks**

Investing in the Company involves certain considerations in addition to the risks normally associated with making investments in securities. Accordingly, the Company is only suitable for investment by investors who understand the risks involved and who are able and willing to withstand the total loss of their investment. In particular, prospective investors should consider the following risks:

**Investments in China via GSAMI QFI License and/or Stock Connect**

A Fund may invest in the PRC securities market via the GSAMI QFI license and/or the Stock Connect. To the extent such investment is made, the following risk factors will be relevant and applicable. Investors should understand that the following is only intended to be a brief summary of the key risk factors associated with the relevant investments in the PRC securities market via the GSAMI QFI license and/or the Stock Connect, rather than a complete explanation of all the risks involved in such investments.

**General China Market Risks****PRC Governmental, Political, Economic and Related Considerations**

For over a decade, the PRC government has been reforming the economic and political systems of the PRC. Whilst these reforms may continue, many of the reforms are unprecedented or experimental and may be refined or changed. Political, economic and social factors could also lead to further readjustments to the reform measures. A Fund's operations and financial results could be adversely affected by adjustments in the PRC's state plans, political, economic and social conditions, changes in

the policies of the PRC government such as changes in laws and regulations (or the interpretation thereof), measures which may be introduced to control inflation, changes in the rate or method of taxation, imposition of additional restrictions on currency conversion and the imposition of additional import restrictions. Furthermore, a portion of the economic activity in the PRC is export-driven and, therefore, is affected by developments in the economies of the PRC's principal trading partners.

The PRC economy has experienced significant growth in recent years, but such growth has been uneven both geographically and among the various sectors of the economy. The PRC government has implemented various measures from time to time to control inflation and to regulate economic expansion with a view to preventing overheating of the economy.

The transformation from a centrally planned, socialist economy to a more market-oriented economy has also resulted in some economic and social disruptions and distortions. Moreover, there can be no assurance that the economic and political initiatives necessary to achieve and sustain such a transformation will continue or, if such initiatives continue and are sustained, that they will be successful.

In the past the PRC government has applied nationalisation, expropriation, confiscatory levels of taxation and currency blockage. There can be no assurance that this will not re-occur and any re-occurrence could adversely affect the interests of the Fund.

### **Developing Legal System and Investment Regulations**

The PRC's legal system is based on written statutes under which prior court decisions may be cited for reference but do not form a set of binding precedents. Since 1979, the PRC government has been developing a comprehensive system of commercial laws and considerable progress has been made in the promulgation of laws and regulations dealing with economic matters such as corporate organisation and governance, foreign investment, commerce, taxation and trade. Because these laws, regulations and legal requirements (including the Investment Regulations, as applicable) are relatively recent, their interpretation and enforcement involve significant uncertainty. In addition, the PRC laws governing business organisations, bankruptcy and insolvency provide substantially less protection to security holders than that provided by the laws of more developed countries.

In particular, the securities market and the regulatory framework for the securities industry in China are at an early stage of development. The Investment Regulations, under which a Fund invests in the PRC via the GSAMI QFI license and/or the Stock Connect and which regulate investment, repatriation and currency conversion, are relatively new. The application and interpretation of the Investment Regulations is therefore largely untested and there is uncertainty as to how they will be applied. In addition, the Investment Regulations give the relevant PRC regulators (including without limitation CSRC, PBOC and SAFE) wide discretions and there is limited precedent or certainty as to how these discretions might be exercised, either now or in the future. The Investment Regulations may be varied in the future. Although it is hoped that any such revisions to the Investment Regulations will not prejudice a Fund, there can be no assurance that this will be the case.

### **Corporate Disclosure, Accounting and Regulatory Standards**

The PRC's disclosure and regulatory standards are in many respects less stringent than standards in many OECD countries. There may be less publicly available information about PRC companies than is regularly published by or about companies based in OECD countries and such information as is available may be less reliable than that published by or about companies in OECD countries. PRC companies are subject to accounting standards and requirements that differ in significant respects from those applicable to companies established or listed in OECD countries. As a result, the lower levels of disclosure and transparency of certain material information may impact the value of investments made by a Fund and may lead to the Fund or its service providers an inaccurate conclusion about the value of its investments. This, if combined with a weak regulatory environment, could result in lower standards of corporate governance and less protection of minority shareholder rights of the companies in which a Fund will invest.

### **General Economic and Market Conditions**

The performance of a Fund's investments in China may be affected by the general economic and market

conditions in China, such as interest rates, availability and terms of credit facilities, inflation rates, economic uncertainty, changes in laws and national and international political circumstances. These factors may result in volatile and unstable prices, and could impair a Fund's performance. The occurrence, continuation or deterioration of adverse economic and market conditions may result in decreased market values of a Fund's investments in China.

The PRC securities markets are undergoing a period of development and change which may lead to difficulties in the settlement and recording of transactions and uncertainty in interpreting and applying the relevant regulations. In addition, the regulation of, and enforcement activity in, the PRC securities markets may not be equivalent to that in markets in OECD countries. There may not be equivalent regulations and monitoring of the PRC securities market and activities of investors, brokers and other participants to that in certain OECD markets. In addition, the Exchanges typically have the right to suspend or limit trading in any security traded on the relevant Exchanges. The PRC government or relevant PRC regulators may also implement policies that may adversely affect the PRC financial markets. Such suspensions, limitations or policies may have a negative impact on the performance of a Fund's investments.

### **Concentration Risk**

Although the Investment Adviser and the Sub-Investment Advisers intend that each Fund will hold a diversified portfolio, conditions in the PRC and the PRC markets may mean that at times when the Investment Adviser and the Sub-Investment Advisers are not able to identify sufficient attractive investment opportunities, any of the Funds may hold large absolute and relative risk positions in a relatively limited number of investments which could give rise to significant losses if such investment positions decline in value.

### **Foreign Exchange Risk**

The Funds invest primarily in securities denominated in RMB but its Net Asset Value will be quoted in the Base Currency of the relevant Fund. Accordingly, a change in the value of RMB against such Base Currency which is not RMB will result in a corresponding change in the Base Currency denominated Net Asset Value of the Funds. In addition, to the extent that a Fund does not invest, or delays its investment into, such RMB denominated securities it will be exposed to fluctuations in the exchange rate of RMB.

For the purposes of a Fund's investments in China, RMB are exchangeable into the Base Currency at prevailing market rates. Currency exchange rates may fluctuate significantly over short periods of time causing, along with other factors, a Fund's Net Asset Value to fluctuate as well. Currency exchange rates generally are determined by the forces of supply and demand in the currency exchange markets and the relative merits of investments in different countries, actual or anticipated changes in interest rates and other complex factors, as seen from an international perspective. However, currency exchange rates as in the PRC can also be affected unpredictably by intervention or failure to intervene by relevant governments or central banks or by currency controls or political developments.

A Fund may (but is not obliged to) seek to hedge foreign currency risks but as the foreign exchange of RMB is regulated, such hedging even if effected may only result in an imperfect hedge. There can be no assurance that any hedging, particularly such imperfect hedging, will be successful. Equally, failure to hedge foreign currency risks may result in the Fund bearing the burden of exchange rate fluctuations. Unless otherwise disclosed in the relevant Supplement, the Funds do not currently intend to hedge the currency exposure of their investments into the Base Currency.

### **Taxation**

Under current PRC tax laws, regulations and practice, the Company and the Investment Adviser may be subject to PRC tax, directly or indirectly, in respect of the assets held through the GSAMI QFI license and/or the Stock Connect. The Company will be responsible to reimburse the Investment Adviser for all PRC taxes and duties of any kind incurred by the Investment Adviser and attributable to the assets of the Company held through the GSAMI QFI license and/or the Stock Connect. The tax law and regulations of the PRC are constantly changing, and they may be changed with retrospective effect. The interpretation and applicability of the tax law and regulations by tax authorities are not as consistent and

transparent as those of more developed nations, and may vary from region to region. Moreover, the PRC taxes and duties payable by the Investment Adviser and which are to be reimbursed by the Company to the extent attributable to the assets held through the GSAMI QFI license and/or the Stock Connect may change at any time.

The treatment of tax under the Investment Regulations is not clear. Accordingly, where the Investment Regulations require a custodian / clearing house / any other agent stipulated by such rules to withhold any tax, or where such custodian / clearing house / any other agent has a reasonable basis for believing that such withholding may be required, the custodian / clearing house / any other agent may do so at the rate required by the regulation, or if in the custodian's opinion the Investment Regulations are not very clear on the rate, at such rate as the custodian/ clearing house / any other agent may, reasonably determine to be appropriate. Tax may be withheld on a retroactive basis.

Please see the section headed "*Additional Information on Taxation Related to the Funds' Investments in the PRC*" for additional information in relation to PRC tax law and regulations.

Given the uncertainty surrounding the Company's potential PRC tax liabilities or reimbursement obligations, the Net Asset Value on any Dealing Day may not accurately reflect such liabilities. This may mean that incoming Shareholders pay more for their Shares than they otherwise would/should have done. In the event of a redemption of Shares at such Net Asset Value, the remaining Shareholders will bear the burden of any liabilities which had not been accrued in the Net Asset Value. The Company will use its reasonable endeavours to recover their proportionate share of the liabilities from redeeming Shareholders, but investors should be aware that the Company may not be successful in such endeavours and that unequal allocation of tax liability is a potential risk of investing in the Company. In addition, investors should be aware that under-accrual or over-accrual for PRC tax liabilities may impact the performance of the Funds during the period of such under-accrual or over-accrual and following any subsequent adjustments to the Net Asset Value.

### **Risks Relating to A Shares Trading**

#### **Investment Restrictions**

Investments in the A Shares via the GSAMI QFI license and/or Stock Connect are subject to compliance with certain investment restrictions imposed by the Investment Regulations including the following which apply to each foreign investor (including the Funds) investing through the GSAMI QFI license and will affect the Funds' ability to invest in A Shares and carry out their investment objectives:

- (i) shares held by each underlying foreign investor (such as a Fund) which invests (through QFI, Stock Connect or other permissible channels) in one PRC listed company should not exceed 10% of the total outstanding shares of such company; and
- (ii) aggregate A Shares held by all underlying foreign investors (such as a Fund and all other foreign investors) which invest (through QFI, Stock Connect or other permissible channels) in one PRC listed company should not exceed 30% of the total outstanding shares of such company.

In practice, the 10% single foreign shareholding restriction may also be applied at the QFI level, under which a QFI may not hold 10% or more shares of any listed company, regardless of the fact that such QFI is holding such shares for a number of different clients. Accordingly, as the GSAMI QFI license is allocated among the Company and other investors as well, the capability of the relevant Fund to invest in the shares of certain listed company may be limited due to the investments in the shares of such listed company by other investors sharing the GSAMI QFI license. Specifically, when the shareholding of such other investors in a PRC listed company reaches 10%, any Fund may not be able to buy any such shares, even if the then effective price of such shares is advantageous to the Fund.

Similarly, since the 30% aggregate foreign shareholding restriction is monitored at the level of all foreign investors, the capability of a Fund to invest in A Shares of certain listed company may also be limited due to the investments made by other foreign investors.

## Disclosure of Interests and Short Swing Profit Rule

Under the PRC disclosure of interest requirements, the Company may be deemed as concert parties with its investors, of other funds managed within the Goldman Sachs group or a substantial shareholder of the Goldman Sachs group (unless there exists evidence to the contrary) and therefore may be subject to the risk that the Company's holdings may have to be reported in aggregate with the holdings of such other investors or funds should the aggregated holdings (through QFI, Stock Connect and other permissible channels) trigger the reporting threshold under the PRC law (which is currently 5% of the total issued shares of a PRC listed company). Specifically, once an investor holds up to 5% of the voting shares of a PRC-listed company, the investor is required to disclose his interests within three days in accordance with the applicable regulations and during the reporting period he cannot trade the shares of that company. Each subsequent increase or decrease by 5% of voting shares in the PRC-listed company through securities traded on the relevant PRC stock exchange would trigger separate disclosure obligations and the investor must not buy or sell any such shares during the reporting period and within 3 days after the report and announcement are made. After the investor's holding reaches 5%, each subsequent increase or decrease by 1% of voting shares in the PRC-listed company held by such investor is required to be reported to that company for public announcement. In addition, the onshore listed shares and offshore listed shares held by each of the concerted parties in an individual listed company need to be aggregated for such calculation purpose above. This may expose the Company's holdings to the public with an adverse impact on the performance of the Funds. There has also been a recent regulatory trend to tighten the disclosure of interests requirements by the relevant PRC regulators and stock exchanges, therefore further requirements may be applied in this regard.

In addition, subject to the interpretation of PRC courts and PRC regulators, the operation of the PRC short swing profit rule may be applicable to the trading of the Funds with the result that where the holdings (through QFI, Stock Connect or other permissible channels) of the Company (possibly with the holdings of other investors deemed as concert parties of the Funds) exceed 5% of the total issued shares of a PRC listed company, the Company may not reduce its holdings in such company within 6 months of the last purchase of shares of such company. If the Company violates the rule, it may be required by the listed company to return any profits realized from such trading to the listed company. Moreover, under PRC civil procedures, the Company's assets may be frozen to the extent of the claims made by such PRC company. These risks may greatly impair the performance of the Funds.

A Fund, when investing in the A Share market through synthetic and other derivative instruments, may also be subject to PRC securities laws and regulations. For example, if the Fund has *de facto* control over the exercise of the voting rights of the underlying A Shares in relation to the derivative instruments, even though the Fund is not the legal owner of these shares, the Fund is subject to disclosure of interest requirements. Any investor may not utilize inside information to trade the shares of a PRC listed company or conduct market manipulation trades, and the trade orders of the Fund may not breach this requirement. If the Company has *de facto* control over the exercise of the voting rights of the underlying shares of a PRC listed company that exceed 5% of the company's shares, it might be deemed as a 5% shareholder and may be restricted in its trading because of the short swing profit rule.

## Disclosure to the Exchange

According to the relevant Investment Regulations, where the relevant Exchange spots any abnormal trading which may affect the normal trading order, it may request the investor to promptly report the securities transaction and shareholding information of the relevant underlying investors, which may include information on the Funds.

## Trading Volumes and Volatility

The Exchanges have lower trading volumes than some OECD exchanges and the market capitalisations of listed companies are small compared to those on more developed exchanges in developed markets. The listed equity securities of many companies in the PRC are accordingly materially less liquid, subject to greater dealing spreads and experience materially greater volatility than those of OECD countries. Government supervision and regulation of the PRC securities market and of listed companies are also less developed than in many OECD countries. In addition, there is a high measure of legal uncertainty concerning the rights and duties of market participants with respect to investments made through securities systems or established markets.

The PRC stock market has experienced substantial price volatility and wide suspension of trading and no assurance can be given that such volatility and suspension will not occur in the future. The above factors could negatively affect the Net Asset Value of the Funds, the ability to redeem Shares and the price at which Shares may be redeemed.

**Restriction on day trading**

Save with a few exceptions, day (turnaround) trading is generally not permitted on the PRC A Share market. If a Fund buys PRC A Shares on a dealing day (T), the Fund may not be able to sell them until on or after T+1 day.

**Payment of Fees and Expenses**

The Company may retain such amounts as the Directors considers appropriate to maintain a liquid portfolio of cash, deposits, money market instruments and Government Securities denominated in RMB, U.S. Dollars or other major international currencies for the purposes of paying its anticipated fees and expenses and to meet redemption requests and any other liquidity needs.

**QFI Specific Risks****QFI Status**

Currently, the Investment Adviser has obtained the QFI status approved by CSRC. Investments by the Funds in China, if made under the QFI regime, will principally be made and held through the GSAMI QFI license. However, under the Investment Regulations, the QFI status could be suspended or revoked under certain circumstances where the PRC regulators have discretions. If the QFI status of the Investment Adviser is suspended or revoked, the Funds may be required to dispose of their securities holdings under the GSAMI QFI license and may not be able to access the Chinese securities market via the GSAMI QFI license as contemplated in this Prospectus, which may have an adverse effect on the Funds' performance.

Moreover, the Investment Regulations generally apply at the QFI level, and not simply to investments made on behalf of the Company. Thus investors should be aware that violations of the Investment Regulations arising out of activities related to the GSAMI QFI license by such other investors other than those which are utilised by the Company could result in the revocation of or other regulatory action in respect of the GSAMI QFI license as a whole. The regulations relating to the investment restrictions in A Shares are also generally applied at the QFI level (as discussed above), which may also be impacted by the actions of other investors utilising the GSAMI QFI license. Hence the ability of the Company to make investments and/or repatriate monies from the GSAMI QFI license may be affected adversely by the investments, performance and/or repatriation of monies of and by other investors utilising the GSAMI QFI license.

**Limits on Repatriation**

In particular, the Investment Regulations and/or the approach adopted by SAFE in relation to the repatriation of funds under the GSAMI QFI license may change from time to time. Although the Investment Regulations have been revised to relax certain regulatory restrictions on the onshore investment and capital management by QFIs (including but not limited to removing investment quota limits and simplifying routine repatriation of investment proceeds), it is a very new development and therefore subject to uncertainties as to how well it will be implemented in practice, especially at the early stage. Given the repatriation limit, if imposed, may be applied at the overall GSAMI QFI license level, the actions of other investors in the Fund wishing to redeem or who are subject to mandatory redemptions, on a particular Dealing Day, could all adversely impact the ability of a Shareholder wishing to redeem to realize the full value of their redemption request in respect of any particular Dealing Day. Thus, it will be more likely that the Fund will reduce, limit or delay a Shareholder's redemption request, or delay payment of redemption proceeds. In addition, any repatriation of monies by the Fund to meet obligations such as the payment of fees may adversely impact the ability of the Fund to repatriate monies to meet Shareholder's redemption requests.

## Custody

A Shares traded on the Exchanges are dealt and held in dematerialized form through CSDCC. Exchange-traded securities purchased on behalf of a Fund through the GSAMI QFI license are required to be recorded by CSDCC as credited to a securities trading account maintained in the joint names of the Investment Adviser as the QFI and the Company (or such other account name as required by the Investment Regulations which may reference also the relevant Fund).

Given that pursuant to the Investment Regulations the QFI as account-holder will be the party entitled to the securities (albeit that this entitlement does not constitute an ownership interest or preclude the QFI purchasing securities on behalf of the Company) the assets of the Company (or the Fund) may not be as well protected as they would be if it were possible for them to be registered and held solely in the name of the Company (or the Fund). In particular, given that the GSAMI QFI license will be viewed as belonging to a company within Goldman Sachs, there is a risk that creditors of Goldman Sachs may incorrectly assume that the Company's or Fund's assets belong to Goldman Sachs and such creditors may seek to gain control of the Company's or a Fund's assets in lieu of such liabilities.

The evidence of title of exchange-traded securities in the PRC consists only of electronic book-entries in the depository and/or registry associated with the relevant Exchange. These arrangements of the depositories and registries are new and not fully tested in regard to their efficiency, accuracy and security.

In order to prevent any trading failure, CSDCC will automatically settle any trades executed by the PRC securities trading house relating to the securities trading account maintained in the joint names of the Company (or a Fund) and the Investment Adviser as QFI. Accordingly all instructions issued by the PRC securities trading house relating to the securities trading account will be executed without the need of consent or direction of the Depository.

Investors should note that cash deposited in the cash account of the Company with the Sub-Depository will not be segregated but will be a debt owing from the Sub-Depository to the Company as a depositor. Such cash will be co-mingled with cash belonging to other clients of the Sub-Depository. In the event of bankruptcy or liquidation of the Sub-Depository, the Company will not have any proprietary rights to the cash deposited in such cash account, and the Company will become an unsecured creditor, ranking *pari passu* with all other unsecured creditors of the Sub-Depository. The Company may face difficulty and/or encounter delays in recovering such debt, or may not be able to recover it in full or at all, in which case the Company will suffer losses.

In the event of any default of either the relevant PRC broker or the Sub-Depository (directly or through its delegate) in the execution or settlement of any transaction or in the transfer of any funds or securities in the PRC, the Company may encounter delays in recovering its assets which may in turn adversely impact its net asset value.

There is a risk that the Company may suffer losses, whether direct or consequential, from the default or bankruptcy of the Sub-Depository or disqualification of the same party from acting as a custodian. There is a risk that the Company may suffer losses, whether direct or consequential, from the default or bankruptcy of a PRC broker or disqualification of the same from acting as a broker. This may adversely affect the Company in the execution or settlement of any transaction or in the transfer of any funds or securities.

## Use of Brokers per Exchange

Under the Investment Regulations, there is no explicit limitation on number of PRC securities brokers per Exchange that can be appointed. However, in practice, the Company may or may not elect to use multiple brokers at an Exchange, if it reasonably believes it is in the best interest of the Company and Shareholders. To the extent permitted by applicable law, the Investment Adviser and the Sub-Investment Advisers may in their absolute discretion direct the execution of some or all securities trades through an affiliate.

The Company and the Investment Adviser anticipate that they will place particular emphasis on the perceived quality of execution and reputation of the brokers, in addition to other factors. In consequence,

if a broker offers the Company standards of execution which the Investment Adviser reasonably believes to be amongst best practice in the PRC marketplace, the Company and the Investment Adviser may determine that they should consistently execute transactions with that broker (including where it is an affiliate) notwithstanding that they may not be executed at best price and shall have no liability to account to the Company in respect of the difference between the price at which the Company executes transactions and any other price that may have been available in the market at that relevant time.

At present, the securities market and regulatory framework for the securities industry in China are at an early stage of development. The Investment Regulations under which the Company will invest in the PRC via the GSAMI QFI license are relatively new and give CSRC and SAFE wide discretion on their interpretation. There are no sufficient precedents on how such discretion might be exercised for issues that have not been clearly provided in the Investment Regulations, therefore leaving a considerable amount of uncertainty. One result would be that CSRC and SAFE may impose certain practical restrictions on the investment of QFIs through their licenses to address the relevant political and economic considerations.

### **CFFEX and Stock Index Futures Trading**

CFFEX was established in 2006 and the first stock index futures contract was listed on CFFEX in 2010. Although the trading volumes of CFFEX have experienced steady growth in recent years, CFFEX and the regulatory framework for the financial futures trading in China are still at an infant stage of development. Compared with the futures exchanges in the OECD markets, CFFEX is less developed in terms of trading volume, product diversification and infrastructure. In addition, there is no assurance that the stock index futures market will not encounter substantial price volatility or setback which could negatively affect the Net Asset Value of the Funds, the ability to redeem Shares and the price at which Shares may be redeemed. Currently, QFIs' stock index futures trading is subject to additional restrictions under the relevant Investment Regulations, such as QFIs may engage in stock index futures trading for hedging purpose only. In addition, a QFI needs to apply for a hedging quota for long positions and short positions respectively from CFFEX before it is able to trade stock index futures. There is no assurance that a QFI will obtain a hedging quota nor is there a guarantee that, once a hedging quota is granted to a QFI, it will not be revoked or scaled down. All the above factors may have an adverse impact on the Company's ability to achieve its investment objectives.

### **Liquidity and Exchange Controls**

The ability of the Company to redeem Shares depends, *inter alia*, on the PRC laws and practice effecting the Company's ability to liquidate investments and to remit the proceeds thereof out of PRC. As detailed above, the repatriation of monies to the Fund under the GSAMI QFI license is subject to certain restrictions. The same is also true of repatriation of gains from investments invested in through the GSAMI QFI license. As certain such restrictions may apply at the overall GSAMI QFI license level, the actions of other investors accessing the PRC market through the GSAMI QFI license and the actions of other investors in the Fund wishing to redeem at a particular Dealing Day, could all adversely impact the ability of a Shareholder wishing to redeem to realise the full value of their redemption request in respect of any particular Dealing Day. The repatriation restrictions could restrict the Fund's ability to satisfy all or any redemption requests in respect of any particular Dealing Day. Accordingly Shareholders should not have an expectation that their investment in the Fund will be realised within a reasonable period and should not invest in the Fund if they have need of liquidity.

The Directors do not anticipate that an active secondary market in the Shares will be developed or maintained. Accordingly, it may not always be possible for a Shareholder promptly to realise an investment at a price which equates substantially to the Net Asset Value of the relevant Fund.

The ability of the Company to invest through the GSAMI QFI license is dependent on the proceeds received from investors being converted into RMB. If such monies cannot be so exchanged for reasons such as failure to obtain the relevant exchange control clearance, the Company will not be able to invest the net proceeds as contemplated in this document. In that event, the provisional allotment of Shares to which those proceeds relate will be cancelled and the subscription monies returned to investors without interest.

### **Clearing Reserve Fund**

Under the Investment Regulations, the Sub-Depositary is required to deposit a minimum clearing reserve fund as a percentage of the GSAMI's daily average amount of accumulated net inward funds for the preceding month (subject to a floor at zero), the percentage amount to be determined from time to time by the CSDCC Shanghai and Shenzhen branches. Currently, the minimum clearing reserve ratio determined by the CSDCC Shanghai and Shenzhen branches are 0.06%.

### **Disclosure to CSRC**

According to the relevant Investment Regulations, CSRC may require QFIs to report the offshore hedging positions related to their domestic investment through the QFI license. The information reported may include information on the Fund as applicable.

### **Initial Public Offerings (“IPOs”)**

Each Fund may participate in IPOs including through the off-net securities subscription mechanism in China as permitted by the Investment Regulations under which relevant securities issuance is not conducted via the system of the relevant Exchange but is organised by the lead underwriter and the issuer. By the off-net securities subscription, a Fund may participate in the pricing inquiry process and may achieve better allocation ratio of the securities to be issued. Nevertheless it should be noted that there are certain restrictions in respect of the off-net securities subscription mechanism that may adversely affect the goal that the Fund intends to achieve by participating in the off-net subscription and may bring other downside effects. For example, depending on an IPO's scale, the issuer and the lead underwriters may establish a claw-back mechanism between off-net placements and on-net issuances to adjust proportions between off-net placements and on-net issuances according to the status of subscriptions. In the case where the listed company makes a public seasoned offering or offers convertible corporate bonds, the lead underwriter may classify the institutional investors that participate in off-net allotment and set up different allotment proportions for different classes of institutional investors. In the case where no classification has been made with the institutional investors, the lead underwriter will establish a claw-back mechanism between the off-net placements and the on-net issuances to ensure the allotment proportions of the two groups are consistent. Different limits are imposed on the amount of shares allotted in an IPO via off-net placement which are based on the total amount of publicly issued shares. Further, a lock-up period may apply to the shares subscribed via off-net IPO placement, which may affect the liquidity of a Fund.

### **Stock Connect Specific Risks**

A Fund may invest in the A Shares market of the PRC through the Stock Connect either by directly investing in securities available on the Stock Connect (“Stock Connect Securities”) or by investing in financial instruments linked to such Stock Connect Securities.

Stock Connect is a mutual market access programme through which Hong Kong and overseas investors (“Stock Connect Investors”) can deal in selected securities listed on SSE and/or SZSE, and qualified PRC domestic investors can deal in selected securities listed on The Stock Exchange of Hong Kong Limited (“SEHK”) through a platform put in place between SSE/SZSE and SEHK. As at the date of the prospectus, the Stock Connect programme has been developed between Hong Kong and mainland China by, among others, SSE/SZSE, SEHK, the Hong Kong Securities Clearing Company Limited (“HKSCC”) and CSDCC. Under Stock Connect, the Shanghai-HK Connect and the Shenzhen-HK Connect operate independently from each other with substantially similar regulatory framework and operating mechanism.

Stock Connect provides a “northbound link”, through which Stock Connect Investors may purchase and indirectly hold eligible A Shares listed on SSE and/or SZSE (“Northbound Trading”) as well as a “southbound link”, through which PRC investors may purchase and indirectly hold eligible shares listed on the SEHK.

Shareholders should note that Stock Connect is a new trading programme. The relevant regulations are not well-tested and subject to change and there is no assurance that Stock Connect will be permitted to continue in existence or the relevant Stock Connect rules will not be changed in a way prejudicing the

interests of the Stock Connect Investors. Northbound Trading under Stock Connect is subject to daily quota limitations which may restrict a Fund's ability to deal via Stock Connect on a timely basis. This may impact that Fund's ability to implement its investment strategy effectively. The scope of securities in Stock Connect is subject to adjustment by relevant Stock Connect Authorities (as defined below) from time to time (see the paragraph headed "The recalling of eligible stocks and trading restrictions" below). This may adversely affect a Fund's ability to achieve its investment objective, for example, where a security that the Investment Adviser wishes to purchase on behalf of a Fund is recalled from the scope of Stock Connect Securities. In addition, Stock Connect and its technology and risk management capability has only a short operating history. There is no assurance that the systems and controls of the Stock Connect programme will function as intended or whether they will be adequate.

### **Pre-trade Check and Enhanced Pre-trade Check**

PRC law provides that SSE/SZSE may reject a sell order if an investor does not have sufficient available A Shares in its account.

SEHK will apply a similar check on all sell orders of Stock Connect Securities on the Northbound Trading link at the level of SEHK's registered exchange participants ("Exchange Participants") to ensure there is no overselling by any individual exchange participant ("Pre-Trade Checking").

The Pre-Trade Checking requirement may require a pre-trade delivery of the Stock Connect Securities from a Stock Connect Investor's domestic custodian or sub-custodian to the Exchange Participant which will hold and safekeep such securities so as to ensure that they can be traded on a particular trading day. There is a risk that creditors of the Exchange Participant may seek to assert that such securities are owned by the Exchange Participant and not the Stock Connect Investor, if it is not made clear that the Exchange Participant acts as a custodian in respect of such securities for the benefit of the Stock Connect Investor.

Alternatively, if the relevant Stock Connect Investor maintains its A Shares with a custodian which is a custodian participant or general clearing participant participating in the Hong Kong Central Clearing and Settlement System ("CCASS"), the Stock Connect Investor may request such custodian to open a special segregated account ("SPSA") in CCASS to maintain its holdings in A Shares under the enhanced pre-trade checking model ("Enhanced Pre-Trade Checking"). Each SPSA will be assigned a unique "Investor ID" by CCASS for the purpose of facilitating the Stock Connect system to verify the holdings of a Stock Connect Investor. Provided that there is sufficient holding in the SPSA when a broker inputs the Company's sell order, the Company will only need to transfer the A Shares from its SPSA to its broker's account after execution and not before placing the sell order and the Company will not be subject to the risk of being unable to dispose of its holdings of A Shares in a timely manner due to failure to transfer of A Shares to its brokers in a timely manner. Whilst the Enhanced Pre-Trade Checking model is a positive step towards addressing the pre-trade delivery issue, it is expected that more work and industry and/or regulatory discussions are required in order to make it widely acceptable.

As a practical matter, it may limit the number of brokers that the Funds may use to execute trades. In relation to transactions executing through an SPSA order, a Stock Connect Investor may at most designate 20 brokers currently.

The Company may also trade Stock Connect Securities through a broker affiliated to the Company's sub-custodian, who is an Exchange Participant and a clearing agent of its affiliated broker. In that case, no pre-trade delivery of securities is required and the above risk arising from Pre-Trade Checking or Enhanced Pre-Trade Checking may be mitigated. However, under such situation, whilst the Investment Adviser will be cognisant of its best execution obligations it may not have the ability to trade through multiple brokers and any switch to a new broker may not be possible without a commensurate change to the Fund's sub-custody arrangements.

In addition, Stock Connect Investors will be required to comply with any requirements relating to Pre-Trade Checking or Enhanced Pre-Trade Checking, as applicable, imposed by the applicable regulator, agency or authority with jurisdiction, authority or responsibility in respect of Stock Connect ("Stock Connect Authorities").

## **Nominee Holding Structure, Voting Right and Corporate Actions**

Stock Connect Securities will be held following settlement by brokers or custodians as clearing participants in accounts in the CCASS maintained by HKSCC as central securities depository in Hong Kong and as nominee holder. HKSCC is the “nominee holder” of the Stock Connect Securities acquired by a Stock Connect Investor. While the distinct concepts of “nominee holder” and “beneficial owner” are generally recognized under the PRC Stock Connect rules as well as other laws and regulations in mainland China, the application of such rules is untested, and there is no assurance that PRC courts will recognise such rules, e.g. in liquidation proceedings of PRC companies or other legal proceedings. In the unlikely event that HKSCC becomes subject to winding up proceedings in Hong Kong, investors should note that the Stock Connect Securities will not be regarded as part of the general assets of HKSCC available for distribution to creditors even under PRC law. Stock Connect Investors who hold the Stock Connect Securities (as beneficial owners) shall generally exercise their rights in relation to the Stock Connect Securities through HKSCC as the nominee holder. Under the CCASS rules, HKSCC is prepared to provide assistance to the Stock Connect Investors in bringing the legal action in the PRC where necessary, subject to certain conditions. Accordingly, the Company may only exercise voting rights with respect to Stock Connect Securities by giving voting instructions to HKSCC (through CCASS participants), who will then consolidate such instructions and submit them in the form of a combined single voting instruction to the relevant SSE/SZSE-listed company. Therefore, the Company may not be able to exercise voting rights in respect of the underlying company in the same manner as in other markets.

In addition, any corporate action in respect of Stock Connect Securities will be announced by the relevant issuer through the SSE/SZSE website and certain officially appointed newspapers. Stock Connect Investors may refer to the SSE/SZSE website and the relevant newspapers for the latest listed company announcements or, alternatively, the website of the Hong Kong Exchanges and Clearing Limited for corporate actions in respect of Stock Connect Securities issued on the previous trading day. However, SSE/SZSE-listed issuers publish corporate documents in Chinese only and English translations will not be available.

Given the short timescale within which proxy voting or other corporate actions are required to be taken in relation to the Stock Connect Securities, there is no assurance that CCASS participants who participate in Stock Connect will or will continue to provide or arrange for the provision of any voting or other related services. Accordingly, there is no assurance that the Company will be able to exercise any voting rights or participate in any corporate actions in relation to Stock Connect Securities in time or at all.

### **Northbound Investor ID Model**

An investor identification model for Northbound Trading under Stock Connect (“Northbound Investor ID Model”) was launched on 26 September 2018. Under the Northbound Investor ID Model, Exchange Participants will be required to assign a unique number known as the Broker-to-Client Assigned Number (“BCAN”) to each Stock Connect Investor in Northbound Trading. Each BCAN should be mapped to the client identification data (“CID”) of that particular client which includes the client’s name, identity document issuing country, ID type and ID number. Each of the Exchange Participants is required to submit the BCAN-CID mappings of all its Northbound Trading clients to SEHK. If the BCAN-CID mapping of a client has not been received by SEHK at or before the prescribed T-1 day cut-off time, or such mapping information has failed the relevant validation check, the corresponding client shall not be allowed to place trading orders on T day.

Given the Northbound Investor ID Model is different from the current trading practice in Hong Kong market and is newly adopted, there is no assurance that the system will operate normally or the Company as a Stock Connect Investor will satisfy the relevant requirements. Any malfunction of the Northbound Investor ID Model or failure of the Company to participate in Northbound Trading may adversely affect the Company’s performance.

### **Restriction on Day Trading**

Save with a few exceptions, day (turnaround) trading is generally not permitted on the A Share market. If a Fund buys Stock Connect Securities on a dealing day (T), the Fund may not be able to sell the Stock

Connect Securities until on or after T+1 day.

### **Not protected by Investor Protection Fund**

Investors should note that if a Fund engages in any Northbound Trading, the Fund will not be covered by China Securities Investor Protection Fund and thus investors will not benefit from compensation under such schemes.

### **Daily Quotas Used up**

There is a daily quota for Northbound Trading on the Shanghai-HK Connect and Shenzhen-HK Connect respectively. Once the daily quota on SSE or SZSE is used up, acceptance of the corresponding buy orders on SSE or SZSE (as applicable) will be immediately suspended and no further buy orders will be accepted for the remainder of the trading day. Buy orders which have been accepted will not be affected by the using up of the daily quota, while sell orders will be continued to be accepted.

### **Difference in Trading Day and Trading Hours and other Operational Restrictions**

Due to differences in public holidays between Hong Kong and mainland China or other reasons such as bad weather conditions, there may be a difference in trading days and trading hours between SSE/SZSE and SEHK. Stock Connect will only operate on days when both markets are open for trading and when banks in both markets are open on the corresponding settlement days. There may be occasions when it is a normal trading day for the mainland China market but it is not possible to carry out any A Shares trading in Hong Kong. Additionally, SEHK (or any relevant subsidiary) may, under certain circumstances as specified in the SEHK rules, temporarily suspend or restrict all or part of the order-routing and related supporting services with regard to all or any Northbound Trading and for such duration and frequency as SEHK may consider appropriate at any time and without advance notice.

As such, there is a risk of price fluctuations in A Shares during the time when Northbound Trading is suspended or restricted as described above.

### **The Recalling of Eligible Stocks and Trading Restrictions**

A stock may be recalled from the scope of eligible stocks for trading via Stock Connect for various reasons, and in such event the stock can only be sold but is restricted from being bought. This may adversely affect the ability of a Fund to achieve its investment objective.

Under Stock Connect, the Investment Adviser will only be allowed to sell A Shares but restricted from further buying under certain circumstances including without limitation to: (i) the A Share subsequently ceases to be a constituent stock of the relevant indices; (ii) the A Share is subsequently under "risk alert" or enters the pre-delisting period, or is delisted; and/or (iii) the corresponding H share of the A Share subsequently ceases to be traded on SEHK and the A share does not meet the inclusion criteria for Stock Connect. Price fluctuation limits are also applicable to A Shares.

### **Local market rules, foreign shareholding restrictions and disclosure obligations**

Under Stock Connect, A Shares listed companies and trading of A Shares are subject to market rules and disclosure requirements of the A Shares market. Any changes in laws, regulations and policies of the A Shares market or rules in relation to Stock Connect may affect share prices. Foreign shareholding restrictions and disclosure obligations are also applicable to A Shares.

The Company and the Investment Adviser will be subject to restrictions on trading (including restriction on retention of proceeds) in A Shares as a result of their interest in the A Shares and are responsible for compliance with all notifications, reports and relevant requirements in connection with such interests.

Under current PRC law, once an investor holds up to 5% of the shares of a PRC-listed company, the investor is required to disclose his interest within three days in accordance with the applicable regulations and during the reporting period he cannot trade the shares of that company. The investor is also required to disclose any change in his shareholding and comply with related trading restrictions in accordance with PRC law.

According to existing mainland China practices, the Company as beneficial owner of A Shares traded via Stock Connect cannot appoint proxies to attend shareholders' meetings on its behalf (see the paragraph headed "Nominee holding structure, voting right and corporate actions" above).

### **Clearing, Settlement and Custody Risks**

HKSCC and CSDCC have established the clearing links between SEHK and SSE/SZSE and each will become a participant of the other to facilitate clearing and settlement of cross-border trades. For cross-border trades initiated in a market, the clearing house of that market will on one hand clear and settle with its own clearing participants, and on the other hand undertake to fulfil the clearing and settlement obligations of its clearing participants with the counterparty clearing house.

Hong Kong and overseas investors which have acquired Stock Connect Securities through Northbound Trading should maintain such securities with their brokers' or custodians' stock accounts with CCASS (operated by HKSCC).

### **Currency Risks**

Stock Connect Securities under Northbound Trading will be traded and settled in RMB. If a Fund issues Share classes denominated in a currency other than RMB, the Fund will be exposed to currency risk if the Fund invests in a RMB product due to the need for the conversion of the currency into RMB. The Fund will also incur currency conversion costs. Even if the price of the RMB asset remains the same when the Fund purchases it and when the Fund redeems / sells it, the Fund will still incur a loss when it converts the redemption / sale proceeds into local currency if RMB has depreciated.

### **Risk of CSDCC Default**

China A Shares traded on the SSE and/or SZSE are dealt and held in dematerialized form through CSDCC. CSDCC has established a risk management framework and measures that are approved and supervised by the CSRC. Pursuant to the General Rules of CCASS, if CSDCC (as the host central counterparty) defaults, HKSCC will, in good faith, seek recovery of the outstanding Stock Connect Securities and monies from CSDCC through available legal channels and through CSDCC's liquidation process, if applicable.

HKSCC will in turn distribute the Stock Connect Securities and/or monies recovered to clearing participants on a pro-rata basis as prescribed by the relevant Stock Connect Authorities. Stock Connect Investors in turn will only be distributed the Stock Connect Securities and/or monies to the extent recovered directly or indirectly from HKSCC. Although the likelihood of a default by CSDCC is considered to be remote, Shareholders should be aware of this arrangement and of this potential exposure.

### **Risk of HKSCC Default**

A failure or delay by HKSCC in the performance of its obligations may result in a failure of settlement, or the loss, of Stock Connect Securities and/or monies in connection with them and the Company may suffer losses as a result.

### **Ownership of Stock Connect Securities**

Stock Connect Securities are uncertificated and are held by HKSCC for its account holders. Physical deposit and withdrawal of Stock Connect Securities are not available under the Northbound Trading for the Company.

The Company's title or interests in, and entitlements to, Stock Connect Securities (whether legal, equitable or otherwise) will be subject to applicable requirements, including laws relating to any disclosure of interest requirement or foreign shareholding restriction (see the paragraph headed "Local market rules, foreign shareholding restrictions and disclosure obligations" above). It remains untested whether the Chinese courts would recognise the ownership interest of Stock Connect Investors to allow them standing to take legal action against Chinese companies.

**No Manual Trade or Block Trade**

Currently there is no manual trade facility or block trade facility for Stock Connect Securities transactions under Northbound Trading. A Fund's investment options may become limited as a result.

**Order Priority**

Trade orders are entered into China Stock Connect System ("CSC") based on time order. Trade orders cannot be amended, but may be cancelled and re-entered into the CSC as new orders at the back of the queue. Due to quota restrictions or other market intervention events, there can be no assurance that trades executed through a broker will be completed.

**No off-exchange Trading and Transfers**

Market participants must match, execute or arrange the execution of any sale and buy orders or any transfer instructions from investors in respect of any Stock Connect Securities in accordance with the Stock Connect rules. This rule against off-exchange trading and transfers for trading of Stock Connect Securities under Northbound Trading may delay or disrupt reconciliation of orders by market participants. However, to facilitate market players in conducting Northbound Trading and the normal course of business operation, off-exchange or "non-trade" transfer of Stock Connect Securities for the purposes of post-trade allocation to different funds/sub-funds by fund managers have been specifically allowed.

The above may not cover all risks related to Stock Connect and any above-mentioned laws, rules and regulations are subject to change and there is no assurance as to whether or how such changes or developments may restrict or affect the Company's investments via Stock Connect.

**Risk associated with ChiNext market and/or the Science and Technology Innovation Board (the "STAR Board")****Higher fluctuation on stock prices and liquidity risk**

Listed companies on ChiNext market and/or STAR Board are usually of emerging nature with a smaller operating scale, are subject to wider price fluctuation limits, and due to higher entry thresholds for investors may have limited liquidity, compared to other boards. The share prices of ChiNext or STAR Board companies may fluctuate largely and frequently due to changing market conditions, investor speculation, inconsistent financial results, etc. Hence, companies listed on these boards are subject to greater fluctuation in stock prices and liquidity risks and have higher risks and turnover ratios than companies listed on the main board.

**Over-valuation risk**

Stocks listed on ChiNext and/or STAR Board may be overvalued and such exceptionally high valuation may not be sustainable. Stock price may be more susceptible to manipulation due to fewer circulating shares.

**Differences in regulation**

The rules and regulations on listing, trading, disclosure and other matters of STAR Board or ChiNext market vary much from those of the Exchange main boards. For example, the rules and regulations regarding companies listed on the ChiNext market and STAR Board are less stringent in terms of profitability and share capital than those in the main boards.

**Delisting risk**

The delisting standards of the ChiNext market or STAR Board are different from those of the Exchange main boards. There are more situations that will lead to the delisting of STAR Board or ChiNext companies so it may be more common and faster for companies listed on STAR Board or ChiNext

market to delist. ChiNext market and STAR Board have stricter criteria for delisting compared to the main boards. This may have an adverse impact on the fund if the companies that it invests in are delisted.

In addition, the shares of a ChiNext or STAR Board company may be delisted immediately after Exchange determines its delisting. Investors will not be able to trade in delisted shares, and may lose all the invested capital in this case.

### **Operating risk**

STAR Board or ChiNext companies are generally in an early stage of development and have a shorter history. They are usually smaller in scale, have less stable operations, and are less resilient against market risks and industry risks. Although they may have higher growth potential and leverage more on technical innovations, their future performance particularly those without a profit track record is susceptible to great uncertainty.

### **Technical risk**

It is uncertain whether a STAR Board or ChiNext company is able to convert its technical innovations into physical products or services. When the industry is experiencing rapid technological development and replacement, its product may be obsolete and may not survive in the market.

### **Concentration risk (Applicable to STAR Board)**

STAR Board is a newly established board and may have a limited number of listed companies during the initial stage. Investments in STAR Board may be concentrated in a small number of stocks and subject the fund to higher concentration risk. Investments in the ChiNext market and/or STAR Board may result in significant losses for the fund and its investor.

## **3 Investment Risks**

### **3.1 Investment and trading risks**

An investment in a Fund involves a high degree of risk, including the risk that the entire amount invested may be lost. A Fund may, depending on its investment policy, invest in and actively trade commodity indices through derivatives, securities, currencies and other financial instruments using strategies and investment techniques with significant risk characteristics, including, without limitation, risks arising from the volatility of commodity, equity, fixed income, currency and other financial markets, risks arising from the potential illiquidity of derivative instruments, the risk of loss from counterparty defaults and the risks of borrowing, including for purposes of making investments and to meet redemption requests, and risks associated with making investments in different country markets. These risks may be amplified by the use of leverage.

A Fund's investment program may utilise, directly or indirectly, such investment techniques as option transactions, leverage, derivatives transactions, forward and futures contracts, margin transactions, short sales, repurchase agreements and reverse repurchase agreements, and other transactions involving hedging or other strategies, which practices involve substantial volatility and can substantially increase the adverse impact to which the Fund may be subject. All investments made by a Fund risk the loss of capital. No assurance can be given that a Fund will be able to locate suitable investment opportunities in which to deploy all its capital. A reduction in the volatility and pricing inefficiency of the markets in which a Fund seeks to invest, as well as other market factors, may reduce the number and scope of available opportunities for the Fund's investment strategies.

### **3.2 Expedited transactions**

Investment analyses and decisions by the Investment Adviser may frequently be required to be undertaken on an expedited basis to take advantage of investment opportunities. In such cases, the information available to the Investment Adviser at the time of making an investment decision may be limited. Therefore, no assurance can be given that the Investment Adviser will have knowledge of all

circumstances that may adversely affect an investment. In addition, the Investment Adviser may obtain information from independent consultants in connection with its evaluation of proposed investments, and no assurance can be given as to the accuracy or completeness of the information provided by such independent consultants or to a Fund's right of recourse against them in the event errors or omissions do occur.

### 3.3 Settlement Risk

Different markets have different clearance and settlement procedures. Delays in settlement could result in temporary periods when a portion of the assets of a Fund is not invested and no return is earned thereon or the Fund could miss attractive investment opportunities. Inability to dispose of securities due to settlement problems could result either in losses to the Fund due to subsequent declines in value of the security or, if the Fund has entered into a contract to sell the security, could result in possible liability to the purchaser. Certain markets may require payment for securities to be made before delivery, subjecting the Fund concerned with the accompanying credit risk.

A Fund may also invest in markets (see "--Emerging markets" below) or investments which have different settlement cycles from the Fund or have settlement cycles that are effectively shorter because of a requirement to pre-pay settlement proceeds or post margin. As a result, a Fund may incur borrowing costs in transacting in such markets and investments.

### 3.4 Market risk

A Fund may be adversely affected by deteriorations in the financial markets and economic conditions throughout the world, some of which may magnify the risks described herein and have other adverse effects. Governments from time to time intervene, directly and by regulation, in certain markets. Such intervention often is intended directly to influence prices and may, together with other factors, cause some or all of such markets to move rapidly in the same direction.

Deterioration of market conditions or uncertainty regarding economic markets generally can result in declines in the market values of actual or potential investments, or increased illiquidity of investments. Such declines or illiquidity could lead to losses and diminished investment opportunities for the Fund, could prevent the Fund from successfully meeting its investment objectives or could require the Fund to dispose of investments at a loss while such unfavourable market conditions prevail.

To the extent that any such disruptions occur, the consequences described above (including declines in market values and illiquidity of investments) may affect any or all of the markets with which a Fund invests simultaneously, which could have a material adverse effect on the Fund and its investments. In addition, any such further market disruptions may also result in further changes to regulatory requirements or other government intervention. Such regulations may be implemented on an "emergency" basis, which may suddenly prevent a Fund from implementing certain investment strategies or from managing the risk of its outstanding positions.

In addition, global economies and financial markets are becoming increasingly interconnected, and political, economic and other conditions and events in one country, region, or financial market may adversely impact issuers in a different country, region or financial market. Furthermore, the occurrence of, among other events, natural or man-made disasters, severe weather or geological events, fires, floods, earthquakes, outbreaks of disease (such as COVID-19, avian influenza or H1N1/09), epidemics, pandemics, malicious acts, cyber-attacks, terrorist acts or the occurrence of climate change, may also adversely impact the performance of a Fund. Such events may result in, among other things, closing borders, exchange closures, health screenings, healthcare service delays, quarantines, cancellations, supply chain disruptions, lower consumer demand, market volatility and general uncertainty. Such events could adversely impact issuers, markets and economies over the short- and long-term, including in ways that cannot necessarily be foreseen. A Fund could be negatively impacted if the value of a portfolio holding were harmed by such political or economic conditions or events. Moreover, such negative political and economic conditions and events could disrupt the processes necessary for a Fund's operations.

### 3.5 Issuer risks

The issuers of securities in which a Fund invests will sometimes involve a high degree of business and financial risk. These issuers may be in early stages of development, may not have proven operating histories, may be operating at a loss or have significant variations in operating results, may be engaged in rapidly changing businesses with products subject to a substantial risk of obsolescence, may require substantial additional capital to support their operations, to finance expansion or to maintain their competitive position, or may otherwise have a weak financial condition.

In addition, although these companies may incur leverage, proceeds of this debt may be paid as a dividend to stockholders and not invested in operating or financial assets, or otherwise retained by the company. As a result, these companies' flexibility to respond to changing business and economic conditions and to business opportunities may be limited. A leveraged company's income and net assets will tend to increase or decrease at a greater rate than if borrowed money were not used and an issuer with a leveraged capital structure will be subject to increased exposure to adverse economic factors. In the event that an issuer is unable to generate sufficient cash flow to meet principal and interest payments on its indebtedness, the value of a Fund's investment could be significantly reduced or even eliminated.

Such companies may also face intense competition, including competition from companies with greater financial resources, more extensive development, manufacturing, marketing and other capabilities, and a larger number of qualified managerial and technical personnel.

### 3.6 Concentration of investments and strategies

The Company may at certain times hold large positions in a relatively limited number of investments, sectors or regions and will therefore be subject to the risks associated with such concentration. The Company could be subject to significant losses if it holds a relatively large position in a single strategy, currency, issuer, industry, market or a particular type of investment that declines in value, and the losses could increase even further if the investments cannot be liquidated without adverse market reaction or are otherwise adversely affected by changes in market conditions or circumstances. Such risks may impact all Funds which invest in particular sectors even in cases where the investment objective is more generic.

### 3.7 Geo-political risks

Investments in securities of issuers of different countries involve particular risks. Such risks may include political and economic developments, the imposition of exchange controls, confiscation and other governmental restrictions. Investment in securities of issuers from different countries offers potential benefits not available from investments solely in securities of issuers from a single country, but also involves certain significant risks that are not typically associated with investing in the securities of issuers located in a single country.

Issuers are generally subject to different accounting, auditing and financial reporting standards, practices and requirements in different countries throughout the world. The volume of trading, the volatility of prices and the liquidity of securities may vary in the markets of different countries. In addition, the level of government supervision and regulation of securities exchanges, securities dealers and listed and unlisted companies is different throughout the world.

### 3.8 Emerging markets

Securities traded in certain markets may be subject to additional risks due to, among other factors, the inexperience of financial intermediaries, weaker custody frameworks, a lack of modern technology, the possibility of temporary or permanent termination of trading, and social, political and economic instability generally. Such instability may result from, among other things, authoritarian governments, or military involvement in political and economic decision-making, including changes or attempted changes in governments through extra-constitutional means; popular unrest associated with demands for improved political, economic or social conditions; internal insurgencies; hostile relations with neighbouring countries; and ethnic, religious and racial disaffections or conflict. Certain of such countries may have in the past failed to recognise private property rights and have at times nationalised or expropriated the

assets of private companies. As a result, the risks from investing in those countries, including the risks of nationalisation or expropriation of assets, may be heightened.

Unanticipated political or social developments may affect the values of a Fund's investments in a country and the availability to the Fund of additional investments in that country.

Additional factors that may affect the value of a Fund's investments are: interest rates, inflation, import and export growth, commodity prices, the ability to service foreign debt, the size of the external debt relative to the gross domestic product, and the level of support from external sources such as the International Monetary Fund or the World Bank. As a result, the risks relating to investments in securities described above, including the possibility of nationalisation or expropriation, may be heightened.

The small size and inexperience of the securities markets in certain countries and the limited volume of trading in securities may make a Fund's investments illiquid and more volatile than investments in more established markets, and a Fund may be required to establish special custodial or other arrangements before making certain investments. There may be little financial or accounting information available with respect to local issuers, and it may be difficult as a result to assess the value or prospects of an investment. In addition, certain countries may restrict or prohibit investment opportunities in issuers or industries deemed important to national interests, which may affect the market price, liquidity and rights of securities that may be purchased by a Fund.

Settlement mechanisms in some securities markets may be less efficient and reliable than in other markets, which could impede a Fund's ability to effect portfolio transactions and may result in investments being settled through a more limited range of counterparties with an accompanying enhanced credit risk. Moreover, the payment of redemptions proceeds in Funds that invest in emerging markets may be delayed. Certain countries may also operate margining or pre-payment systems whereby margin or the entire settlement proceeds for a transaction need to be posted prior to the settlement date which can give rise to credit and operational risks as well as potentially borrowing costs for the Fund.

Some countries have experienced substantial, and in some periods extremely high, rates of inflation for many years. Inflation and rapid fluctuations in inflation rates and corresponding currency devaluations and fluctuations in the rate of exchange between currencies and costs associated with currency conversion have had and may continue to have negative effects on the economies and securities markets of certain countries.

Sovereign debt of issuers in some countries can be deemed to be the equivalent, in terms of quality, to securities rated below investment grade. A Fund may have difficulty disposing of certain sovereign debt obligations because there may be a limited trading market for such securities.

A number of countries restrict, to varying degrees, foreign investment in stocks. Repatriation of investment income, capital and the proceeds of sales by foreign investors may require governmental registration and/or approval in some countries. New repatriation restrictions might be imposed subsequent to a Fund's investment. If such restrictions were imposed subsequent to a Fund's investment in the securities of a particular country, the Fund's response might include, among other things, applying to the appropriate authorities for waiver of the restrictions or engaging in transactions in other markets designed to offset the risks of decline in that country. Such restrictions will be considered in relation to such Fund's liquidity needs and all other acceptable positive and negative factors. Further, some attractive equity securities may not be available to a Fund because foreign shareholders hold the maximum amount permissible under current laws.

Government involvement in the private sector varies in degree between countries in which a Fund may invest. Such involvement may, in some cases, include government ownership of companies in certain sectors, wage and price controls or imposition of trade barriers and other protectionist measures. With respect to any particular country, there is no assurance that some future economic or political crisis will not lead to price controls, forced mergers of companies, expropriation, or creation of government monopolies, to the possible detriment of a Fund's investments.

In addition, in certain markets, local regulations may limit investment into local securities to certain qualifying foreign institutions and investors through licensing requirements and may also limit investment

through quotas granted by local authorities. Potential investors should note that there is no guarantee that a Fund will benefit from quotas granted to such qualifying institutions and investors nor that, if it does, that it will always be available to the Fund. Withdrawal or failure to obtain a renewal of any such quota may have material adverse consequences to the Fund. A further consequence of investing via such quota may be that there is a limit on the amount that the Fund, and/or foreign investors as a whole, can own of the equity capital of a particular company. The actions of other foreign investors independent of the Fund can therefore impact the position of the Fund. Use of quotas often requires the transmission of funds through government designated service providers and accounts. Mandatory use of such providers may not provide the fund with terms as advantageous as those which would be available if the selections were made on an open market basis

### 3.9 Publicly traded securities

In the event that a Fund acquires fixed income securities and / or equity securities that are publicly traded, the Fund will be subject to the risks inherent in investing in public securities. In addition, in such circumstances the Fund may be unable to obtain financial covenants or other contractual rights that it might otherwise be able to obtain in making privately-negotiated debt investments. Moreover, a Fund may not have the same access to information in connection with investments in public securities, either when investigating a potential investment or after making an investment, as compared to a privately-negotiated investment. Furthermore, a Fund may be limited in its ability to make investments, and to sell existing investments, in public securities if Goldman Sachs or an affiliate has material, non-public information regarding the issuers of those securities. The inability to sell securities in these circumstances could materially adversely affect the investment results of a Fund.

### 3.10 Short sales

In accordance with the section of the Prospectus titled "*Investment Restrictions*", no short sales of securities will be undertaken; short positions may only be achieved using securitised and non-securitised FDI. A short sale creates the risk of a theoretically unlimited loss, in that the price of the underlying security could theoretically increase without limit, thus increasing the cost of buying those securities to cover the short position. There can be no assurance that the security necessary to cover a short position will be available for purchase. Purchasing securities to close out the short position can itself cause the price of the securities to rise further, thereby exacerbating the loss. Securities may be synthetically sold short by a Fund in a long / short strategy to hedge a long position, or to enable the Fund to express a view as to the relative value between the long and short positions.

There is no assurance that the objectives of this strategy will be achieved, or specifically that the long positions will not decrease in value and the short positions will not increase in value, causing the Fund losses on both components of the transaction. A Fund may make "short sales against-the-box," in which it will sell short securities it owns or has the right to obtain without payment of additional consideration. If the Fund makes a short sale against-the-box, it will be required to set aside securities equivalent in kind and amount to the securities sold short (or securities convertible or exchangeable into those securities) and will be required to hold those securities while the short sale is outstanding.

Securities regulators may ban, via temporary measures, any legal or natural person from entering into transactions which might constitute or increase a net short position on derivative instruments ("Short-Selling Ban"). The purpose of such action is to closely monitor the functioning of those markets. Short-Selling Bans may directly or indirectly impact the performance of the Fund, as implementation of its investment objective by alternative methods may reveal to be economically less efficient. These restrictions and reporting requirements may prevent a Fund from successfully implementing its investment strategies, including, without limitation, as part of any long / short strategy or in connection with hedging its investments, and to achieving its investment objective. In addition, reporting requirements relating to short selling may provide transparency to a Fund's competitors as to its short positions, thereby having a detrimental impact on the Fund's returns.

### 3.11 Market risks of spread transactions

Where a Fund enters into spread transactions, it is subject to the risk that the prices of the securities underlying the positions comprising such spreads will not fluctuate in the same direction or to the same

extent during the period in which the spread position is maintained. Under such circumstances, the Fund could sustain losses on one security or both positions of the spread transaction.

### 3.12 Small capitalisation companies

Investing in the securities of smaller, lesser-known companies may involve greater risk and the possibility of greater price volatility than investing in larger, more mature better known companies or in a more diverse portfolio of equity securities. The securities of small capitalisation and recently organised companies pose greater investment risks because such companies may have limited product lines, distribution channels and financial and managerial resources. Further, there is often less publicly available information concerning such companies than for larger, more established businesses. The securities of small capitalisation companies are often traded over-the-counter or on regional exchanges and may not be traded in the volumes typical on a national securities exchange. Investments in small capitalisation companies may also be more difficult to value than other types of securities because of the foregoing considerations as well as lower trading volumes. Additionally, transaction costs for these types of investments are often higher than those of larger capitalisation companies.

### 3.13 Companies with limited operating history

Investments in companies with limited operating histories are more speculative and entail greater risk than do investments in companies with an established operating record.

### 3.14 No reliance on past performance

The past investment performance of the Investment Adviser and the Fund should not be construed as an indication of the future results of the Investment Adviser or the Fund. A Fund may have a limited operating history upon which prospective investors can reliably evaluate performance. The results of other investment funds formed and accounts managed by the Investment Adviser, its affiliates and Goldman Sachs, currently or in the past, which have or have had investment programs that are different from or similar to the investment program of a Fund, or which may have a longer operating history are also not indicative of the results that the Fund may achieve. The Fund makes investments in a different portfolio of securities. Accordingly, the Funds' results may differ from and are independent of the results previously obtained by its Investment Adviser and those investment funds and accounts. Further, a Fund and its method of operation may differ in several respects from other Goldman Sachs investment vehicles or accounts; e.g., there are different investment and return objectives and investment allocation strategies and, in certain cases, investment techniques. Potential investors who desire performance or related information with respect to other investment funds formed or managed by Goldman Sachs should contact the Investment Adviser.

### 3.15 Off-exchange transactions

While some off-exchange markets are highly liquid, transactions in off-exchange, or non-transferable, derivatives may involve greater risk than investing in on-exchange derivatives because there is no exchange market on which to close out an open position. It may be impossible to liquidate an existing position, to assess the value of the position arising from an off-exchange transaction or to assess the exposure to risk. Bid and offer prices need not be quoted, and even where they are, they will be established by dealers in these instruments and consequently it may be difficult to establish what is a fair price.

### 3.16 Margin transactions

Instead of paying the whole purchase price immediately, certain transactions which are margined require a Fund to make a series of payments against the purchase price instead (known as contingent liability transactions).

If the Fund trades in futures, contracts for difference or sells options, the Fund may sustain a total loss of the margin it deposits with the broker to establish or maintain a position. If the market moves against the Fund, the Fund may be called upon to pay substantial additional margin at short notice to maintain the position. If the Fund fails to do so within the time required, its position may be liquidated at a loss

and the Fund will be liable for any resulting deficit.

Even if a transaction is not margined, it may still carry an obligation to make further payments in certain circumstances over and above any amount paid when the contract was entered into. Contingent liability transactions which are not traded on or under the rules of a recognised or designated investment exchange may expose the Fund to substantially greater risks.

### 3.17 Trading liquidity

Under certain trading conditions it may be difficult or impossible to liquidate a position. This may occur, for example, at times of rapid price movement if the price rises or falls in one trading session to such an extent that under the rules of the relevant exchange trading is suspended or restricted. Placing a stop-loss order will not necessarily limit losses to the intended amounts, because market conditions may make it impossible to execute such an order at the stipulated price.

### 3.18 Clearing house protections

On many exchanges, the performance of a transaction by a broker (or the third party with whom he is dealing on a Fund's behalf) is "guaranteed" by the exchange or its clearing house. However, this guarantee is unlikely in most circumstances to cover the Fund in its relationship with the broker, and may not protect the Fund if the broker or another party defaults on its obligations to the Fund. There is no clearing house for traditional options, nor normally for off-exchange instruments which are not traded under the rules of a recognised or designated investment exchange. Please refer to "Particular risks of financial derivative instruments" for more information on clearing requirements for over-the counter FDI.

### 3.19 Investments which are not readily realisable

Certain investments may be liquid when purchased but may subsequently suffer from illiquidity as market circumstances change, which can happen without warning and very suddenly.

Such illiquid securities and financial instruments may not be readily disposable and, in some cases, may be subject to contractual, statutory or regulatory prohibitions on disposition for a specified period of time. The market value of a Fund's investments may fluctuate with, among other things, changes in prevailing interest rates, general economic conditions, the condition of financial markets, developments or trends in any particular industry and the financial condition of the issuers of the securities in which the Fund invests. There may be no readily available market for such investments and from time to time there may be difficulty in obtaining reliable information about the value and extent of risks associated with such investments. During periods of limited liquidity and higher price volatility, a Fund's ability to acquire or dispose of investments at a price and time that the Investment Adviser deems advantageous may be impaired. As a result, in periods of rising market prices, a Fund may be unable to participate in price increases fully to the extent that it is unable to acquire desired positions quickly; conversely, the Fund's inability to dispose fully and promptly of positions in declining markets will cause its Net Asset Value to decline as the value of unsold positions is marked to lower prices.

The above circumstances could prevent a Fund from liquidating positions promptly and could subject the Fund to substantial losses. As, when it receives redemption requests, a Fund is not obliged to realise its assets pro rata across its portfolio, redemption requests by investors in a Fund that require the Fund to liquidate underlying positions may lead to:

- the Fund realising a greater portion of more liquid securities resulting in the Fund then holding a greater concentration of such relatively less liquid interests than was previously the case and the Fund's investment mix may thereby become more biased towards relatively less liquid securities which could increase the risk for remaining Shareholders; and/or
- the Fund realising less liquid assets at an unfavourable time and/or unfavourable conditions which may adversely impact the value that is realised for those assets and/or the Fund's ability to settle redemption requests on its normal settlement cycle.

The Net Asset Value of a Fund as of a particular date may be materially less than or greater than the

Net Asset Value the Fund that would be determined if the Fund's assets were to be liquidated as of such date. For example, if a Fund were required to sell a certain asset or all or a substantial portion of its assets on a particular date, the actual price that the Fund would realize upon the disposition of such asset or assets could be materially less than the value of such asset or assets as reflected in the Net Asset Value of the Fund. Volatile market conditions could also cause reduced liquidity in the market for certain assets, which could result in liquidation values that are materially less than the values of such assets as reflected in the Net Asset Value of a Fund.

A Fund may invest in assets that lack a readily ascertainable market value, or assets held by a Fund may not have readily ascertainable market value in the future. A Fund's Net Asset Value will be affected by the valuations of any such assets (including, without limitation, in connection with calculation of any investment management and performance fees). In determining the probable realization value or fair value of assets that lack a readily ascertainable market value, the Company (or an affiliated or independent agent thereof) may use one or more of a variety of valuation methodologies (depending on factors including the asset type). The assets may be valued using dealer supplied quotations or pricing models developed by third parties, the Management Company, the Investment Adviser and/or affiliates of the Management Company and the Investment Adviser. Such methodologies may be based upon assumptions and estimates that are subject to error.

Given the uncertainty inherent in the valuation of assets that lack a readily ascertainable market value, the value of such assets as reflected in a Fund's Net Asset Value may differ materially from the prices at which the Fund would be able to liquidate such assets. The value of assets that lack a readily ascertainable market value may be subject to later adjustment based on valuation information available to the Company at that time including, for example, as a result of year-end audits.

If the Management Company, or any other party, is involved in the valuation of the Company's assets, including assets that lack a readily ascertainable market value, the Management Company or such other party may face a conflict of interest in valuing such assets, as their value may affect the compensation owed to the Management Company or such other party. Please refer to the section entitled "Administration of the Company – Determination of Net Asset Value" for more information on how positions will be valued and the Net Asset Value calculated.

### 3.20 Infrastructure Group of Industries Risk

Infrastructure companies are susceptible to various factors that may negatively impact their businesses or operations, including costs associated with compliance and changes in environmental, governmental and other regulations, rising interest costs in connection with capital construction and improvement programs, government budgetary constraints that impact publicly funded projects, the effects of general economic conditions throughout the world, surplus capacity and depletion concerns, increased competition from other providers of services, uncertainties regarding the availability of fuel at reasonable prices, the effects of energy conservation policies, unfavourable tax laws or accounting policies, high leverage and natural or man-made disasters. Infrastructure companies may also be affected by innovations in technology which could render the way they deliver a product or service obsolete.

### 3.21 Interest Rate Risk

During periods of rising interest rates, a Fund's yield (and the market value of its securities) will tend to be lower than prevailing market rates; in periods of falling interest rates, a Fund's yield will tend to be higher. A low interest rate environment poses additional risks to a Fund. Low yields on a Fund's portfolio holdings may have an adverse impact on the Fund's ability to provide a positive yield to its Shareholders or pay expenses out of Fund assets.

### 3.22 Credit Default Risk

An issuer or guarantor of a security, or a bank or other financial institution that has entered into a repurchase agreement, may default on its obligation to pay interest and repay principal. In addition, this risk may include the risk of default on foreign letters of credit, guarantees or insurance policies that back municipal securities.

The credit quality of a Fund's portfolio securities may meet the Fund's credit quality requirements at the time of purchase but then deteriorate thereafter, and such deterioration can occur rapidly. In certain instances, the downgrading or default of a single holding or guarantor of a Fund's holding may impair the Fund's liquidity and have the potential to cause significant Net Asset Value deterioration.

#### **4 Legal issues relating to investments**

##### **4.1 Government investment restrictions**

Government regulations and restrictions in some countries may limit the amount and type of securities that may be purchased by a Fund or the sale of such securities once purchased. The ability of a Fund to invest in securities of companies or governments of certain countries may be limited or, in some cases, prohibited. As a result, larger portions of a Fund's assets may be invested in those countries where such limitations do not exist. Such restrictions may also affect the market price, liquidity and policies established by the governments of certain countries may adversely affect each Fund's investments and the ability of a Fund to achieve its investment objective.

In addition, the repatriation of both investment income and capital is often subject to restrictions such as the need for certain governmental consents, and even where there is no outright restriction, the mechanics of repatriation or, in certain countries, the inadequacy of the U.S. dollar currency or any other major currency available to non-governmental entities, may affect certain aspects of the operation of a Fund. In countries that have an inadequate supply of U.S. dollar currency or any other major currency, issuers that have an obligation to pay a Fund in U.S. dollars or that other currency may experience difficulty and delay in exchanging local currency to U.S. dollar currency or that other currency and thus hinder the Fund's repatriation of investment income and capital. Moreover, such difficulty may be exacerbated in instances where governmental entities in such countries are given priority in obtaining such scarce currency. Furthermore, a Fund's ability to invest in the securities markets of several countries is restricted or controlled to varying degrees by laws restricting foreign investment and these restrictions may, in certain circumstances, prohibit a Fund from making direct investments. In addition, certain jurisdictions have recently imposed restrictions and reporting requirements on short selling. See "*— Short sales*" above. Further, regulators and exchanges are authorised to regulate trading or other activity with respect to certain markets and may impose other restrictions which could have significant adverse effects on a Fund's portfolio and the ability of the Fund to pursue its investment strategies and achieve its investment objective.

##### **4.2 No investment guarantee**

Investment in a Fund is not in the nature of a deposit in a bank account and is not protected by any government, government agency or other guarantee scheme which may be available to protect the holder of a bank deposit account or any guarantee at all.

##### **4.3 Regulatory interpretation of UCITS restrictions**

Each Fund is subject to the investment restrictions set out in the section of the Prospectus titled "*Investment Restrictions*". Ordinarily, such investment restrictions apply at the level of each Fund rather than at the level of the Company as a whole. However, certain restrictions have been interpreted by the relevant regulatory authorities (such as ESMA or the Central Bank) to apply at the level of the Company. This means that the holdings of the various Funds would be combined for the purposes of determining compliance with the relevant restriction. This may render the application of a given restriction more prohibitive for a given Fund than it would have been had the restriction applied at the level of the Fund rather than the Company as a whole. As a result, the relevant Fund may have to dispose of, or refrain from purchasing, assets that it otherwise would have held, which may hinder the Fund's ability to achieve its investment objective.

##### **4.4 Environmental, Social and Governance Considerations**

Currently, there is no globally accepted framework or definition (legal, regulatory or otherwise) nor market consensus as to what constitutes, an "ESG", "sustainable", "impact", "climate" or an equivalently-labelled product, or regarding what precise attributes are required for a particular investment, product

or asset to be defined as such. Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment (the “EU Taxonomy Regulation”) provides a common taxonomy for identifying economic activities as environmentally sustainable within the European Economic Area. However, the scope of the EU Taxonomy Regulation is limited to six environmental objectives initially (and so will not cover the entire universe of ESG objectives) and is not currently expected to be used universally, outside of the European Economic Area. For further information regarding investments underlying the Funds, Shareholders should refer to each relevant Fund's appendix.

The current lack of common standards may result in different approaches to setting and achieving environmental, social and governance or “ESG” objectives. ESG factors may vary depending on investment themes, asset classes, investment philosophy and subjective use of different ESG indicators governing portfolio construction. The selection and weightings applied may to a certain extent be subjective or based on metrics that may share the same name but have different underlying meanings. ESG information, whether from an external and/or internal source, is, by nature and in many instances, based on a qualitative and judgemental assessment, especially in the absence of well-defined market standards and due to the existence of multiple approaches to sustainable investment. An element of subjectivity and discretion is therefore inherent to the interpretation and use of ESG data. It may consequently be difficult to compare strategies integrating ESG criteria.

Additionally, even where international standards or relevant regulatory standards such as the EU Taxonomy Regulation seek to provide common criteria for determining sustainable economic activities and investments, the application of such criteria will involve the exercise of judgement and may also give discretion on the methodologies and assessments that should be undertaken. Different sustainability, ESG and impact measurement methodologies exist in the market and/or are being developed and implemented by other persons (including data providers, asset managers, industry coalitions or regulators), which are evolving and changing on an ongoing basis. Investors should note that the subjective value that they may or may not assign to certain types of ESG criteria may differ substantially from that of a Fund. Applying ESG-related considerations and goals to investment decisions is therefore often qualitative and subjective by nature and may exclude securities of certain issuers for non-financial reasons and, therefore, may forgo some market opportunities available to other funds that do not use ESG or sustainability criteria.

ESG information from third-party data providers may be incomplete, inaccurate or unavailable, which may adversely impact a Fund placing reliance on such data for the purposes of assessing the appropriate inclusion or exclusion of a security. Different persons (including third-party ESG data or ratings providers, investors and other managers) may arrive at different conclusions regarding the sustainability or impact of a Fund or its investments.

The approach to sustainable finance may evolve and develop over time, both due to a refinement of investment decision-making processes to address ESG factors and risks, and because of legal and regulatory developments.

The regulation of sustainability and ESG matters is a rapidly evolving area, with different ESG product categorisation, labelling and disclosures regimes emerging across the world. The Funds or their investments are, or could be, subject to such ESG regimes, which may impact on how a Fund is categorised from an ESG or sustainability perspective in different jurisdictions, how a Fund operates and/or how a Fund deploys its capital or selects investments. Regulatory scrutiny of ESG matters has increased and ESG regulations (even if well established) and/or their interpretations are changing on an ongoing basis, particularly as the underlying science and general understanding of ESG matters evolves. A Fund or its advisors may accordingly become subject to increased or more onerous ESG requirements (including with retroactive effect) which may impact on the Fund's eligibility, or continued eligibility, for specific ESG categorisations or labels, its investments or investment processes (among others). In particular, further changes are expected to the EU SFDR regime, which could impact on a Fund's disclosures or how it is classified under EU SFDR.

#### 4.5 Sustainability-related disclosures

On 27 November 2019, SFDR was published. The SFDR seeks to provide greater transparency, in the disclosures made to investors, on (i) how sustainability risks are integrated within the management of

the fund; and (ii) any environmental/social characteristics or sustainable investment objectives promoted by a fund.

Therefore disclosures have been added in this Prospectus and Supplement(s) in order to reflect the disclosure requirements resulting from the SFDR.

Information on the investment process implemented by the Investment Manager with respect to ESG criteria may be found where applicable in the investment objective and investment policies sections of the relevant Funds. In addition, potential sustainability risks associated with the investments of the Funds are described under section 4.3 "Sustainable finance" and where applicable in the investment policies sections of the relevant Funds.

## **5 Investment in debt securities**

### **5.1 Fixed income securities**

A Fund may invest in fixed income securities. Investment in these securities may offer opportunities for income and capital appreciation, and may also be used for temporary defensive purposes and to maintain liquidity. Fixed income securities are obligations of the issuer to make payments of principal and / or interest on future dates, and include, among other securities: bonds, notes, and debentures issued by corporations; debt securities issued or guaranteed by governments or their agencies or instrumentalities; municipal securities; and mortgage-backed and asset backed securities. These securities may pay fixed, variable, or floating rates of interest, and may include zero coupon obligations. Fixed-income securities are subject to the risk of the issuer's or a guarantor's inability to meet principal and interest payments on its obligations (i.e., credit risk) and are subject to price volatility due to factors such as interest rate sensitivity, market perception of the creditworthiness of the issuer, and general market liquidity (i.e., market risk).

A Fund's investments in debt securities may be subject to early redemption features, refinancing options, pre-payment options or similar provisions which, in each case, could result in the issuer repaying the principal on an obligation held by the Fund earlier than expected. This may happen when there is a decline in interest rates, or when the issuer's performance allows the refinancing of debt with lower cost debt. Early repayments of investments may have a material adverse effect on the Fund's investment objective and the profits on invested capital.

A Fund may invest in Rule 144A securities, which are privately offered securities that can be resold only to certain qualified institutional buyers (as such terms are defined in the 1933 Act). As such securities are traded among a limited number of investors, certain Rule 144A securities may become illiquid and involve the risk that a Fund may not be able to dispose of these securities quickly or in adverse market conditions.

### **5.2 Tranched instruments**

A Fund may, in the sole discretion of the Investment Adviser, directly or indirectly invest in investment grade or other debt instruments of companies or other entities not affiliated with countries or governments. Certain of such securities may be fixed pools or may be "market value" or managed pools of collateral which are typically separated into tranches representing different degrees of credit quality, with lower rated tranches being subordinate to senior tranches. The returns on the junior tranches of such pools are especially sensitive to the rate of defaults in the collateral pool. In addition, the exercise of redemption rights, if any, by more senior tranches of such pools and certain other events could result in an elimination, deferral or reduction in the Funds available to make interest or principal payments to the junior tranches of such pools.

As with other investments made by a Fund, from time to time the relevant market for these debt instruments may become illiquid, which may limit the Fund's ability to sell these debt instruments or to obtain the desired price. Futures and options on futures on debt and other fixed income securities are subject to all the foregoing risks, in addition to the risks particularly associated with futures and derivative contracts generally.

### 5.3 Investment in fixed income securities and risks of interest and exchange rate fluctuations

The Net Asset Value of the Shares of a Fund invested in fixed income securities will change in response to fluctuations in interest rates and currency exchange rates which can be caused by a wide variety of market factors, including central bank monetary policy, inflation levels and changes in general economic conditions. Except to the extent that values are independently affected by currency exchange rate fluctuations, when interest rates decline, the value of fixed income securities generally can be expected to rise and vice versa. The performance of investments in fixed income securities denominated in a specific currency will also depend on the interest rate environment in the country issuing the currency. As the Net Asset Value of each Fund will be calculated in its Base Currency, the performance of the Fund's investments not denominated in the Base Currency will also depend on the strength of such currency against the Base Currency and the interest rate environment in the country issuing the currency. Absent other events that could otherwise affect the value of non-Base Currency investments (such as a change in the political climate or an issuer's credit quality), appreciation in the value of the non-Base Currency generally can be expected to increase the value of a Fund's corresponding non-Base Currency investments in terms of the Base Currency. A rise in interest rates or decline in the value of currencies other than the Base Currency relative to the Base Currency generally can be expected to depress the value of a Fund's non-Base Currency investments.

### 5.4 Insolvency considerations with respect to issuers of indebtedness

Indebtedness consisting of obligations of different issuers may be subject to various laws enacted in the countries of their issuance for the protection of creditors. These insolvency considerations and the levels of protection provided will differ depending on the country in which each issuer is located or domiciled and may differ depending on whether the issuer is a non-sovereign or a sovereign entity.

Generally, an issuer would be considered insolvent at a particular time if the sum of its debts was then greater than all of its property at a fair valuation, or if the present fair saleable value of its assets was then less than the amount that would be required to pay its probable liabilities on its existing debts as they became absolute and matured. There can be no assurance as to what standard a court would apply in order to determine whether the issuer was "insolvent" after giving effect to the incurrence of the indebtedness in which a Fund invested or that, regardless of the method of valuation, a court would not determine that the issuer was "insolvent" upon giving effect to such incurrence. In addition, in the event of the insolvency of an issuer of indebtedness in which the Fund invests, payments made on such indebtedness could be subject to avoidance as a "preference" if made within a certain period of time (which may be as long as one year in connection with investments in companies affiliated with Goldman Sachs) before insolvency. This means that if such payment is viewed as a "preference" it may be subject to repayment. In general, if payments on indebtedness are held to be void, whether as fraudulent conveyances or preferences, such payments can be recaptured from the Fund.

It is not anticipated that any Fund will engage in conduct that would form the basis for a successful cause of action based upon fraudulent conveyance, preference or equitable subordination. There can be no assurance, however, as to whether any lending institution or other party from which a Fund may acquire such indebtedness engaged in any such conduct (or any other conduct that would subject such indebtedness and the Fund to insolvency laws) and, if it did, as to whether such creditor claims could be asserted in a court against the Fund.

### 5.5 Credit ratings

The Investment Adviser may, but is not required to, use credit ratings to evaluate securities. Credit ratings issued by credit rating agencies are designed to evaluate the safety of principal and interest payments of rated securities. They do not, however, evaluate the market value risk of lower-quality securities and, therefore, may not fully reflect the true risks of an investment. In addition, credit rating agencies may or may not make timely changes in a rating to reflect changes in the economy or in the condition of the issuer that affect the market value of the security. Consequently, credit ratings are used only as a preliminary indicator of investment quality. Investments in lower-quality and comparable unrated obligations will be more dependent on the Investment Adviser's credit analysis than would be the case with investments in investment-grade debt obligations. Generally, a credit rating agency will

not, as a matter of policy, assign a rating to a corporate issuer of debt which is higher than the rating assigned to the country in which the corporation is domiciled. Thus, ratings for emerging market corporate issuers are generally capped by the sovereign ratings.

#### 5.6 Risks of investing in non-investment grade fixed-income securities

Non-investment grade fixed-income securities are considered predominantly speculative by traditional investment standards. In some cases, these obligations may be highly speculative and have poor prospects for reaching investment grade standing. Non-investment grade fixed-income securities and unrated securities of comparable credit quality are subject to the increased risk of an issuer's inability to meet principal and interest obligations. These securities, also referred to as high yield securities, may be subject to greater price volatility due to such factors as specific corporate developments, interest rate sensitivity, negative perceptions of the junk bond markets generally and less secondary market liquidity.

Non-investment grade fixed-income securities are often issued in connection with a corporate reorganisation or restructuring or as part of a merger, acquisition, takeover or similar event. They are also issued by less established companies seeking to expand. Such issuers are often highly leveraged and generally less able than more established or less leveraged entities to make scheduled payments of principal and interest in the event of adverse developments or business conditions.

The market value of non-investment grade fixed-income securities tends to reflect individual corporate developments to a greater extent than that of higher rated securities which react primarily to fluctuations in the general level of interest rates. As a result, where a Fund invests in such securities its ability to achieve its investment objective may depend to a greater extent on the Investment Adviser's judgement concerning the creditworthiness of issuers than in the case of investment in higher-rated securities. Issuers of non-investment grade fixed-income securities may not be able to make use of more traditional methods of financing and their ability to service debt obligations may be more adversely affected than issuers of higher-rated securities by economic downturns, specific corporate developments or the issuer's inability to meet specific projected business forecasts. Negative publicity about the junk bond market and investor perceptions regarding lower rated securities, whether or not based on fundamental analysis, may depress the prices for such securities.

A holder's risk of loss from default is significantly greater for non-investment grade fixed-income securities than is the case for holders of other debt securities because such non-investment grade securities are generally unsecured and are often subordinated to the rights of other creditors of the issuers of such securities. Investment by a Fund in defaulted securities poses additional risk of loss should non-payment of principal and interest continue in respect of such securities. Even if such securities are held to maturity, recovery by a Fund of its initial investment and any anticipated income or appreciation is uncertain.

The secondary market for non-investment grade fixed-income securities is concentrated in relatively few market makers and is dominated by institutional investors, including mutual funds, insurance companies and other financial institutions. Accordingly, the secondary market for such securities is not as liquid as, and is more volatile than, the secondary market for higher-rated securities. In addition, market trading volume for high yield fixed-income securities is generally lower and the secondary market for such securities could contract under adverse market or economic conditions, independent of any specific adverse changes in the condition of a particular issuer. These factors may have an adverse effect on the market price and a Fund's ability to dispose of particular portfolio investments. A less liquid secondary market also may make it more difficult for a Fund to obtain precise valuations of the high yield securities in its portfolio.

Credit ratings do not evaluate the market value risk of non-investment grade securities and, therefore, may not fully reflect the true risks of an investment. See "—Credit Ratings" above. The Investment Adviser employs its own credit research and analysis, which includes a study of existing debt, capital structure, ability to service debt and to pay dividends, the issuer's sensitivity to economic conditions, its operating history and the current trend of earnings. The Investment Adviser continually monitors the investments in a Fund and evaluates whether to dispose of or to retain non-investment grade and comparable un-rated securities whose credit ratings or credit quality may have changed.

As a result of a Fund's investment in non-investment grade investments and as a consequence of credit problems with such investment and the possibility that such Fund may participate in restructuring

activities, it is possible that this Fund may become involved in litigation. Litigation entails expense and the possibility of counterclaim against the Fund and ultimately judgments may be rendered against this Fund for which the Fund may not carry insurance.

#### 5.7 Purchases of securities and other obligations of financially distressed companies

A Fund may directly or indirectly purchase securities and other obligations of companies that are experiencing significant financial or business distress (“Distressed Companies”), including companies involved in bankruptcy, insolvency or other reorganisation and liquidation proceedings. Although such purchases may result in significant returns, they involve a substantial degree of risk and may not show any return for a considerable period of time or any return at all. Evaluating investments in Distressed Companies is highly complex and there is no assurance that a Fund will correctly evaluate the nature and magnitude of the various factors that could affect the prospects for a successful reorganisation or similar action. In any reorganisation or liquidation proceeding relating to a company in which a Fund invests, such Fund may lose its entire investment or may be required to accept cash or securities with a value less than its original investment. In addition, distressed investments may require active participation by the Investment Adviser and its representatives. This may expose a Fund to litigation risks or restrict the Fund’s ability to dispose of its investments. Under such circumstances, the returns generated from the Fund’s investments may not compensate Shareholders adequately for the risks assumed.

Given their financial situation, Distressed Companies also face increased risk that they may be involved in bankruptcy or insolvency proceedings. There are a number of significant risks when investing in Distressed Companies that are or may be involved in bankruptcy or insolvency proceedings, including adverse and permanent effects on an issuer, such as the loss of its market position and key personnel, otherwise becoming incapable of restoring itself as a viable entity and, if converted to a liquidation, a possible liquidation value of the company that is less than the value that was believed to exist at the time of the investment. Many events in a bankruptcy or insolvency are the product of contested matters and adversary proceedings that are beyond the control of the creditors. Bankruptcy or insolvency proceedings are often lengthy and difficult to predict and could adversely impact a creditor’s return on investment. The bankruptcy and insolvency courts have extensive power and, under some circumstances, may alter contractual obligations of a bankrupt company. See “—*Insolvency Considerations with Respect to Issuers of Indebtedness*” above. Stockholders, creditors and other interested parties are all entitled to participate in bankruptcy or insolvency proceedings and will attempt to influence the outcome for their own benefit. Administrative costs relating to a bankruptcy or insolvency proceedings will be paid out of the debtor’s estate prior to any returns to creditors. Also, certain claims, such as for taxes, may have priority by law over the claims of certain creditors.

#### 5.8 Convertible securities

A Fund may invest in convertible securities, which may include corporate notes or preferred stock but are ordinary long-term debt obligations of the issuer convertible at a stated exchange rate into common stock of the issuer. As with all debt securities, the market value of convertible securities tends to decline as interest rates increase and, conversely, to increase as interest rates decline. Convertible securities generally offer lower interest or dividend yields than non-convertible securities of similar quality. However, when the market price of the common stock underlying a convertible security exceeds the conversion price, the price of the convertible security tends to reflect the value of the underlying common stock. As the market price of the underlying common stock declines, the convertible security tends to trade increasingly on a yield basis, and thus may not depreciate to the same extent as the underlying common stock. Convertible securities generally rank senior to common stocks in an issuer’s capital structure and are consequently of higher quality and entail less risk than the issuer’s common stock. However, the extent to which such risk is reduced depends in large measure upon the degree to which the convertible security sells above its value as a fixed income security. In evaluating a convertible security, the Investment Adviser will give primary emphasis to the attractiveness of the underlying common stock. If a convertible security held by a Fund is called for redemption, the Fund will be required to permit the issuer to redeem the security, convert it into the underlying stock or sell it to a third party. Any of these actions could have an adverse effect on a Fund’s ability to achieve its investment objective.

## 5.9 Zero coupon and deferred interest bonds

A Fund may invest in zero coupon bonds and deferred interest bonds, which are debt obligations issued at a significant discount from face value. The original discount approximates the total amount of interest the bonds will accrue and compound over the period until maturity or the first interest accrual date at a rate of interest reflecting the market rate of the security at the time of issuance. While zero coupon bonds do not require the periodic payment of interest, deferred interest bonds generally provide for a period of delay before the regular payment of interest begins. Such investments benefit the issuer by mitigating its initial need for cash to meet debt service and some also provide a higher rate of return to attract investors who are willing to defer receipt of such cash. Such investments experience greater volatility in market value due to changes in interest rates than debt obligations which provide for regular payments of interest, and the Fund may accrue income on such obligations even though it receives no cash.

## 5.10 Mezzanine debt

A Fund may invest in mezzanine debt. Mezzanine debt is typically junior to the obligations of a company to senior creditors, trade creditors and employees. The ability of a Fund to influence a company's affairs, especially during periods of financial distress or following an insolvency, will be substantially less than that of senior creditors.

## 5.11 Asset-backed securities

A Fund may invest in securities that represent an interest in a pool of assets such as mortgages ("mortgage backed securities") and, subject to applicable law, credit card receivables or other types of loans ("asset backed securities").

Asset-backed securities are created by the grouping of certain governmental, government-related and private loans, receivables and other lender assets into pools. Interests in these pools are sold as individual securities. Payments from the asset pools may be divided into several different tranches of debt securities, with some tranches entitled to receive regular instalments of principal and interest, other tranches entitled to receive regular instalments of interest, with principal payable at maturity or upon specified call dates, and other tranches only entitled to receive payments of principal and accrued interest at maturity or upon specified call dates. Different tranches of securities will bear different interest rates which may be fixed or floating.

Payments of principal and interest on the underlying loans are passed through to the holders of such securities over the life of the securities. Most asset-backed securities (including mortgage-backed securities) are subject to early prepayment of principal, which can be expected to accelerate during periods of declining interest rates. Such prepayments can usually be reinvested only at the lower yields then prevailing in the market. Therefore, during periods of declining interest rates, these securities are less likely than other fixed income obligations to appreciate in value and less effective at locking in a particular yield. On the other hand, asset-backed securities (including mortgage-backed securities) are subject to substantially the same risk of depreciation during periods of rising interest rates as other fixed income securities.

The credit characteristics of asset-backed securities also differ in a number of respects from those of traditional debt securities. The credit quality of most asset-backed securities depends primarily upon the credit quality of the assets underlying such securities, how well the entity issuing the securities is insulated from the credit risk of the originator or any other affiliated entities, and the amount and quality of any credit enhancement to such securities.

Asset-backed securities present certain credit risks that are not presented by mortgage-backed securities because asset-backed securities generally do not have the benefit of a security interest over the collateral that is comparable to mortgage assets. There is the possibility that, in some cases, recoveries on repossessed collateral may not be available to support payments on these securities.

## 5.12 Mortgage-backed securities

Mortgage-backed securities are a type of asset-backed security.

In addition to the risks described above under “Asset-backed Securities”, a Fund’s investment strategies may involve trading in mortgage-backed securities on a forward pass through or “to be allocated” (“TBA”) basis. In a TBA trade, the seller and buyer agree to the type of security, coupon, face value, price and settlement date (typically at least a month forward) at the time of the trade but do not specify the actual pools of securities to be traded until just before settlement date. In the period between trade and settlement date, the Fund will be exposed to counterparty credit risk and will maintain an amount of cash or near cash assets equal to the amount of TBA purchase commitments. Conversely, in the event of a sale of TBA securities, equivalent deliverable securities or an offsetting TBA purchase commitment (deliverable on or before the sale commitment date) will be held as cover for the transaction.

## 5.13 Competition for investment opportunities

A Fund may invest in credit and fixed income securities, mezzanine securities and other instruments. These markets are highly competitive. Competition for investment opportunities includes non-traditional participants, such as hedge funds, public funds, public mezzanine funds, including business development companies or BDCs, and other private investors, as well as more traditional lending institutions and mezzanine-focused competitors. The Funds may also be competing for investment opportunities with Goldman Sachs, and investment vehicles managed by Goldman Sachs. See “*Potential Conflicts of Interest*”. Some of these competitors may have access to greater amounts of capital and to capital that may be committed for longer periods of time or may have different return thresholds than a Fund, and thus these competitors may have advantages not shared by a Fund. In addition, the identification of attractive investment opportunities is difficult and involves a high degree of uncertainty. A Fund may incur significant expenses in connection with identifying investment opportunities and investigating other potential investments which are ultimately not consummated, including expenses relating to due diligence, transportation, legal expenses and the fees of other third party advisers.

# 6 Investment in equity securities

## 6.1 Equity securities

A Fund may take long and short positions in common stocks of issuers traded on a national securities exchanges and over-the-counter markets in any country. The value of equity securities varies in response to many factors. Factors specific to an issuer, such as certain decisions by management, lower demand for its products or services, or even loss of a key executive, could result in a decrease in the value of the issuer’s securities. Factors specific to the industry in which the issuer participates, such as increased competition or costs of production or consumer or investor perception, can have a similar effect. The value of an issuer’s stock can also be adversely affected by changes in financial markets generally, such as an increase in interest rates or a decrease in consumer confidence, that are unrelated to the issuer itself or its industry. In addition, certain options and other equity-related instruments may be subject to additional risks, including liquidity risk, counterparty credit risk, legal risk and operations risk, and may involve significant economic leverage and, in some cases, be subject to significant risks of loss. These factors and others can cause significant fluctuations in the prices of the securities in which the Fund invests and can result in significant losses.

## 6.2 Preferred stock, convertible securities and warrants

A Fund may also invest, directly or indirectly in equity-related securities and instruments such as preferred stock, convertible securities and warrants. The value of preferred stocks, convertible securities and warrants will vary with the movements in the equity market and the performance of the underlying common stock, in particular. Their value is also affected by adverse issuer or market information. Thus, for example, as the value of the underlying common stock of an issuer fluctuates, the value of the preferred stock of such issuer would also be expected to fluctuate. With respect to warrants, their value may decrease or may be zero and thus not be exercised if the market price of the underlying securities remains lower than the specified price at which holders of warrants are entitled to buy such securities,

resulting in a loss to the Fund of the purchase price of the warrant (or the embedded warrant price in the case of securities issued with warrants attached). See “—*Convertible securities*” above.

### 6.3 Real estate companies

Subject to the terms of the Prospectus, a Fund may invest in transferable securities of companies principally engaged in the real estate industry. There are special risk considerations associated with investing in the securities of such companies. These risks include: the cyclical nature of real estate values, risks related to general and local economic conditions, overbuilding and increased competition, increases in property taxes and operating expenses, demographic trends and variations in rental income, changes in zoning laws, casualty or condemnations losses, environmental risks, regulatory limitations on rents, changes in neighbourhood values, related party risks, changes in the appeal of properties to tenants, increases in interest rates and other real estate capital market influences. Generally, increases in interest rates will increase the costs of obtaining financing, which could directly and indirectly decrease the value of a Fund’s investments in the securities of real estate companies.

## 7 Investment in derivatives

### 7.1 Derivative instruments

An investment in derivatives may involve additional risks for investors. These additional risks may arise as a result of any or all of the following: (i) leverage factors associated with transactions in a Fund; and/or (ii) the creditworthiness of the counterparties to such derivative transactions; and/or (iii) the potential illiquidity of the markets for derivative instruments. To the extent that derivative instruments are utilised for speculative purposes, the overall risk of loss to a Fund may be increased. To the extent that derivative instruments are utilised for hedging purposes, the risk of loss to a Fund may be increased where the value of the derivative instrument and the value of the security or position which it is hedging are insufficiently correlated.

However, where a derivative transaction is entered into by a Fund in respect of a specific Share class, any losses sustained in respect of such transaction will be internally attributed by the Administrator to the relevant Share class. In addition certain hedged Share classes may, in certain circumstances, exhibit higher levels of risk than the unhedged Share classes of the same Fund.

Certain derivatives may require collateral to be transferred to another party and where additional collateral is called by such other party the Investment Adviser may be required to realise assets comprised in a Fund which it would not have sought to realise had there not been a requirement to transfer or pledge additional collateral. Where the Fund receives collateral, such collateral may be held directly by the Fund but is not counted within the investment restrictions under the UCITS Regulations and, accordingly, may increase exposure to certain counterparties to these FDI.

### 7.2 Counterparty risk

A Fund will be subject to the risk of the inability of any counterparty to perform its obligations with respect to transactions with the Fund, whether due to its own insolvency or that of others, bankruptcy, market illiquidity or disruption or other causes and whether resulting from systemic or other reasons. Some of the markets in which a Fund may effect transactions are “over-the-counter” (or “interdealer”) markets. The participants in such markets are typically not subject to the same credit evaluation and regulatory oversight as are members of “exchange-based” markets. In addition, many of the protections afforded to participants on some organised exchanges, such as the performance guarantee of an exchange clearing house, might not be available in connection with such “over-the-counter” transactions. This exposes the relevant Fund to the risk that a counterparty will not settle a transaction in accordance with its terms and conditions because of a dispute over the terms of the contract (whether or not bona fide) or because of a credit or liquidity problem, thus causing the relevant Fund to suffer a loss. Such “counterparty risk” is accentuated for contracts with longer maturities where events may intervene to prevent settlement, or where the relevant Fund has concentrated its transactions with a small group of counterparties.

OTC FDI (including total return swaps and other derivatives with similar characteristics) used by Funds

to gain exposure to underlying assets will be entered into with counterparties selected among first class financial institutions specialised in the relevant type of transaction, subject to prudential supervision.

### 7.3 Particular risks of financial derivative instruments

Unlike exchange-traded FDI, which are standardised with respect to the underlying instrument, expiration date, contract size, and strike price, the terms of OTC derivatives, are generally established through negotiation with the other party to the instrument. While this type of arrangement allows a Fund greater flexibility to tailor the instrument to its needs, OTC derivatives may involve greater legal risk than exchange-traded instruments, as there may be a risk of loss if OTC derivatives are deemed not to be legally enforceable or are not documented correctly and the Fund will have significant counterparty credit risk in the event that any of its counterparties become insolvent. In addition, forward, spot and option contracts and swaps do not provide a Fund with the right to extinguish its obligations (ie close out the position) through an equal and opposite transaction. For this reason, in entering into forward, spot or option contracts, or swaps, a Fund may be required, and must be able, to perform its obligations under the contract.

Transactions in certain derivatives may be subject to clearing requirements under applicable law and to regulatory oversight, while other derivatives are subject to risks of trading in the OTC markets. Certain proposed and final rules affecting FDI transactions may require material changes to the business and operations of, or have other adverse effects on the Funds.

In the EU these obligations arise from the implementation of the European Market Infrastructure Regulation (EMIR) and in the U.S. these obligations primarily arise from the enactment of the Dodd-Frank Wall Street Reform and Consumer Protection Act (as it may be amended, and together with the regulations to be promulgated thereunder, the "Dodd-Frank Act"), however other jurisdictions have also implemented or are proposing legislation that may impact the Company. The obligation to clear FDI transactions is likely to vary depending on a number of different factors, in particular the underlying asset class and the jurisdiction of counterparties, Shareholders, the Management Company and the Investment Adviser. Any obligation will be dependent on when and how central clearing rules are implemented which will vary across different regions.

In addition to the clearing requirements, these rules also include other obligations such as reporting of transactions and other requirements for cleared and non-cleared derivatives. Ultimately, these requirements may include, without limitation (i) the exchange and segregation of collateral by the parties, including by the Fund which may increase trading costs and impact investment returns; and (ii) increased margining requirements. The impact of those requirements will have a greater impact on those Funds that make use of derivatives.

While some of the obligations under EMIR, the Dodd-Frank Act and related CFTC and SEC rules as well as regulations in other jurisdictions have come into force, a number of the requirements are subject to phase-in periods and certain key issues have not been finalised by the date of this Prospectus. It is as yet unclear how the OTC derivatives market will adapt to the new regulatory regime. The collateral and reporting requirements under EMIR, compliance with the Dodd Frank Act and the rules and regulations promulgated thereunder as well as other legislation in other jurisdictions may increase costs to the Company and its Funds and impact performance. In addition, there is significant uncertainty regarding these rules. Consequently, the full impact that such legislation will ultimately have on the Funds and the markets in which they trade and invest is not fully known. Such uncertainty may itself be detrimental to the efficient functioning of the markets and the success of certain investment strategies. Any changes to current regulations or any new regulations applicable to Goldman Sachs and the Funds could have a materially adverse effect on the Funds.

### 7.4 Use of Fund assets

FDI transactions will generally require the use of a portion of a Fund's assets, as applicable, for margin or settlement payments or other purposes. For example, a Fund may from time to time be required to make margin, settlement or other payments in connection with the use of certain FDI. Counterparties to any FDI may demand payments on short notice. As a result, the Investment Adviser may liquidate Fund assets sooner than it otherwise would have and/or maintain a greater portion of its assets in cash and

other liquid securities than it otherwise would have, which portion may be substantial, in order to have available cash to meet current or future margin calls, settlement or other payments, or for other purposes. The Investment Adviser generally expects a Fund to earn interest on any such amounts maintained in cash, however, such amounts will not be invested in accordance with the investment objective of a Fund, which may materially adversely affect the performance of the Fund. Moreover, due to market volatility and changing market circumstances, the Investment Adviser may not be able to accurately predict future margin requirements, which may result in a Fund holding excess or insufficient cash and liquid securities for such purposes. Where a Fund does not have cash or assets available for such purposes, it may be unable to comply with its contractual obligations, including without limitation, failing to meet margin calls or settlement or other payment obligations. If a Fund defaults on any of its contractual obligations, it and its Shareholders may be materially adversely affected. Although a Fund may enter into a FDI in respect of a specific Share class, for example for hedging purposes in respect of certain hedged Share classes, any adverse effect described above in respect of such FDI transaction will affect the Fund and its Shareholders as a whole, including holders of Share classes in respect of which the FDI was not entered.

#### 7.5 Credit default swaps

The Investment Adviser may purchase and sell credit derivatives contracts on behalf of a Fund, including credit default swaps, both for hedging and other purposes. The typical credit default swap contract requires the seller to pay to the buyer, in the event that a particular reference entity experiences specified credit events, the difference between the notional amount of the contract and the value of a portfolio of securities issued by the reference entity that the buyer delivers to the seller. In return, the buyer agrees to make periodic payments equal to a fixed percentage of the notional amount of the contract. A Fund may also sell credit default swaps on a basket of reference entities as part of a synthetic collateralized debt obligation transaction. As a buyer of credit default swaps, a Fund would be subject to certain risks in addition to those described under “*Derivative Instruments Generally*” and “*Swap Agreements*” below. In circumstances in which a Fund does not own the debt securities that are deliverable under a credit default swap, the Fund would be exposed to the risk that deliverable securities will not be available in the market, or will be available only at unfavourable prices, as would be the case in a so-called “short squeeze.” In certain instances of issuer defaults or restructurings, it has been unclear under the standard industry documentation for credit default swaps whether or not a “credit event” triggering the seller’s payment obligation had occurred. In either of these cases, the Fund would not be able to realize the full value of the credit default swap upon a default by the reference entity. As a seller of credit default swaps, the Fund would incur leveraged exposure to the credit of the reference entity and would be subject to many of the same risks it would incur if it were holding debt securities issued by the reference entity. However, the Fund would not have any legal recourse against the reference entity and would not benefit from any collateral securing the reference entity’s debt obligations. In addition, the credit default swap buyer would have broad discretion to select which of the reference entity’s debt obligations to deliver to the Fund following a credit event and would likely choose the obligations with the lowest market value in order to maximize the payment obligations of the Fund. In addition, credit default swaps generally trade on the basis of theoretical pricing and valuation models, which may not accurately value such swap positions when established or when subsequently traded or unwound under actual market conditions.

#### 7.6 Call options

The Investment Adviser on behalf of a Fund may directly or indirectly sell or purchase call options. There are risks associated with the sale and purchase of call options. The seller (writer) of a call option which is covered (i.e., the writer holds the underlying security) assumes the risk of a decline in the market price of the underlying security below the purchase price of the underlying security less the premium received, and gives up the opportunity for gain on the underlying security above the exercise price of the option. The seller of an uncovered call option assumes the risk of a theoretically unlimited increase in the market price of the underlying security above the exercise price of the option.

Investors should be aware that, where a Fund seeks to generate income from the selling of call options, this could result in underperformance in a rising market where any capital appreciation in the underlying securities of the Fund, could be offset by losses on sold (exercised) call options. Furthermore, whilst the Investment Adviser will generally seek to balance the generation of income with the potential for limiting

any capital appreciation, there remains the potential that the Investment Adviser could either increase the extent of call option selling or vary the strike price of sold call options in order to increase or maintain a certain level of income, which could further limit the potential for capital appreciation and result in further underperformance in a rising market.

The buyer of a call option assumes the risk of losing his entire investment in the call option. If the buyer of the call sells short the underlying security, the loss on the call will be offset in whole or in part by any gain on the short sale of the underlying security.

#### 7.7 Put options

The Investment Adviser on behalf of a Fund may directly or indirectly sell or purchase put options. There are risks associated with the sale and purchase of put options. The seller (writer) of a put option which is covered (i.e., the writer has a short position in the underlying security) assumes the risk of an increase in the market price of the underlying security above the sales price (in establishing the short position) of the underlying security plus the premium received, and gives up the opportunity for gain on the underlying security below the exercise price of the option. If the seller of the put option owns a put option covering an equivalent number of shares with an exercise price equal to or greater than the exercise price of the put written, the position is “fully hedged” if the option owned expires at the same time or later than the option written. The seller of an uncovered put option assumes the risk of a decline in the market price of the underlying security below the exercise price of the option.

The buyer of a put option assumes the risk of losing his entire investment in the put option. If the buyer of the put option holds the underlying security, the loss on the put option will be offset in whole or in part by any gain on the underlying security.

#### 7.8 Swap agreements

The Investment Adviser on behalf of a Fund may enter into swap agreements. Swap agreements are privately negotiated over-the-counter derivative products in which two parties agree to exchange payment streams that may be calculated in relation to a rate, index, instrument, or certain securities and a particular “notional amount.” Swaps may be subject to various types of risks, including market risk, liquidity risk, structuring risk, tax risk, and the risk of non-performance by the counterparty, including risks relating to the financial soundness and creditworthiness of the counterparty. Swaps can be individually negotiated and structured to include exposure to a variety of different types of investments or market factors. Depending on their structure, swaps may increase or decrease a Fund’s exposure to equity or debt securities, long-term or short-term interest rates (in the United States or elsewhere), foreign currency values, mortgage-backed securities, corporate borrowing rates, or other factors such as security prices, baskets of securities, or inflation rates and may increase or decrease the overall volatility of the Fund’s portfolio. Swap agreements can take many different forms and are known by a variety of names. A Fund is not limited to any particular form of swap agreement if the Investment Adviser determines that other forms are consistent with the Fund’s investment objective and policies.

The most significant factor in the performance of swaps is the change in individual equity values, specific interest rate, currency or other factors that determine the amounts of payments due to and from the counterparties. If a swap calls for payments by the Fund, the Fund must have sufficient cash availability to make such payments when due. In addition, if a counterparty’s creditworthiness declines, the value of a swap agreement would be likely to decline, potentially resulting in losses to the Fund.

#### 7.9 Futures

The Investment Adviser may use futures as part of the investment program. Futures positions may be illiquid because certain commodity exchanges limit fluctuations in certain futures contract prices during a single day by regulations referred to as “daily price fluctuation limits” or “daily limits.” Under such daily limits, during a single trading day no trades may be executed at prices beyond the daily limits. Once the price of a particular futures contract has increased or decreased by an amount equal to the daily limit, positions in that contract can neither be taken nor liquidated unless traders are willing to effect trades at or within the limit. It is also possible that an exchange or the CFTC may suspend trading in a particular contract, order immediate liquidation and settlement of a particular contract, implement

retroactive speculative position limits, or order that trading in a particular contract be conducted for liquidation only. The circumstances described above could prevent the Investment Adviser from liquidating unfavourable positions promptly and subject a Fund to substantial losses. These circumstances could also impair the Fund's ability to withdraw its investments in order to satisfy redemption requests by Shareholders in a timely manner. An investment in a Fund is therefore suitable only for certain sophisticated investors that will not be materially impacted by postponements of the Fund's normal redemption dates.

A Fund may not be afforded certain of the protections which apply to futures transactions on certain markets, including the right to use alternative dispute resolution procedures. In particular, funds received from customers to margin futures transactions in certain jurisdictions may not be provided the same protections as funds received to margin futures transactions on domestic exchanges. In addition, the price of certain futures or option contracts and, therefore, the potential profit and loss resulting therefrom, may be affected by any fluctuation in the foreign exchange rate between the time the order is placed and the time the futures contract is liquidated or the option contract is liquidated or exercised.

#### 7.10 Forward contracts

The Investment Adviser on behalf of a Fund may enter into forward contracts and options thereon which are not traded on exchanges and are generally not regulated. There are no limitations on daily price moves of forward contracts. Banks and other dealers with whom a Fund may maintain accounts may require the Fund to deposit margin with respect to such trading, although margin requirements are often minimal or non-existent. A Fund's counterparties are not required to continue to make markets in such contracts and these contracts can experience periods of illiquidity, sometimes of significant duration. There have been periods during which certain counterparties have refused to continue to quote prices for forward contracts or have quoted prices with an unusually wide spread (the difference between the price at which the counterparty is prepared to buy and that at which it is prepared to sell). Arrangements to trade forward contracts may be made with only one or a few counterparties, and liquidity problems therefore might be greater than if such arrangements were made with numerous counterparties. The imposition of credit controls by governmental authorities might limit such forward trading to less than that which the Investment Adviser would otherwise recommend, to the possible detriment of a Fund. In addition, disruptions can occur in any market traded by a Fund due to unusually high trading volume, political intervention or other factors. Market illiquidity or disruption could result in major losses to a Fund. Such risks could result in substantial losses to a Fund.

#### 7.11 Derivative asset-backed securities

Derivative asset-backed securities (such as principal-only ("POs"), interest-only ("IOs") or inverse floating-rate securities) are exposed to prepayment risk, particularly mortgage-backed securities which are exposed to mortgage prepayment risk. Therefore, they generally involve a greater amount of risk. Small changes in prepayments can significantly impact the cash flow and the market value of these securities. The risk of faster than anticipated prepayments generally adversely affects IOs, super floaters and premium priced mortgage-backed securities. The risk of slower than anticipated prepayments generally adversely affects POs, floating-rate securities subject to interest rate caps, support tranches and discount priced mortgage-backed securities. In addition, particular derivative securities may be leveraged such that their exposure (i.e., price sensitivity) to interest rate and/or prepayment risk is magnified.

#### 7.12 Floating rate derivative debt instruments

Floating rate derivative debt securities present different types of interest rate risks. For example, range floaters are subject to the risk that the coupon will be reduced below market rates if a designated interest rate floats outside of a specified interest rate band or collar. Dual index or yield curve floaters are subject to lower prices in the event of an unfavourable change in the spread between two designated interest rates.

#### 7.13 Derivatives with respect to investment grade, high-yield and other indebtedness

A Fund may engage in trading of FDI with respect to investment grade, high yield and other debt. In

addition to the increased credit risks associated with holding high yield debt securities, with respect to FDI involving investment grade, high yield and other debt, the Fund will usually have a contractual relationship only with the counterparty of the FDI, and not with the issuer of the indebtedness. Generally, a Fund will have no right to directly enforce compliance by the issuer with the terms of the FDI nor any rights of set-off against the issuer, nor have any voting rights with respect to the indebtedness. A Fund will not directly benefit from the collateral supporting the underlying indebtedness and will not have the benefit of the remedies that would normally be available to a holder of the indebtedness. In addition, in the event of the insolvency of the counterparty to the FDI, the Fund will be treated as a general creditor of such counterparty, and will not have any claim with respect to the underlying indebtedness. Consequently, the Fund will be subject to the credit risk of the counterparty as well as that of the issuer of the indebtedness. As a result, concentrations of such FDI in any one counterparty may subject the Fund to an additional degree of risk with respect to defaults by such counterparty as well as by the issuer of the underlying indebtedness.

## 8 Other investments

### 8.1 Investment in collective investment schemes

Where permitted by its investment policies, a Fund may invest in the securities of other collective investment schemes including exchange traded funds, unit trusts, open-ended mutual funds and AIFs in accordance with the "Investment Restrictions" section of the Prospectus ("**Permitted Funds**") which may include vehicles sponsored by or connected with Goldman Sachs. Where the Board believes such investment provides access to a specialised investment area or economic sector which a Fund would not necessarily be able to access on its own accord, such Permitted Fund and/or its investment adviser will be entitled to remuneration in accordance with the offering documents of the Permitted Fund in which the Fund invests. The Investment Adviser will only make such investments if it determines in its discretion that to do so is consistent with the best interests of a Fund's Shareholders. These arrangements will be conducted in accordance with any relevant regulations relating to the need to conduct any connected party transactions on an arm's length basis.

Given a Fund's ability to invest in Permitted Funds, Shareholders are subject to risks associated with exposure to such funds. In addition, the value of an investment represented by such Permitted Funds in which a Fund invests may be affected by fluctuations in the currency of the country where such a fund invests, by foreign exchange rules, or by the application of the various tax laws of the relevant countries including withholding taxes, government changes or variations of the monetary and economic policy of the relevant countries.

### 8.2 Investments in Permitted Funds operated by third parties

A Fund may invest in Permitted Funds operated by third parties. Such third parties are not subject to the oversight or control of Goldman Sachs and the Investment Adviser may not have the opportunity to verify the compliance of such Permitted Funds with the laws and regulations applicable to them.

### 8.3 Investment in Permitted Funds affiliated with Goldman Sachs

A Fund may invest in the units or shares of Permitted Funds directly or indirectly managed by the Investment Adviser or another company with which the Investment Adviser is affiliated by virtue of common management, control or a direct or indirect holding of more than 10% of the capital or votes ("Goldman Sachs Permitted Funds"). If a Fund invests in such Goldman Sachs Permitted Funds, no sales, conversion or redemption charges will be imposed on any such investment. However, such Goldman Sachs Permitted Funds and their investment advisers will be entitled to charge fees and expenses at the level of such Goldman Sachs Permitted Funds in accordance with the offering documents of the relevant Goldman Sachs Permitted Fund. When a Fund invests in Goldman Sachs Permitted Funds that charge investment management fees with respect to a Fund's investment, the investors in the Fund will also incur fees and expenses at the level of the Fund as set forth in the Prospectus.

To the extent a Fund invests in Goldman Sachs Permitted Funds whose assets are, or are treated as, "plan assets" (within the meaning of ERISA and the regulations thereunder) that are subject to Title I of

ERISA (such Permitted Funds being referred to as “ERISA Funds”), a Fund may be limited in how it can invest its assets in the ERISA Funds, including without limitation, that the Fund may be required to fix its allocation to such ERISA Funds (including setting an initial asset allocation target and an objective formula for any periodic rebalancing of such asset allocation) and restrict the ability of the Investment Adviser (or its affiliate) to modify such allocation target or formula without notifying the investors in the Fund in advance of such modification.

#### 8.4 General risk considerations relating to certain Permitted Funds

There is no assurance that an investment in any Permitted Fund may be successful and a Fund may lose all or part of the total amount invested. The following risk considerations detail general risks relating to a Fund’s investments in Permitted Funds.

**Inadvertent concentration:** It is possible that a number of Permitted Funds might take substantial positions in the same security at the same time. This inadvertent concentration would interfere with a Fund’s goal of diversification. The Investment Adviser will attempt to alleviate such inadvertent concentration as part of its regular monitoring and reallocation process. Conversely the Investment Adviser may at any given time, hold opposite positions, such position being taken by different Permitted Funds. Each such position shall result in transaction fees for the Fund without necessarily resulting in either a loss or a gain. Moreover, the Investment Adviser may proceed to a reallocation of assets between Permitted Funds and liquidate investments made in one or several of them. Finally, the Investment Adviser may also, at any time, select additional Permitted Funds. Such asset reallocations may impact negatively the performance of one or several of the Permitted Funds.

**Future returns:** No assurance can be given that the strategies employed by the Permitted Funds in the past to achieve attractive returns will continue to be successful or that the return on the Fund’s investments will be similar to that achieved by the Fund or such Permitted Funds in the past.

**Risks of special techniques used by Permitted Funds:** Some Permitted Funds in which the Investment Adviser may invest will use special investment techniques that may subject a Fund’s investments to risks different from those posed by investments in Permitted Funds that are equity or fixed income funds. A Fund in any event is not designed to correlate to the broad equity market, and should not be viewed as a substitute for equity or fixed income investments.

**Risks of leverage:** The investment strategies adopted by Permitted Funds may employ leverage. A Fund may not pre-determine any maximum leverage used by Permitted Funds, as certain investment strategies such as pure arbitrage based strategies by default utilise more leverage than other strategies without necessarily incurring higher risk. The Fund will, therefore, view leverage at the Permitted Fund level on an individual basis, based on investment strategy and event risk.

**Risks of borrowing:** The Permitted Funds may borrow funds for the purpose of a leveraged trading technique. A particular Permitted Fund that is not a UCITS may not be subject to any limitations on the amount of its borrowings, and the amount of borrowings that such Permitted Fund may have outstanding at any time may be large in comparison to its capital.

**Borrowing money to purchase securities** may provide a Permitted Fund with the opportunity for greater capital appreciation, but, at the same time, will increase the Permitted Fund’s, and indirectly the Fund’s, exposure to capital risk and higher current expenses. Moreover, if the Permitted Fund’s assets are not sufficient to pay the principal of, and interest on, the Permitted Fund’s debt when due, the Fund could sustain a total loss of its investment in the Permitted Fund.

**Accumulation of fees:** An investment by the Fund in Permitted Funds, may result in the Shareholders incurring a duplication of fees and commissions (such as management fees, performance fees, custody and transaction fees, central administration fees and audit fees). To the extent these Permitted Funds, in turn, invest in other funds, Shareholders may incur additional fees to those mentioned above. The Fund will also bear its proportionate share of any other fees and expenses paid by that Permitted Fund, in addition to all fees and expenses payable by the Fund.

**Currency risk:** The value of an investment represented by a Permitted Fund in which the Fund invests may be affected by fluctuations in the currency of the country where such Permitted Fund invests, by

foreign exchange rules, or by the application of the various tax laws of the relevant countries (including withholding taxes), government changes or variations of the monetary and economic policy of the relevant countries.

**Volatility/Concentration:** Investments by the Fund may be made in Permitted Funds that are set up in the form of a limited partnership, corporation or unit trust. Many of these Permitted Funds can be highly leveraged and sometimes take large positions with high volatility. Permitted Funds may concentrate in only one geographic area or asset investment category, thereby taking on the risk of the market and of rapid changes to the relevant geographic area or investment category. These investments may be speculative. As Permitted Funds can be highly leveraged, even a small investment in them by the Fund may result in all or the majority of the Fund's risk exposure being to these Permitted Fund(s).

**Valuation of Permitted Funds:** The method by which the Net Asset Value per Share will be calculated, presumes the Administrator's ability to value the holdings in Permitted Funds. In valuing those holdings, the Administrator will need to rely on financial information provided by the Permitted Funds themselves. Independent valuation sources such as exchange listing may not be available for certain Permitted Funds. In addition, in respect of certain closed-ended Permitted Funds, the price of such unit or share may diverge from its Net Asset Value for prolonged periods of time.

**Reliance on service providers:** Shareholders will have no right or power to participate in the day to day management or control of an underlying Permitted Fund or its investment manager or other service providers which the Permitted Fund relies on. While the Investment Adviser will select and monitor the investment manager of a Permitted Fund to which the Company allocates assets, the Investment Adviser relies to a great extent on information provided by such investment managers in relation to its operations and that of other service providers to the Permitted Fund.

Furthermore, the legal infrastructure and accounting, auditing and reporting standards in certain countries in which investment may be made may not provide the same degree of investor protection or information to investors as would generally apply in major securities markets.

## 8.5 Exchange traded funds

The performance of an exchange traded fund is dependent upon company-specific factors such as earnings position, market position, risk situation, shareholder structure and distribution policy of the underlying companies that comprise the index underlying the exchange traded fund as well as macroeconomic factors, such as interest and price levels on the capital markets, currency developments and political factors. The net asset value of the shares in the exchange traded fund is calculated by reference to the levels of the underlying investments comprising the exchange traded fund.

The investment manager or investment administrator of an exchange traded fund will have no involvement in the offer and sale of the shares and will have no obligation to any purchaser of such shares. The investment manager or investment administrator of an exchange traded fund may take any actions in respect of such exchange traded fund without regard to the interests of the purchasers of the shares, and any of these actions could adversely affect the market value of a Fund.

## 8.6 Depositary Receipts

American depositary receipts ("ADRs") are instruments issued in the U.S. in the form of share certificates in a portfolio of shares held outside the U.S. in the country of domicile of the issuer of the underlying shares. Global depositary receipts ("GDRs") are also instruments in the form of share certificates in a portfolio of shares held in the country of domicile of the issuer of the underlying shares. As a rule they are distinguished from share certificates referred to as ADRs in that they are normally publicly offered and/or issued outside the U.S. European depositary receipts ("EDRs") are receipts evidencing an arrangement with a European bank similar to that for ADRs and are designed for use in the European securities markets.

The value of Shares of a Fund composed of ADRs and/or GDRs and/or EDRs (together, "Depositary Receipts") may not reflect the return a purchaser would realise if he or she actually owned the relevant shares underlying the Depositary Receipts and received the dividends paid on those shares because

the price of the Depositary Receipts on any specified valuation dates may not take into consideration the value of dividends paid on the underlying shares. Accordingly, purchasers of Shares that reference Depositary Receipts within the Fund may receive a lower payment upon sale or transfer of such Shares than such purchaser would have received if he or she had invested in the shares of the Depositary Receipts directly.

EDRs and GDRs are not necessarily denominated in the currency of the underlying security. Depositary Receipts may not necessarily be denominated in the same currency as the underlying securities into which they may be converted and there may therefore be a currency risk on conversion.

The legal owner of shares underlying the Depositary Receipts is the custodian bank which at the same time is the issuing agent of the Depositary Receipts. Depending on the jurisdiction under which the Depositary Receipts have been issued and the jurisdiction to which the custodian agreement is subject, it cannot be ruled out that the corresponding jurisdiction does not recognise the purchaser of the Depositary Receipts as the actual beneficial owner of the underlying shares. Particularly in the event that the custodian becomes insolvent or that enforcement measures are taken against the custodian, it is possible that an order restricting free disposition is issued with respect to the shares underlying the Depositary Receipts or that these shares are realised within the framework of an enforcement measure against the custodian. If this is the case, the purchaser of the Depositary Receipt loses the rights under the underlying shares securitised by the Depositary Receipt.

Depositary Receipts may be issued pursuant to sponsored or unsponsored programs. In sponsored programs, an issuer has made arrangements to have its securities trade in the form of depositary receipts. In unsponsored programs, the issuer may not be directly involved in the creation of the program. Although regulatory requirements with respect to sponsored and unsponsored programs are generally similar, in some cases it may be easier to obtain financial information from an issuer that has participated in the creation of a sponsored program. Accordingly, there may be less information available regarding issuers of securities underlying unsponsored programs and there may not be a correlation between such information and the market value of the depositary receipts.

The issuer of the underlying shares may make distributions in respect of their shares that are not passed on to the purchasers of its Depositary Receipts, which can affect the value of the Depositary Receipts and a Fund.

#### 8.7 Money market funds and instruments

A Fund may generally invest, for defensive purposes or otherwise, some or all of its assets in fixed-income securities, money market instruments, and money market Permitted Funds, or hold cash or cash equivalents in such amounts as the Investment Adviser deems appropriate under the circumstances. Money market instruments are short-term fixed-income obligations, which generally have remaining maturities of one year or less, and may include US or non-US government securities, commercial paper, certificates of deposit, bankers' acceptances issued by domestic branches of US banks that are members of the Federal Deposit Insurance Corporation, and repurchase agreements. A Fund may be prevented from achieving its objective during any period in which its assets are not substantially invested in accordance with its principal investment strategies as a result of being invested in such money market funds or instruments.

#### 8.8 Risks associated with Efficient Portfolio Management Techniques

The principal risk when engaging in securities lending, repurchase or reverse repurchase transactions is the risk of default by a counterparty who has become insolvent or is otherwise unable or refuses to honour its obligations to return securities or cash to the Fund as required by the terms of the transaction. Counterparty risk is mitigated by the transfer or pledge of collateral in favour of the Fund. However, securities lending, repurchase or reverse repurchase transactions may not be fully collateralised. Fees and returns due to the Fund under securities lending, repurchase or reverse repurchase transactions may not be collateralised. In addition, the value of collateral may decline in between collateral rebalancing dates or may be incorrectly determined or monitored. In such a case, if a counterparty defaults, the Fund may need to sell non-cash collateral received at prevailing market prices, thereby resulting in a loss to the Fund.

A Fund may also incur a loss in reinvesting cash collateral received. Such a loss may arise due to a decline in the value of the investments made. A decline in the value of such investments would reduce the amount of collateral available to be returned by the Fund to the counterparty as required by the terms of the transaction. The Fund would be required to cover the difference in value between the collateral originally received and the amount available to be returned to the counterparty, thereby resulting in a loss to the Fund.

In respect of a reverse repurchase agreement which typically involves the sale of a security by a party to a bank or securities dealer and the selling party's simultaneous agreement to repurchase that security for a fixed price (reflecting a rate of interest) on a specific date, such transaction may be considered a form of borrowing for some purposes. Reverse repurchase agreements are a form of leverage that may also increase the volatility of the investment portfolio of a Fund.

Securities lending, repurchase or reverse repurchase transactions also entail operational risks such as the non-settlement or delay in settlement of instructions and legal risks related to the documentation used in respect of such transactions. The use of securities lending, repurchase or reverse repurchase transactions is also subject to the custodial risk described below under "Depository and sub-custodian risk".

A Fund may enter into securities lending, repurchase or reverse repurchase transactions with other companies in the same group of companies as the Management Company or the Investment Adviser. Affiliated counterparties, if any, will perform their obligations under any securities lending, repurchase or reverse repurchase transactions concluded with the Fund in a commercially reasonable manner. In addition, the Investment Adviser will select counterparties and enter into transactions in accordance with best execution and at all times in the best interests of the Fund and its Shareholders. However, Shareholders should be aware that the Management Company or the Investment Adviser may face conflicts between its role and its own interests or that of affiliated counterparties.

Further information on efficient portfolio management techniques can be found in the "*Investment Objectives and Policies*" section.

## 8.9 REITs

A Fund may invest in Real Estate Investment Trust Securities ("**REITs**") which are pooled investment vehicles that invest primarily in either real estate or real estate related loans. There are particular risks associated with the direct ownership of real estate by REITs in which a Fund may invest. For example, real estate values may fluctuate as a result of general and local economic conditions, overbuilding and increased competition, increases in property taxes and operating expenses, changes in zoning laws, casualty or condemnation losses, regulatory limitations on rents, changes in neighbourhood values, changes in how appealing properties are to tenants and increases in interest rates. As well as changes in the value of their underlying properties, the value of REITs may also be affected by defaults by borrowers or tenants.

Furthermore, REITs are dependent on specialised management skills. Some REITs may have limited diversification and may be subject to risks inherent in financing a limited number of properties. REITs depend generally on their ability to generate cash flows to make distributions to shareholders or unitholders, and may be subject to defaults by borrowers and to self-liquidations. In addition, the performance of a U.S. regulated REIT may be adversely affected if it fails to qualify for tax-free pass-through of income under U.S. tax law or if it fails to maintain exemption from registration under the U.S. Investment Company Act 1940, as amended.

## 8.10 When-issued and forward commitment securities

A Fund may purchase securities on a "when-issued" basis and may purchase or sell securities on a "forward commitment" basis in order to hedge against anticipated changes in interest rates and prices or for speculative purposes. These transactions involve a commitment by the Fund to purchase or sell securities at a future date (ordinarily at least one or two months later). The price of the underlying securities, which is generally expressed in terms of yield, is fixed at the time the commitment is made, but delivery and payment for the securities takes place at a later date. No income accrues on securities that have been purchased pursuant to a forward commitment or on a when-issued basis prior to delivery

to the Fund. When-issued securities and forward commitments may be sold prior to the settlement date. If a Fund disposes of the right to acquire a when-issued security prior to its acquisition or disposes of its right to deliver or receive against a forward commitment, it may incur a gain or loss. There is a risk that securities purchased on a when-issued basis may not be delivered and that the purchaser of securities sold by the Fund on a forward basis will not honour its purchase obligation. In such cases, the Fund may incur losses.

## **9 Trading, counterparty and custody**

### **9.1 Counterparty risks**

Each Fund is currently exposed to the credit risk of the counterparties with which, or the brokers, dealers and exchanges through which, the Fund deals, whether it engages in exchange-traded or off-exchange transactions. Each Fund may also bear the risk of settlement default. This may include exposure to the risk of the credit default of issuers of commercial paper and similar instruments. In addition, market practices in relation to the settlement of transactions and the custody of assets could provide increased risks.

A derivative broker's insolvency or default, or that of any other brokers involved with a Fund's transactions, may lead to positions being liquidated or closed out without the Fund's consent. In certain circumstances, the Fund may not get back the actual assets which it lodged as collateral and the Fund may have to accept any available payment in cash.

### **9.2 Depository and sub-custodian risk**

In respect of those assets of the Company which are required to be held in custody by the Depository and identified as belonging to the Company in the Depository's books, the assets of each Fund are segregated from other assets of the Depository. This mitigates but does not prevent the risk of non-return of the assets of the Company in the event of insolvency or bankruptcy of the Depository. On the other hand, cash deposits placed with the Depository are not segregated and are therefore exposed to increased risk in the event of insolvency or bankruptcy of the Depository with the Company being a general unsecured creditor of the Depository.

The Depository may appoint sub-custodians to hold the assets in countries where the Company invests and, notwithstanding compliance by the Depository with its legal obligations, are therefore exposed to the risk of insolvency or bankruptcy of those sub-custodians. In jurisdictions where legal and regulatory protections covering the holding of assets in such jurisdictions may be weaker the Company may be exposed to a higher risk of loss of its assets or because the Depository may not have an established sub-custodian in such market the Fund may not be able to invest in that market at all.

Where the Company or the Depository entrusts all or part of the assets of a Fund to a sub-custodian and assets are held by the sub-custodian in an omnibus account, a number of considerations must be taken into account in addition to the requirement that the property is identified as that of the Fund and the Company including the operating model of the sub-custodian, settlement efficiencies, cost aspects for the Depository and/or the Company, complexity of account set-ups, instruction flows, reconciliation aspects and subject to local laws, regulations and market practice.

### **9.3 Failure of brokers, counterparties and exchanges**

For operational, cost or other reasons the Company may choose to select a segregation model which may not be the most protective option available in the case of a default by a broker or counterparty. A Fund's brokers or other parties may hold the Fund's assets, including certain assets held as collateral for margin loans or other financing provided to the Fund. Under the terms of such arrangements and under applicable law, a secured party may be permitted to rehypothecate such assets in connection with securities lending or other transactions entered into by the secured party. A Fund may be subject to risk of loss of its assets on deposit with a broker in the event of the broker's bankruptcy, the bankruptcy of any clearing broker through which the broker executes and clears transactions on behalf of the Fund, or the bankruptcy of an exchange clearing house. In addition, although regulations in certain jurisdictions may require a broker to segregate the Funds of its customers, if a broker fails to properly

segregate customer funds, the Fund may be subject to a risk of loss of its funds on deposit with such broker in the event of such broker's bankruptcy or insolvency. A Fund may also be subject to risk of loss of its funds on deposit with brokers who are not required by their own regulatory bodies to segregate customer funds. A Fund may be required to post margin for its foreign exchange transactions either with the Investment Adviser or other foreign exchange dealers who are not required to segregate funds (although such funds are generally maintained in separate accounts on the foreign exchange dealer's books and records in the name of the Fund). Under certain circumstances, such as the inability of another customer of the commodity broker or non-U.S. exchange dealer or the commodity broker or non-U.S. exchange dealer itself to satisfy substantial deficiencies in such other customer's account, a Fund may be subject to a risk of loss of its funds on deposit with such broker or dealer, even if such funds are properly segregated.

In the case of a bankruptcy of the counterparties with which, or the brokers, dealers and exchanges through which, a Fund deals, or a customer loss as described in the foregoing paragraph, the Fund might not be able to recover any of its assets held, or amounts owed, by such person, even property specifically traceable to the Fund, and, to the extent such assets or amounts are recoverable, the Fund might only be able to recover a portion of such amounts. Further, even if the Fund is able to recover a portion of such assets or amounts, such recovery could take a significant period of time. Prior to receiving the recoverable amount of the Fund's property, the Fund may be unable to trade any positions held by such person, or to transfer any positions and cash held by such person on behalf of the Fund. This could result in significant losses to the Fund.

A Fund may effect transactions on "over-the-counter" or "interdealer" markets. Participants in these markets are typically not subject to credit evaluation and regulatory oversight as are members of "exchange based" markets. These risks may differ materially from those involved in exchange-traded transactions, which generally are characterized by clearing organization guarantees, daily marking-to-market and settlement, and segregation and minimum capital requirements applicable to intermediaries. Transactions entered into directly between two counterparties generally do not benefit from these protections, which, in turn, may subject the Fund to the risk that a counterparty will not settle a transaction in accordance with agreed terms and conditions due to, among other things, a dispute over the terms of the contract or a credit or liquidity problem. Such "counterparty risk" is increased for contracts with longer maturities when events may intervene to prevent settlement. The inability of the Fund to transact business with any one or any number of counterparties, the lack of any independent evaluation of the counterparties or their financial capabilities, and the absence of a regulated market to facilitate settlement, may increase the potential for losses to the Fund.

A Fund may engage in direct or indirect trading of securities, currencies, FDI (including swaps, forward contracts, futures, options and repurchase and reverse repurchase agreements) and other instruments (as permitted by its investment program) on a principal basis. As such, a Fund as transferee or counterparty could experience both delays in liquidating the underlying security, future or other investment and losses, including those arising from: (i) the risk of the inability or refusal to perform with respect to such transactions on the part of the principals with which the Fund trades, including without limitation, the inability or refusal to timely return collateral posted by the Fund; (ii) possible decline in the value of any collateral during the period in which the Fund seeks to enforce its rights with respect to such collateral; (iii) the need to remargin or repost collateral in respect of transferred, assigned or replaced positions; (iv) reduced levels of income and lack of access to income during such period; (v) expenses of enforcing its rights; and (vi) legal uncertainty concerning the enforceability of certain rights under swap agreements and possible lack of priority against collateral posted under the swap agreements. Any such failure or refusal, whether due to insolvency, bankruptcy or other causes, could subject the Fund to substantial losses. A Fund will not be excused from performance on any such transactions due to the default of third parties in respect of other trades in which its trading strategies were to have substantially offset such contracts.

#### 9.4 Tri-party collateral management services

A Fund may enter into repurchase agreements. Collateral obtained under such agreements must be transferred to the Depositary or its agent however this requirement does not apply where there is no title transfer of the collateral in which case the collateral can be held by a third party custodian which is subject to prudential supervision and is unrelated and unconnected to the provider of the collateral. In addition, in either event, a Fund may use tri-party collateral management services of international central

securities depositories and credit institutions which are generally recognised as specialists in this type of transaction. In such circumstances, the tri-party collateral agent will not be a delegate of the Depository. Where collateral is held pursuant to such a tri-party collateral arrangement, the Fund may be subject to similar risks in the event of a failure of the international central securities depositories or other relevant institution as those outlined above with respect to brokers, counterparties and exchanges.

#### 9.5 Necessity for counterparty trading relationships

Participants in the over-the-counter markets typically enter into transactions only with those counterparties which they believe to be sufficiently creditworthy, unless the counterparty provides margin, collateral, letters of credit or other credit enhancements. A Fund is only able to enter into transactions on the basis of credit facilities established on its own behalf and not on those established for the benefit of Goldman Sachs. While it is anticipated that a Fund will be able to establish the necessary counterparty business relationships to permit the Fund to effect transactions in the over-the-counter commodities markets and other counterparty markets, including the swaps market, there can be no assurance that it will be able to do so or, if it does, that it will be able to maintain such relationships. An inability to continue existing or establish new relationships could limit the Fund's activities and would require the Fund to conduct a more substantial portion of such activities in the futures markets. Moreover, the counterparties with which a Fund expects to establish such relationships will not be obligated to maintain the credit lines extended to the Fund, and such counterparties could decide to reduce or terminate such credit lines at their discretion.

#### 9.6 Trading on exchanges

A Fund may trade, directly or indirectly, futures and securities on exchanges located anywhere. Some exchanges, in contrast to those based in the United States, for example, are "principals' markets" in which performance is solely the individual member's responsibility with whom the trader has entered into a commodity contract and not that of an exchange or its clearinghouse, if any. In the case of trading on such exchanges, a Fund will be subject to the risk of the inability of, or refusal by, a counterparty to perform with respect to contracts. Moreover, in certain jurisdictions there is generally less government supervision and regulation of worldwide stock exchanges, clearinghouses and clearing firms than, for example, in the United States, a Fund is also subject to the risk of the failure of the exchanges on which its positions trade or of their clearinghouses or clearing firms and there may be a higher risk of financial irregularities and/or lack of appropriate risk monitoring and controls.

#### 9.7 Electronic trading

A Fund may trade on electronic trading and order routing systems, which differ from traditional open outcry trading and manual order routing methods. Transactions using an electronic system are subject to the rules and regulations of the exchanges offering the system or listing the instrument. Characteristics of electronic trading and order routing systems vary widely among the different electronic systems with respect to order matching procedures, opening and closing procedures and prices, trade error policies and trading limitations or requirements. There are also differences regarding qualifications for access and grounds for termination and limitations on the types of orders that may be entered into the system. Each of these matters may present different risks with respect to trading on or using a particular system. Each system may also present risks related to system access, varying response times and security. In the case of internet-based systems, there may be additional risks related to service providers and the receipt and monitoring of electronic mail.

Trading through an electronic trading or order routing system is also subject to risks associated with system or component failure. In the event of system or component failure, it is possible that for a certain time period, it might not be possible to enter new orders, execute existing orders or modify or cancel orders that were previously entered. System or component failure may also result in loss of orders or order priority. Some investments offered on an electronic trading system may be traded electronically and through open outcry during the same trading hours. Exchanges offering an electronic trading or order routing system and listing the instrument may have adopted rules to limit their liability, the liability of brokers and software and communication system vendors and the amount that may be collected for system failures and delays. The limitation of liability provisions vary among the exchanges.

## 9.8 Frequent trading and turnover

Additional transaction costs have an adverse effect on a Fund's performance. Such transaction costs will be incurred where the Investment Adviser makes frequent trades in futures, options on futures, forwards, swaps, currencies, securities and other investments because more frequent trading typically results in higher transaction costs. In addition, a Fund may invest on the basis of short-term market considerations resulting in a turnover rate within the Fund which may be significant and potentially involve substantial brokerage commissions, fees and other transaction costs.

## 9.9 LIBOR

The London Inter-bank Offered Rate ("LIBOR") is the average of interest rates estimated by leading banks in London, based on what they would be charged to borrow from other banks. The Funds may use LIBOR benchmarks, undertake transactions in instruments that are valued using LIBOR rates or enter into contracts which determine payment obligations by reference to LIBOR. Certain LIBORs ceased publication after 31 December 2021 and, in connection with those rates, the Funds have transitioned to successor or alternative reference rates as necessary. Other LIBORs will cease publication at dates announced or to be announced in the future. In some instances, regulators may restrict new use of LIBORs prior to the actual cessation date. Until then, Funds may continue to invest in instruments that reference LIBOR due to favourable liquidity or pricing. In advance of the expected future transition dates, regulators and market participants have worked to identify or develop successor reference rates and spreads (if any) to be utilized in existing contracts or instruments as part of the transition away from LIBOR. Nonetheless, the termination of LIBOR presents risks to the Funds. It is not possible to identify exhaustively those risks, but they include the risk that a suitable transition mechanism may not be found or may not be suitable for the Funds. In addition, any substitute reference rate and any pricing adjustments imposed unilaterally, by a regulator or by counterparties, may not be suitable for the Funds, resulting in costs incurred to close out positions and place replacement trades and the reduced effectiveness of any hedges.

# 10 Leverage and Hedging

## 10.1 Leverage; interest rates; margin

The Company is authorised to borrow on a temporary basis within the limits set forth under the section of the Prospectus titled "*Investment Restrictions*". The Company may choose to only borrow from a single entity which may be an affiliate of the Depositary, and the borrowing rate imposed by such entity may change due to market conditions. As a consequence thereof, the borrowing rates imposed by such entity may not be the most competitive.

In lieu of, or in addition to, obtaining a revolving credit line, a Fund may determine from time to time to attempt to borrow funds as and when needed, as opposed to relying on committed facilities, with respect to all or a portion of its borrowing needs. Such borrowings would therefore generally not involve the payment of any commitment fees, but may result in a higher interest rate when borrowings are made than would have been the case had a committed facility been in place, and could leave the Fund at risk in situations where no such financing is available, or is only available at high rates. In addition, the terms of any such borrowings may provide that such borrowings may be subject to repayment at any time upon demand by the lender, which could occur at a time when complying with such demand could have a material adverse effect on the Fund.

Depending upon the form of leverage utilised by a Fund, the applicable lender may impose certain restrictions or requirements on the operations of the Fund including, without limitation, restrictions relating to the permitted investments of the Fund and redemptions from the Fund, and requirements with respect to the valuation procedures of the Fund, the liquidity of the Fund and the performance or other reports or notices to be provided to the lender by the Fund.

As a result of a default, to avoid a default or to raise cash to meet a repayment requirement, a Fund may be required to liquidate assets in its portfolio that it otherwise would not liquidate, or at a time that is not the optimal time to sell such assets. In addition, a Fund may be required to deliver its portfolio.

Any such event could have a material adverse effect on the Fund's portfolio and could result in the Fund being unable to achieve its investment objective or employ its investment strategies.

In addition, in connection with any borrowings by a Fund secured in whole or in part by interests in the Fund, the level of leverage incurred by the Fund may limit the amount that lenders to the Fund will loan against interests in the Fund, and the borrowing terms may include covenants pursuant to which defaults or other consequences with respect to borrowings by the Fund could be triggered as a result of the Fund exceeding certain leverage thresholds or ratios on an absolute or relative basis. The rights of lenders to a Fund to receive payments of interest or repayments of principal will generally be senior to those of the investors in the Fund and the terms of any such borrowings may restrict certain activities of the Fund, including its ability to make distributions.

## 10.2 Hedging transactions

A Fund may or may not employ hedging techniques. These techniques could involve a variety of derivative transactions, including futures contracts, exchange-listed and over-the-counter put and call options on securities, financial indices, forward foreign currency contracts, and various interest rate transactions (collectively, "Hedging Instruments"). Hedging techniques involve risks different than those of underlying investments. In particular, the variable degree of correlation between price movements of Hedging Instruments and price movements in the position being hedged creates the possibility that losses on the hedge may be greater than gains in the value of a Fund's positions. In addition, certain Hedging Instruments and markets may not be liquid in all circumstances. As a result, in volatile markets, a Fund may not be able to close out a transaction in certain of these instruments without incurring losses substantially greater than the initial deposit. Although the contemplated use of these instruments is intended to minimise the risk of loss due to a decline in the value of the hedged position, at the same time they tend to limit any potential gain which might result from an increase in the value of such position. The ability of a Fund to hedge successfully will depend on the ability of the Investment Adviser to predict pertinent market movements, which cannot be assured.

The Investment Adviser may also utilise hedging techniques in other circumstances, including to seek to minimise the risk of loss due to a decline in the value of the securities and other instruments in which a Fund directly or indirectly invests. There can be no assurance that such hedging techniques will be successful, and such hedging techniques will tend to limit any potential gain which might result from an increase in the value of a hedged position.

## 11 Currency risks

### 11.1 General currency risks

As a result of investment in multinational issuers usually involving currencies of various countries, the value of the assets of a Fund as measured in a Fund's Base Currency will be affected by changes in currency exchange rates, which may affect a Fund's performance independent of the performance of its securities investments.

A Fund may or may not seek to hedge all or any portion of its foreign currency exposure relative to its Base Currency. However, even if a Fund attempts such hedging techniques, it is not possible to hedge fully or perfectly against currency fluctuations affecting the value of securities denominated in non-Base Currencies because the value of those securities is likely to fluctuate as a result of independent factors not related to currency fluctuations.

### 11.2 Currency exchange rate fluctuation

Currency exchange rates may fluctuate significantly over short periods of time causing, along with other factors, a Fund's Net Asset Value to fluctuate as well. Currency exchange rates generally are determined by the forces of supply and demand in the currency exchange markets and the relative merits of investments in different countries, actual or anticipated changes in interest rates and other complex factors, as seen from an international perspective. Currency exchange rates also can be affected unpredictably by intervention or failure to intervene by governments or central banks or by currency controls or political developments throughout the world. To the extent that a substantial portion of a

Fund's total assets, adjusted to reflect a Fund's net position after giving effect to currency transactions, is denominated in the currencies of particular countries, the Fund will be more susceptible to the risk of adverse economic and political developments within those countries.

### 11.3 Currency transactions

A Fund may engage in a variety of currency transactions. Since a spot or forward contract or over-the-counter option is not guaranteed by an exchange or clearing house, a default on the contract would deprive a Fund of unrealised profits, transaction costs and the hedging benefits of the contract or force a Fund to cover its purchase or sale commitments, if any, at the current market price. To the extent that a Fund is fully invested in securities while also maintaining currency positions, it may be exposed to greater combined risk. The use of currency transactions is a highly specialised activity which involves investment techniques and risks different from those associated with ordinary fund securities transactions. If the Investment Adviser is incorrect in its forecasts of market values and currency exchange rates, the investment performance of the Fund would be less favourable than it would have been if this investment technique were not used.

A Fund may incur costs in connection with conversions between various currencies. Currency exchange dealers realize a profit based on the difference between the prices at which they are buying and selling various currencies. Thus, a dealer normally will offer to sell currency to a Fund at one rate, while offering a lesser rate of exchange should the Fund sell to the dealer.

### 11.4 Currency counterparty risk

Contracts in the foreign exchange market are not regulated by a regulatory agency, and such contracts are not guaranteed by an exchange or its clearing house. Consequently, there are no requirements with respect to record-keeping, financial responsibility or segregation of customer funds or positions. In contrast to exchange-traded futures contracts, interbank-traded instruments rely on the dealer or counterparty being contracted with to fulfil its contract. As a result, trading in interbank foreign exchange contracts may be subject to more risks than futures or options trading on regulated exchanges, including, but not limited to, the risk of default due to the failure of a counterparty with which a Fund has a forward contract. Although the Investment Adviser intends to trade with responsible counterparties, failure by a counterparty to fulfil its contractual obligations could expose a Fund to unanticipated losses.

### 11.5 Investment in currencies other than Base Currency

The Investment Adviser may invest a significant portion of the Company's assets in currencies other than the Base Currency, or in instruments denominated in currencies other than the Base Currency, the prices of which will be determined with reference to currencies other than the Base Currency. The Company, however, values its securities and other assets in the Base Currency. The value of the Company's assets will fluctuate with Base Currency exchange rates as well as the price changes of its investments in the various local markets and currencies. Thus, an increase in the value of the Base Currency compared to the other currencies in which the Company makes its investments will reduce the effect of increases and magnify the effect of decreases in the prices of the Company's investment securities in their local markets. Conversely, a decrease in the value of the Base Currency will have the opposite effect on the Company's non-Base Currency investment securities.

### 11.6 Non-deliverable forwards

For certain emerging markets, where local currencies are not freely convertible, Non-Deliverable Forward Contracts (NDFs) may be used to implement currency hedged Share classes or currency exposure Share classes. NDFs are currency FDI which differ from normal foreign currency forward contracts in that there is no physical settlement of two currencies at maturity. Instead, a net cash settlement (usually in USD) will be made by one party to the other based on the movement of two currencies. The markets for NDFs may have limited volume and prices may be volatile and be affected by a wide range of factors, which may result in prices that are materially different from the exchange rates for the underlying currencies. In addition, any yield that the Share class may earn on NDFs may be materially less than the yield that the Share class could earn by holding the underlying currencies. There can be no assurance that the Company, in respect of a Share class of a Fund, will be able to

enter into NDF contracts due to the potential for limited trading.

## 12 Currency hedging

### 12.1 Share currency designation risk

The Investment Adviser may seek to hedge all or any portion of the foreign currency exposure of Shares designated in a currency other than the Base Currency through foreign exchange hedging. There can be no assurance that foreign exchange hedging will be effective. For example, it is not anticipated that foreign exchange hedging will take into account the changes in foreign currency exposure resulting from appreciation or depreciation of the assets of a Fund allocable to Currency Hedged Share Classes in the periods between Dealing Days of the relevant Fund. In addition, foreign exchange hedging may not fully protect investors from a decline in the value of the Base Currency against the relevant Class Currency because, among other reasons, the valuations of the underlying assets of the Fund used in connection with foreign exchange hedging could be materially different from the actual value of such assets at the time the foreign exchange hedging is implemented, or because a substantial portion of the assets of the Fund may lack a readily ascertainable market value. Moreover, while holding Shares of a Currency Hedged Share Class should protect investors from a decline in the value of the Base Currency against the relevant Class Currency, investors in a Currency Hedged Share Class will not generally benefit when the Base Currency appreciates against the relevant Class Currency. The value of Shares of any Currency Hedged Share Class will be exposed to fluctuations reflecting the profits and losses on, and the costs of, the foreign exchange hedging.

### 12.2 Impact of foreign exchange hedging on different Share classes

Any foreign exchange hedging utilised by a Fund for a Currency Hedged Share Class will be solely for the benefit of the applicable Currency Hedged Share Class, and the profits, losses, and costs related thereto will be for the account of such Currency Hedged Share Class only. Notwithstanding the foregoing, the techniques and instruments used to implement any foreign exchange hedging will constitute assets and liabilities of the Fund as a whole.

While the Investment Adviser will seek to limit any foreign exchange hedging if the liabilities arising from any foreign exchange hedging utilised by a Fund exceed the assets of the applicable class of interests on behalf of which such hedging activities were undertaken, it could adversely impact the Net Asset Value of other classes of interests in a Fund. In addition, foreign exchange hedging will generally require the use of a portion of a Fund's assets for margin or settlement payments or other purposes. For example, a Fund may from time to time be required to make margin, settlement or other payments, including in between Dealing Days of the relevant Fund, in connection with the use of certain hedging instruments. Counterparties to any foreign exchange hedging may demand payments on short notice, including intra-day. As a result, a Fund may liquidate assets sooner than it otherwise would have and/or maintain a greater portion of its assets in cash and other liquid securities than it otherwise would have, which portion may be substantial, in order to have available cash to meet current or future margin calls, settlement or other payments, or for other purposes. A Fund generally expects to earn interest on any such amounts maintained in cash, however, such amounts will not be invested in accordance with the investment program of the Fund, which may materially adversely affect the performance of the Fund (including Base Currency denominated Shares). Moreover, due to volatility in the currency markets and changing market circumstances, the Investment Adviser may not be able to accurately predict future margin requirements, which may result in a Fund holding excess or insufficient cash and liquid securities for such purposes. Where a Fund does not have cash or assets available for such purposes, the Fund may be unable to comply with its contractual obligations, including without limitation, failing to meet margin calls or settlement or other payment obligations. If a Fund defaults on any of its contractual obligations, the Fund and its Shareholders (including holders of Base Currency denominated Shares) may be materially adversely affected.

### 12.3 Risk relating to no or partial hedging

There may be circumstances in which the Investment Adviser may determine not to conduct any foreign exchange hedging in whole or in part for a certain period of time, including without limitation, where the Investment Adviser determines that foreign exchange hedging is not practicable or possible or may

materially affect the Fund or any direct or indirect investors therein, including the holders of Base Currency denominated Shares. As a result, foreign currency exposure may go fully or partially unhedged for that period of time and performance may be strongly influenced by movements in FX rates because currency positions held by the Fund may not correspond with the securities positions held. Shareholders may not receive notice of certain periods for which foreign currency exposure is unhedged.

A Fund may or may not utilise foreign exchange hedging during the period when the Fund's assets are being liquidated or the Fund is being wound up in the Investment Adviser's sole discretion. The Investment Adviser may, subject to applicable law, delegate the management of all or a portion of the foreign exchange hedging to one or more of its affiliates.

#### 12.4 Currency classes of shares

Certain classes of Shares of the Funds are denominated in a Class Currency other than the Base Currency of the Fund. Investors in such classes should note that the Net Asset Value of the Funds will be calculated in the Base Currency and will be stated in the Class Currency at the current exchange rate between the Base Currency and such Class Currency. Fluctuations in that exchange rate may affect the performance of the Shares of that class independent of the performance of the Fund's investments. The costs of currency exchange transactions in connection with the purchase, redemption and exchange of Shares of that class will be borne by the relevant class of Shares and will be reflected in the Net Asset Value of that class. Investors should note that inflows and outflows from non-Base Currency denominated Share classes may have a greater potential to impact the price of such Shares due to the fluctuations in the relevant currency exchange rate.

### 13 Structure and operation of the Company

#### 13.1.1 Operation of the Subscription and Redemption Collection Account

Subscriptions monies received in respect of a Fund in advance of the issue of Shares will be held in the Umbrella Cash Collection Account in the name of the Company and will be an asset of the relevant Fund. Investors will be unsecured creditors of such Fund with respect to the amount subscribed until such Shares are issued, and will not benefit from any appreciation in the Net Asset Value of the Fund or any other Shareholder rights (including dividend entitlement) until such time as Shares are issued. In the event of an insolvency of the Fund or the Company, there is no guarantee that the Fund or Company will have sufficient funds to pay unsecured creditors in full.

Payment by the Fund of redemption proceeds and dividends is subject to receipt by the Administrator of original subscription documents and compliance with all anti-money laundering procedures. Notwithstanding this, redeeming Shareholders will cease to be Shareholders, with regard to the redeemed Units, from the relevant redemption date. Redeeming Shareholders and Shareholders entitled to distributions will, from the redemption or distribution date, as appropriate, be unsecured creditors of the Fund, and will not benefit from any appreciation in the NAV of the Fund or any other Shareholder rights (including further dividend entitlement), with respect to the redemption or distribution amount. In the event of an insolvency of the Fund or the Company during this period, there is no guarantee that the Fund or Company will have sufficient funds to pay unsecured creditors in full. Redeeming Shareholders and Shareholders entitled to distributions should therefore ensure that any outstanding documentation and information is provided to the Administrator promptly. Failure to do so is at such Shareholder's own risk.

In the event of the insolvency of another sub-fund of the Company, recovery of any amounts to which a Fund is entitled, but which may have transferred to such other sub-fund as a result of the operation of the Umbrella Cash Collection Account, will be subject to the principles of Irish trust law and the terms of the operational procedures for the Umbrella Cash Collection Account. There may be delays in effecting and / or disputes as to the recovery of such amounts, and the insolvent sub-fund may have insufficient funds to repay amounts due to the relevant Fund. Accordingly, there is no guarantee that such Fund or the Company will recover such amounts. Furthermore, there is no guarantee that in such circumstances such Fund or the Company would have sufficient funds to repay any unsecured creditors.

### 13.2 Amendments to the Articles bind all Shareholders

The Articles may be amended with the required consent of a defined majority of Shareholders. The Articles contain provisions for Shareholders to call and attend meetings to consider and vote upon matters affecting their interests generally. Resolutions passed at such meetings can bind all Shareholders, including Shareholders who did not attend and vote at the relevant meeting and purchasers who voted in a manner contrary to the majority.

### 13.3 Amendments to the Shares bind all holders of Shares

The terms and conditions of the Shares may be amended with the required consent of a defined majority of Shareholders and/or with providing the Shareholders with a prior notice of such changes with a right to redeem their Shares free of charge for a certain period of time. The terms and conditions of the Shares contain provisions for Shareholders to call and attend meetings to consider and vote upon matters affecting their interests generally. Resolutions passed at such meetings can bind all Shareholders, including Shareholders who did not attend and vote at the relevant meeting and Shareholders who voted in a manner contrary to the majority.

### 13.4 Cross contamination

Pursuant to Irish law, the Company should not be liable as a whole to third parties and there should not be the potential for cross contamination of liabilities between Funds. Therefore, as a matter of Irish law, each Fund is “ring fenced” and considered to constitute a single pool of assets and liabilities, so that the rights of Shareholders and creditors in relation to each Fund should be limited to the assets of that Fund. However, there can be no categorical assurance that, should an action be brought against the Company in the courts of another jurisdiction, the segregated nature of a Fund will necessarily be upheld.

There is no legal segregation between the assets and liabilities attributable to the various Share classes of a Fund. The assets and liabilities of the respective Share class will be internally attributed by the Administrator to the respective Share class. This internal segregation may not be recognised by third party creditors whether or not such claim is brought under Irish law. While certain costs and expenses of certain transactions, for example as described above in relation to foreign exchange hedging, will be allocated to the relevant class with regard to third parties, and in particular, with respect to creditors (e.g. currency forward counterparties), such a Fund will be considered as a single pool of assets. Such Funds as a whole could be responsible for all such obligations notwithstanding that such obligations may be attributable to a specific Share class of the Fund, except in such cases where other terms have been agreed upon with specific counterparties.

### 13.5 Errors, error correction policies and Shareholder notification

The Directors, in consultation with the Depositary, will consider any breaches of investment objective, policies or restrictions and any errors in the calculation of the Net Asset Value of the Funds or the processing of subscriptions and redemptions in order to determine whether corrective action is necessary or compensation is payable to the Company or the Shareholders.

The Directors may authorise the correction of errors, which may impact the processing of subscriptions for and redemptions of Shares. The Directors may follow materiality policies with respect to the resolution of errors that may limit or restrict when corrective action would be taken or when compensation to the Company or Shareholders will be paid. In addition, subject to policies approved by the Directors consistent with applicable law, not all mistakes will result in compensable errors. Accordingly, Shareholders who purchase or redeem Shares during periods in which compensable errors or other mistakes accrue or occur may not be compensated in connection with the resolution of a compensable error or other mistake.

Shareholders may not be notified of the occurrence of any error or mistake or the resolution thereof unless the correction of the error requires an adjustment to the number of Shares they hold or the Net Asset Value at which such Shares were issued, or to the redemption monies paid to such Shareholder.

Additional information about the Investment Adviser’s error and error correction policies may be set forth

in Part 2A of the Investment Adviser's Form ADV. A copy of Part 2A of the Investment Adviser's Form ADV is available on the SEC's website ([www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov)). The Investment Adviser may at any time, in its sole discretion and without notice to Shareholders, amend or supplement its error and error correction policies.

### 13.6 Adjustments to Net Asset Value

If at any time the Company determines that an incorrect number of Shares was issued to a Shareholder because the Net Asset Value in effect on the Dealing Day was incorrect, the Company will implement such arrangements as it determines are required for an equitable treatment of such Shareholder, which arrangements may include redeeming a portion of such Shareholder's shareholding for no additional consideration or issuing new Shares to such Shareholder for no consideration, as appropriate, so that the number of Shares held by such Shareholder following such redemption or issuance, as the case may be, is the number of Shares as would have been issued at the correct Net Asset Value. A determination that the Net Asset Value was incorrect in respect of a Dealing Day may arise where the Directors subsequently determine, based on professional advice, that the Net Asset Value reflected an under-accrual or over-accrual for tax or other liabilities. In addition, if at any time after a redemption of Shares (including in connection with any complete redemption by a Shareholder) the Company determine that the amount paid to such Shareholder or former Shareholder pursuant to such redemption was materially incorrect (including because the Net Asset Value at which the Shareholder or former Shareholder purchased such Shares or at which the redemption was effected was materially incorrect), the Company will pay to such Shareholder or former Shareholder any additional amount that the Company determines such Shareholder or former Shareholder would have been entitled to receive had the redemption been effected at the correct Net Asset Value, or, in the Company's sole discretion, seek payment from such Shareholder or former Shareholder of (and such Shareholder or former Shareholder shall be required to pay) the amount of any excess payment that the Company determines such Shareholder or former Shareholder received, in each case without interest. Further, the Company may, although it is under no obligation to, make the foregoing adjustments in the event that the amount paid was incorrect (but not to a material extent). In the event that the Company elects not to seek the payment of such amounts from a Shareholder or former Shareholder or is unable to collect such amounts from a Shareholder or former Shareholder, the Net Asset Value will be less than it would have been had such amounts been collected.

Under certain circumstances, the Company may be required to make a payment in respect of, or may, subject to any limitations under applicable law, determine to establish an accrual for, a direct or indirect liability (including a tax liability) that is attributable to prior periods and for which no accrual has previously been made. Even though the Net Asset Value of the applicable Shares in effect for prior periods was not necessarily incorrect under the then-current accounting standards, the Company may, in the sole discretion of the Directors, subject to any limitations under applicable law, determine that it is appropriate to take measures in an effort to allocate the burden of a direct or indirect liability among Shareholders and former Shareholders such that the direct or indirect liability is borne by the Shareholders and former Shareholders in proportion to their respective interests in the Company for the period in which such liability was incurred or existed or in such other manner as the Company shall determine is equitable and reasonable. Such measures may include one or more of the arrangements described in the preceding paragraph, including adjustments to the Net Asset Value (including for prior periods), redeeming a portion of a Shareholder's Shares or issuing additional Shares to a Shareholder for no consideration, and seeking repayment of distributed amounts from Shareholders or former Shareholders.

### 13.7 "Fair value" prices and impact on fees payable to the Investment Adviser

In certain circumstances the Valuer may be required to provide "fair value" prices for certain assets of the Company and its subsidiaries and that, in such circumstances, the Valuer's "fair value" may diverge significantly from the next available market price of such assets. Investors should be aware that in these circumstances a possible conflict of interest may arise where the Valuer is a related party to the Investment Adviser and the higher estimated probable realisation value of the securities the higher the fees payable to the Investment Adviser.

### 13.8 Trading prior to receipt of subscription monies and prior to the effective date of subscriptions

A Fund may, in the sole discretion of its Investment Adviser, begin trading at any time prior to the effective date of subscriptions for Shares on the basis of subscription applications received by the Distributor or a Sub-distributor. In addition, without limiting the generality of the foregoing, a Fund may, in the sole discretion of its Investment Adviser, trade after the effective date of a subscription on the basis of receiving Funds with respect to the subscription even if such Funds were not received on such effective date. Pursuant to the Original Account Agreement, an investor or prospective investor will be liable for any losses or costs arising out of or relating to the non-payment or late payment of subscription monies, including any losses or costs incurred as a result of a Fund trading on the basis of receipt of such monies as of the effective date of a subscription. Please see “Subscription Price and Application for Shares” above. These practices could have an adverse effect on a Fund. Non-payment or late payment of subscription monies may result in losses and costs to a Fund, and a Fund may not ultimately recoup such losses or costs from the applicable investors or prospective investors. In addition, the Investment Adviser may make investments or other portfolio decisions for a Fund in anticipation of subscriptions that would not have been made were it known that the subscriptions would not be made or would be made late, which could have an adverse effect on a Fund’s portfolio.

Furthermore, as a result of extended time periods required to effect trades in certain types of assets, such as loan participations, the settlement of trades made by a Fund in anticipation of subscriptions or redemptions may fall a substantial time before or after the anticipated Dealing Day. Accordingly, such trades may have the effect of increasing or decreasing the amounts of leverage to which a Fund is exposed. Investors in the Fund (and not the subscribing investors) will bear the market risk and return, and the credit risk, in respect of any trades made prior to a Dealing Day in anticipation of subscriptions. Similarly, investors in the Fund (and not the redeemed Shareholders) will bear the market risk and return, and the credit risk, in respect of any trades made to fund redemptions which are effected after the relevant Dealing Day.

### 13.9 In-kind redemptions

The Funds generally expect to pay redemption proceeds in respect of redeemed Shares in cash. However, each Fund will have the right, at its discretion (although in certain circumstances this discretion will be subject to the consent or approval of relevant Shareholders), to cause redemptions in respect of redeemed Shares, to be made wholly or partly in-kind to the Shareholders.

In the event that a Fund makes such a redemption in-kind, Shareholders will bear any risks of the securities received which may not perfectly reflect a pro rata slice of the Fund, and may be required to pay brokerage commissions or other costs in order to dispose of such securities. Moreover, securities and other assets issued by a Fund may not be readily marketable or saleable and may have to be held by Shareholders (or any special purpose vehicle or liquidating trust created to hold such assets) for an indefinite period of time. The risk of loss and delay and any expenses incurred in connection with liquidating such securities (including any expenses involved in the organisation and maintenance of any applicable special purpose vehicle or liquidating trust and any brokerage commissions or other costs) will be borne by the applicable Shareholders, which may result in such Shareholders ultimately receiving less cash than they would have received if such redemption had been made in cash. While assets which are issued to a Shareholder as part of a redemption in-kind will ordinarily be valued as of the applicable redemption date, the value of such assets will fluctuate and the value assigned thereto for purposes of such redemption may not reflect the actual amount that will be realised in connection with a disposition (or, on the eventual liquidation) of such assets.

### 13.10 Special considerations applicable to the continuous offering of Shares

Shares may be offered, and such offerings will close, at such times as are determined by the Directors, in accordance with the Prospectus. The Directors may permit only certain Shareholders and/or prospective Shareholders, including without limitation Goldman Sachs and certain employees of Goldman Sachs (including members of the Investment Adviser’s investment team) to subscribe for Shares on a particular date. Such subscriptions may occur at any time, as determined by the Directors, including without limitation at times when a Fund is experiencing adverse performance, when the Fund or the markets are experiencing volatility, or when the Directors determine that it would be advisable for

the Fund to obtain additional cash for liquidity or other purposes. Goldman Sachs could potentially make a large additional investment in a Fund, one or more feeder funds and/or one or more other investment vehicles that invest on a side-by-side basis with a Fund at a time when other Shareholders and/or prospective Shareholders may not be permitted to invest. Such additional investments may dilute the indirect interests of existing Shareholders in the Fund's investment portfolio prior to any such investments, which could have an adverse impact on such Shareholders' interests in a Fund if the Fund's future investments underperform its prior investments.

In addition, Shares acquired following the initial offering of Shares represent interests in an operating fund that has significant open positions. Since these Shares will share in a Fund's open positions which may have been held for some period of time prior to the acquisition of such Shares, the application of the Investment Adviser's trading approach to such positions may have a qualitatively different effect on the performance of the additional Shares than it does on the performance of previously issued Shares. For example, a number of trading approaches utilised by a Fund may become more aggressive in terms of willingness to tolerate losses in a position and increase in the size of a position after an open trade has generated a substantial profit because subsequent losses (up to a certain level) are perceived as being only a partial give-back of prior profits, not an actual loss. As purchasers of Shares in the continuous offering will not have received the benefit of any profits on open positions prior to the date on which they purchase the Shares, subsequent losses will constitute an absolute loss to such holders, not only a partial give-back of profits. In addition, certain trading approaches by a Fund may follow profit-taking strategies whereby it will liquidate or partially liquidate a position after it has generated a predetermined amount of profit. Since the new Shares will not have had the benefit of any such profit prior to the date on which they were issued, Shareholders holding such Shares may find themselves liquidated out of a position (which may have continued to generate substantial profits) due to the Investment Adviser's "taking profits," none of which had inured to their benefit. Some approaches apply similar analyses based on overall portfolio performance, not just the performance of particular positions, with generally analogous effects.

#### 13.11 Risk of mandatory redemption of U.S. Persons

As described in Section "*Mandatory Redemption of Shares, Forfeiture of Dividend and Deduction of Irish Tax*" above, the Directors have authorized the Distributor to determine from time to time the number of permitted U.S. Persons who may be admitted into the Company pursuant to an applicable policy and procedure and accordingly may require the compulsory transfer or redemptions of Shares of a U.S. Person where the continued holding of Shares by such a Shareholder may result in adverse tax, pecuniary, legal, regulatory or material administrative disadvantages to the Company (including any Fund) or its Shareholders as a whole. It should be noted that the number of permitted U.S. Persons that may be admitted in one Fund may impact the number of Shareholders who are permitted U.S. Persons being admitted to another and a large subscription or redemption in any Fund may impact the number of permitted U.S. Persons admitted in a different Fund resulting in the mandatory redemption of Shares of such permitted U.S. Persons or the temporary or permanent prohibition of further permitted U.S. Persons being admitted.

#### 13.12 Substantial investor redemptions

Substantial redemption requests by Shareholders (including without limitation one or more other investment funds or accounts managed by Goldman Sachs) in a concentrated period of time could require a Fund to liquidate certain of its investments more rapidly than might otherwise be desirable in order to raise cash to fund the redemptions and achieve a portfolio appropriately reflecting a smaller asset base. Substantial redemption requests may limit the ability of the Investment Adviser to successfully implement the investment program of a Fund and could negatively impact the value of the Shares being redeemed and the value of Shares that remain outstanding. In addition, following receipt of a redemption request, a Fund may be required to liquidate assets in advance of the applicable Dealing Day, which may result in a Fund holding cash or highly liquid investments pending such Dealing Day. During any such period, the ability of the Investment Adviser to successfully implement the investment program of a Fund may be impaired and the Fund's returns may be adversely affected as a result.

Moreover, regardless of the time period over which substantial redemption requests are made, the resulting reduction in the Net Asset Value of a Fund could make it more difficult for the Fund to generate

profits or recover losses. Shareholders will not receive notification of substantial redemption requests in respect of any particular Dealing Day from a Fund and, therefore, may not have the opportunity to redeem their Shares or portions thereof prior to or at the same time as the redeeming Shareholders. Under certain circumstances, a Fund may be permitted to suspend or postpone redemptions.

If Shareholders or investors in a Fund request redemption of a substantial number of Shares in the Fund, the Directors may determine to gate the Fund and limit future redemptions (see section entitled "Redemptions") or otherwise terminate the Fund rather than continue it with a significantly smaller asset base. A determination to terminate a Fund early may adversely affect the returns of the Fund and, in turn, the Shareholders.

Where Shares of a Fund are included in an index (or excluded from the index having previously been included in it), investors should be aware that the Net Asset Value of that Fund may fluctuate due to investors basing their investment decisions on the constitution of such index. Any large inflows or outflows may cause an adverse impact on the underlying costs of the Fund.

#### 13.13 Dilution adjustment

Where a dilution adjustment may be used for a Fund, the determination of whether to value a Fund's Net Asset Value on an offer or bid basis is based on the net transaction activity of the Dealing Day and therefore Shareholders transacting in the opposite direction of the Fund's net transaction activity may benefit at the expense of the other Shareholders in the Fund. In addition, the Fund's Net Asset Value and short-term performance may experience greater volatility as a result of this valuation methodology.

#### 13.14 Subsidiary holding companies

Subject to the prior approval of the Central Bank, the Company may from time to time establish one or more wholly-owned special purpose subsidiaries in order to facilitate a Fund's investment programme. The formation and administration of any such special purpose subsidiaries may result in increased expenses to a Fund. In addition, the benefits of conducting investment activities through such subsidiaries may be adversely affected by political or legal developments in countries in which a Fund may invest. In the event that a subsidiary is created by the Company, the details of which will be published in the annual financial statements.

#### 13.15 Limited pool of assets to invest

At inception, and for some period of time thereafter, a Fund may have relatively limited assets, which may limit its ability to trade in certain instruments that typically require minimum account balances for investment. As a result, a Fund may be limited with respect to the investment strategies it is able to employ until such time as it receives additional investments. For example, a Fund's trading may be restricted to the use of forward contracts, rather than futures, until it has an asset base sufficient to permit trading in other markets. Similar considerations may apply in respect of other instruments and investment strategies. In addition, if a Fund has a smaller asset base it may be less able to diversify its portfolio across investment strategies or instruments. The Investment Adviser may choose to limit or exclude the use of certain investment strategies and transactions. A Fund may face similar constraints if its asset size decreases as a result of future redemptions.

#### 13.16 Performance based compensation to the Investment Adviser

The Investment Adviser may receive incentive compensation from a Fund. The performance fee payable to the Investment Adviser may create an incentive for the Investment Adviser to make investments on behalf of a Fund that are riskier or more speculative than would be the case if such arrangements were not in effect. In addition, since such compensation is calculated on a basis that includes unrealised appreciation of the Funds' assets, such compensation may be greater than if it were based solely on realised gains and losses. As a result incentive compensation may be paid on unrealized gains which may never subsequently be realised.

Unless otherwise indicated in the relevant Supplement, the Funds do not operate performance fee equalisation and therefore if they operate a performance fee this fact, combined with the vesting period

of the performance fee, may result in unequal effects being experienced between different investors as to the effective performance fee that they bear on the performance in the relevant Fund that they personally experience through the period of their investment.

### 13.17 Voting rights and share-blocking

From time to time, the issuer of a security held in a Fund may initiate a corporate action relating to that security. Corporate actions relating to equity securities may include, among others, an offer to purchase new shares, or to tender existing shares, of that security at a certain price. Corporate actions relating to debt securities may include, among others, an offer for early redemption of the debt security, or an offer to convert the debt security into stock. The Company may in its discretion exercise or procure the exercise of all voting or other rights which may be exercisable in relation to investments held by a Fund, including shares or units held by a Fund in another fund. In relation to the exercise of such rights the Company may establish guidelines for the exercise of voting or other rights and the Company may, in its discretion, elect not to exercise or procure the exercise of such voting or other rights.

Certain corporate actions are voluntary, meaning that the Company may only participate in the corporate action if it elects to do so in a timely fashion. Participation in certain corporate actions may enhance the value of a Fund.

In cases where the Company, the Management Company or the Investment Adviser receives sufficient advance notice from the Depositary of a voluntary corporate action, the Investment Adviser or the Management Company will exercise its discretion, in good faith, to determine whether the Company will participate in that corporate action (due to information not being made available in a commercially reasonable manner for access). If the Company, the Management Company or the Investment Adviser does not receive sufficient advance notice of a voluntary corporate action, the Company may not be able to timely elect to participate in that corporate action. Participation or lack of participation in a voluntary corporate action may result in a negative impact on the value of a Fund.

Certain investments may be subject to “share-blocking”. This occurs when an investment is “frozen” in the custodian system to facilitate the exercise of voting or other rights by the relevant custodians acting as proxies of the persons beneficially entitled to those affected investments. Share-blocking typically takes place 1 to 20 days before an upcoming meeting of investors in the relevant investment. While the investments are “frozen” they may not be traded. Therefore, in order to mitigate such illiquidity, a Fund (or its agents) may refrain from exercising its voting rights in respect of those investments which may be subject to “share-blocking”.

A summary description of the strategies for the exercise of voting rights relating to the Fund’s assets is available to investors on the Management Company’s website. Details of the actions taken on the basis of these strategies are available to the investors free of charge at their request at the registered office of the Management Company.

### 13.18 Changes to the investment strategies utilised by a Fund

The Investment Adviser may, from time to time, in its sole discretion, utilise additional investment strategies and/or remove, substitute or modify any investment strategy, or allocate all or a significant portion of a Fund’s assets to a single investment strategy or type of trade it is then utilising for a Fund, within the context of that Fund’s investment objectives and policies and subject to the notification and / or approval process set out in the section “*Adherence to Investment Objective and Policies*”.

Any such decision will be made by the Investment Adviser based on one or more factors it may deem relevant from time to time, which among others may include liquidity constraints and the availability of opportunities that it deems attractive. There can be no assurance that the strategies utilised by the Fund are adequate, will be adequately implemented or that the Investment Adviser’s decisions in this regard will be successful or will not otherwise have an adverse effect on a Fund.

Shareholders will not have an opportunity to evaluate the Investment Adviser’s decisions regarding the determination of (and any changes to) the investment strategies utilised by a Fund, nor an opportunity to redeem their Shares, prior to any such decision.

In addition, the Investment Adviser or an affiliate thereof may, from time to time, develop and implement new trading strategies across various asset classes. The Investment Adviser or its affiliate, as applicable, may, however, determine that a particular strategy is more appropriately included as part of the portfolio of another of its investment Funds or accounts rather than a Fund. Accordingly, the Investment Adviser may elect not to allocate to a Fund certain strategies that it has developed which are consistent with the investment objective of the Fund and the general categories of investment strategies of the Fund described in its Supplement, based on such factors as strategic fit and other portfolio management considerations, including, without limitation, the Fund's capacity for such strategy, the liquidity of the strategy and its underlying instruments, the liquidity of the Fund, the business risk of the strategy relative to the overall portfolio make-up of the Fund, the lack of efficacy of, or return expectations from, the strategy for the Fund, and such other factors as the Investment Adviser deems relevant. For example, such a determination may, but will not necessarily, include consideration of the fact that a particular strategy will not have a meaningful impact on a Fund given the overall size of the Fund, the limited availability of opportunities in the strategy and the availability of other strategies for the Fund. As a result, such a strategy may be allocated to other accounts and investment Funds managed by the Investment Adviser and not to the Fund, or vice versa. See "*Conflicts of Interest*".

### 13.19 Risk budgeting

The Investment Adviser generally seeks to allocate a Fund's assets among the Fund's various investments and investment strategies in accordance with its risk budget, determined at any time and from time to time by the Investment Adviser and will rebalance this allocation from time to time. The Investment Adviser strongly believes in "risk budgeting" as a key concept in portfolio management. The Investment Adviser seeks to allocate risk to various investment exposures in a manner that the Investment Adviser believes will maximize the return per unit of risk at the time of such allocation, but there is no assurance that the Investment Adviser will be successful in doing so. The Investment Adviser believes that diversification achieved by the use of the Fund's investment strategies is consistent with this goal, although the Investment Adviser has complete discretion to utilise additional investment strategies or remove or substitute any investment strategy, in accordance with the investment objective and policies of the Fund, which may, at any time, result in the Fund utilizing only one investment strategy, and there is no assurance that the strategies used by the Fund or the investments of the Fund will be sufficiently diversified or that they will have low correlation with each other which may result in increased concentration risk. Effective risk budgeting requires the ability to estimate risk; however, there is no assurance that risk will be estimated adequately or that this strategy will be implemented successfully.

The Investment Adviser has a proprietary risk models which seeks to estimate risk based on observed historical volatilities and correlations. To better capture the changing risks in the markets, certain of these models may be updated with daily data and greater emphasis is placed on more recent data. The allocation of the Company's assets among its investment strategies and investments may also change from time to time based on the output of models used by the Investment Adviser or based on the discretion that may be employed by the Investment Adviser in making allocations. These models, among other things, forecast relative returns for, risk levels and volatility of, and correlations among strategies and investments. However, these models may, for a variety of reasons, fail to accurately predict such factors, including because of scarcity of historical data in respect of certain strategies and investments, erroneous underlying assumptions or estimates in respect of certain data or other defects in the models, or because future events may not necessarily follow historical norms. There can be no assurance that the Investment Adviser's models are adequate, that they will be adequately utilised by the Investment Adviser, or that the Investment Adviser's use of risk budgeting will be adequate.

### 13.20 Risk management

Risk management involves determining the risk of the portfolio as precisely as possible. This process implies an effort to monitor risk, but should not be confused with and does not imply low risk. The Investment Adviser's portfolio formation and strategy combination techniques are designed to give it a good sense of the risks to which the Company's portfolio will be exposed, but these estimates are subject to error. Preparation and a detailed plan for timely portfolio adjustments to shocks in the markets define the function of risk management. The Management Company monitors the risk of each strategy and the

correlation of its strategies. These figures combine to form a single measure of overall investment risk in the portfolio.

### 13.21 Risk calculation

The Management Company may, under applicable law, regulation and/or accounting standards, utilise third party risk management service providers to calculate risk metric measures under applicable law for certain Funds of the Company. As part of the commercial arrangements entered into pursuant to a contract with the Management Company, such service providers may impose a cap on their liability to the Management Company for the services provided. The Management Company, however, retains all responsibility for the risk management of the Funds. The Company is responsible for the fees payable to such entity in relation thereof, which shall be considered as a part of the operating expenses referred to in the “*Fees and Expenses*” section.

## 14 Regulatory issues

### 14.1 Increasing and evolving regulation

Since the recent global financial crisis there has been increased political and regulatory scrutiny of financial services, including the asset management industry.

In addition, there is a material risk that regulatory agencies in Europe, the United States or elsewhere may adopt burdensome laws (including tax laws) or regulations, or changes in law or regulation, or in the interpretation or enforcement thereof, which are specifically targeted at the asset management industry, or other changes that could adversely affect the Company.

Future tax or other legislation and regulation could result in material tax or other costs for the Company and the Funds, or require a significant restructuring of the manner in which the Company and the Funds are organized or operated.

### 14.2 Regulatory uncertainty

There is uncertainty regarding certain recently enacted legislation (including the Dodd-Frank Act and the regulations that will need to be developed pursuant to such legislation) and, consequently, the full impact that such legislation will ultimately have on the Company, the Funds and the markets in which they trade and invest is not fully known. Such uncertainty and any resulting confusion may itself be detrimental to the efficient functioning of the markets and the success of certain investment strategies. Further, the legal, tax and regulatory environment for private funds, investment advisers, and the instruments that they utilize (including, without limitation, derivative instruments) is continuously evolving. For example, the U.S. Securities and Exchange Commission recently proposed certain potential new rules and changes to existing rules promulgated under the Advisers Act, as amended, that would potentially require changes to the operation of certain type of investment funds (e.g., private equity funds and hedge funds, as each such term is defined for purposes of certain U.S. securities regulatory purposes). Among other topics, the proposals address the standards of care in private funds, required reporting by private funds, fairness opinions in certain general partner-led secondary transactions and prohibitions on certain activities. These proposals are subject to notice and comment. There can be no assurances that any final rules will be promulgated, what the terms of the final rules would be if promulgated and when any such rules would take effect.

The Company and/or some or all of the Shareholders also may be adversely affected by changes in the interpretation or enforcement of existing laws and rules by these governmental authorities and self-regulatory organizations. It is not possible to determine the extent of the impact of any new or revised laws, regulations or initiatives that may be proposed, or whether any of the proposals will become law. Compliance with any new laws or regulations could be more difficult and expensive and may have a material adverse effect on the Company and some or all of the Shareholders.

Further, the ability of a Fund to pursue its trading strategies may be adversely affected due to additional regulatory requirements or changes to regulatory requirements applicable to a Fund, such as requirements that may be imposed due to other activities of Goldman Sachs (including, without

limitation, as a result of Goldman Sachs electing to be regulated as a Bank Holding Company) or as a result of the investment in a Fund by certain investors or types of investors. See “—*Regulation as a Bank Holding Company*” and “—*The Volcker Rule*” below. Any changes to current regulations or any new regulations applicable to Goldman Sachs, the Company, and/or the Funds could have a materially adverse effect on the Company and/or the Funds (including, without limitation, by imposing material tax or other costs on a Fund, by requiring a significant restructuring of the manner in which the Funds are organized or operated or by otherwise restricting the Funds).

#### 14.3 Potential Restructuring of the Company, the Management Company, the Investment Adviser or the Sub-Investment Advisers

Goldman Sachs may in the future, in its sole discretion and without notice to Shareholders, subject to the terms of the Articles and applicable law, restructure the Management Company, the Investment Adviser or the Sub-Investment Advisers (or propose to the Directors the restructuring of the Company or its management structure) (including, without limitation, reducing Goldman Sachs’ economic or voting interests in the Company, the Management Company, the Investment Adviser or any of the Sub-Investment Advisers) in order to (i) comply with or reduce or eliminate the impact or applicability of any regulatory restrictions on Goldman Sachs, the Company or other funds and accounts managed by the Management Company, the Investment Adviser or the Sub-Investment Advisers and their affiliates, including without limitation the BHCA and the Volcker Rule, which may include granting additional powers (or narrowing of powers or authority previously granted) to the Management Company, the Investment Adviser or any of the Sub-Investment Advisers, (ii) comply with the UCITS Regulations (whether or not as a consequence of changes to the UCITS Regulations), or (iii) permit the marketing of the Company on a passported basis or otherwise in one or more Member States or such other jurisdictions as the Management Company may determine. Goldman Sachs may seek to accomplish this result by removing or redomiciling the Management Company, the Investment Adviser or any of the Sub-Investment Advisers, causing another entity to replace Goldman Sachs Asset Management Fund Services Limited as the Management Company, Goldman Sachs Asset Management International as the Investment Adviser or Goldman Sachs Asset Management Co., Ltd., Goldman Sachs Asset Management (Singapore) Pte. Ltd., Goldman Sachs Asset Management, L.P. and Goldman Sachs Asset Management (Hong Kong) Limited as the Company’s Sub-Investment Advisers, transferring ownership of any of the Management Company, the Investment Adviser or the Sub-Investment Advisers, appointing a separate investment manager to manage the Company’s investments, or any combination of the foregoing, by reducing the amount of Goldman Sachs’ investment in the Company (if any) or by such other means as it determines in its sole discretion, in accordance with the requirements of the Central Bank. Any such transferee or replacement investment adviser, sub-investment adviser, or management company, may be unaffiliated with Goldman Sachs. In connection with any such change, the Management Company and/or the Investment Adviser or any Sub-Investment Adviser may in their sole discretion assign their right to receive all or a portion of the Investment Management Fee and/or performance fee or cause another entity to be admitted to the Company for the purpose of receiving all or a portion of the performance fee and/or Investment Management Fee and may cause the Company to pay all or a portion of the Investment Management Fee and/or any performance fee to any investment manager, in accordance with the requirements of the Central Bank.

#### 14.4 CFTC

To the extent required, the Investment Adviser operates each Fund pursuant to one of a number of possible exemptions for CFTC purposes and depending on which exemption is applicable certain CFTC commodity pool operator (“CPO”) regulations will apply to the operations of a Fund.

Although the Investment Adviser is registered with the CFTC under the Commodity Exchange Act as a CPO with respect to other pools that it operates, unless otherwise specified in the applicable Supplement or other form of disclosure document, the Investment Adviser will operate each Fund as if the Investment Adviser were exempt from registration as a CPO pursuant to Rule 4.13(a)(3) under the Commodity Exchange Act (the “Rule 4.13(a)(3) Exemption”). The Investment Adviser expects to be able to rely on the Rule 4.13(a)(3) Exemption in respect of each such Fund based on satisfaction of the criteria for such exemption, which include the following: (i) the offer and sale of the Shares is exempt from registration under the 1933 Act is being conducted without marketing to the public in the United States; (ii) the Fund will at all times meet the de minimis trading limits of Rule 4.13(a)(3)(ii) with respect to any “commodity

interest”; (iii) the Investment Adviser reasonably believes that each person who participates in the Fund meets the investor eligibility criteria under Rule 4.13(a)(3); and (iv) the Shares will not be marketed as or in a vehicle for trading in the commodity futures or commodity options markets. In order to rely on the Rule 4.13(a)(3) Exemption, a Fund may only engage in a limited amount of commodity interest transactions, which includes transactions involving futures contracts and swaps. As a result of being so limited, the Fund may not be able to engage in certain transactions, which could adversely affect a Fund’s performance.

It should also be noted that where Shares of a Fund are currently only offered and sold to Non-U.S. Persons, the Investment Adviser will not be required to operate the Fund as a “commodity pool” subject to regulation by the CFTC or to rely on an exemption from such registration. To the extent the Company in the future may offer Shares in a Fund to U.S. Persons, before doing so, it will comply with applicable CFTC rules and regulations or rely on an appropriate exemptions from such rules and regulations.

Where the Investment Adviser will operate the Company as if it were exempt from registration as a CPO, the Investment Adviser will not be required to deliver a CFTC-compliant disclosure document and a certified annual report to Shareholders in the Company. For the avoidance of doubt, this will have no impact on the other reports that Shareholders in the Company will receive as described in this Prospectus and the Supplement referable to a Fund.

#### 14.5 Regulation as a bank holding company

Because it is expected that Goldman Sachs will be deemed to “control” the Company within the meaning of the U.S. Bank Holding Company Act of 1956, as amended (the “**BHCA**”), the restrictions imposed by the BHCA and related regulations are expected to apply to the Company. Accordingly, the BHCA and other applicable banking laws, rules, regulations and guidelines, and their interpretation and administration by the appropriate regulatory agencies, including but not limited to the Board of Governors of the Federal Reserve System (the “Federal Reserve”), may restrict the transactions and relationships between the Investment Adviser, the Management Company, the Directors, Goldman Sachs and their affiliates, on the one hand, and the Company, on the other hand, and may restrict the investments and transactions by, and the operations of, the Company. In addition, the BHCA regulations applicable to Goldman Sachs and the Company may, among other things, restrict the Company’s ability to make certain investments or the size of certain investments, impose a maximum holding period on some or all of the Company’s investments, restrict the Investment Adviser’s ability to participate in the management and operations of the companies in which the Company invests, and will restrict the ability of Goldman Sachs to invest in the Company. Moreover, certain BHCA regulations may require aggregation of the positions owned, held or controlled by related entities. Thus, in certain circumstances positions held by Goldman Sachs and its affiliates (including the Management Company and the Investment Adviser) for client and proprietary accounts may need to be aggregated with positions held by the Funds. In this case, where BHCA regulations impose a cap on the amount of a position that may be held, Goldman Sachs may utilise available capacity to make investments for its proprietary accounts or for the accounts of other clients, which may require a Fund to limit and/or liquidate certain investments. See “*Conflicts of Interest.*”

The potential future impact of these restrictions is uncertain. These restrictions may affect the ability of the Management Company or the Investment Adviser to pursue certain strategies within a Fund’s investment program and may otherwise have a material adverse effect on the Funds. In addition, Goldman Sachs may cease in the future to qualify as a “financial holding company” (an “FHC”), which may subject the Funds to additional restrictions. In addition, there can be no assurance as to the impact on Goldman Sachs or the Company resulting from the any changes in U.S. banking law, including any new rules or regulations promulgated by supervisory and oversight agencies, including the Federal Reserve or that the impact of such changes in law will not have a material adverse effect on the Funds.

Goldman Sachs may in the future, in its sole discretion and without notice to Shareholders, restructure the Investment Adviser and / or the Management Company in order to reduce or eliminate the impact or applicability of any bank regulatory restrictions on Goldman Sachs, the Funds or other Funds and accounts managed by the Investment Adviser and its affiliates. Goldman Sachs may seek to accomplish this result by causing another entity to replace the Investment Adviser, or by such other means as it determines. Any replacement investment manager may be unaffiliated with Goldman Sachs.

## 14.6 The Volcker Rule

Under the Dodd-Frank Act's so-called "Volcker Rule", Goldman Sachs can "sponsor" or manage hedge funds and private equity funds (as each such term is defined for purposes of certain U.S. securities regulatory purposes) only if certain conditions are satisfied. It is expected that a substantial majority and potentially all of the Funds will not be treated as "covered funds" for the purposes of the Volcker Rule.

However, if any of the Funds are treated as Volcker covered funds, among other things, these Volcker Rule conditions generally prohibit banking entities (including Goldman Sachs) from engaging in "covered transactions" and certain other transactions with hedge funds or private equity funds that are managed by affiliates of the banking entities, or with investment vehicles controlled by such hedge funds or private equity funds. Subject to certain exceptions, "covered transactions" include loans or extensions of credit, purchases of assets and certain other transactions (including financial derivative instrument transactions and guarantees) that would cause the banking entities or their affiliates to have credit exposure to funds managed by their affiliates. In addition, the Volcker Rule requires that certain other transactions between Goldman Sachs and such entities be on "arms' length" terms. The Company does not expect that any Fund will engage in such transactions with Goldman Sachs to any material extent and, as a result, any prohibition on covered transactions between Goldman Sachs and a Fund that is treated as a covered fund would not be expected to have a material effect on the Fund.

In addition, the Volcker Rule prohibits any banking entity from engaging in any activity that would involve or result in a material conflict of interest between the banking entity and its clients, customers or counterparties, or that would result, directly or indirectly, in a material exposure by the banking entity to high-risk assets or high-risk trading strategies. Goldman Sachs' policies and procedures are designed to identify and limit exposure to such material conflicts of interest and high-risk assets and trading strategies in its trading and investment activities, including its activities related to the Company. Any requirements or restrictions imposed by Goldman Sachs' policies and procedures or by the Volcker Rule agencies could materially adversely affect the Funds, including because the requirements or restrictions could result in, among other things, a Fund foregoing certain investments or investment strategies or taking other or refraining from other actions, which actions could disadvantage that Portfolio.

As noted above, under the Volcker Rule, Goldman Sachs can "sponsor" and manage hedge funds and private equity funds only if certain conditions are satisfied. While Goldman Sachs intends to satisfy these conditions, if for any reason Goldman Sachs is unable to, or elects not to, satisfy these conditions or any other conditions under the Volcker Rule, then Goldman Sachs may no longer be able to sponsor the Company and the Funds. In such event, the structure, operation and governance of the Company may need to be altered such that Goldman Sachs is no longer deemed to sponsor the Company and the Funds or, alternatively, the Company and the Funds may need to be terminated.

In addition, other sections of the Dodd-Frank Act may adversely affect the ability of the Funds to pursue their trading strategies, and may require material changes to the business and operations of, or have other adverse effects on, the Funds. See "*—Legal, Tax and Regulatory Risks; Disclosure of Information Regarding Shareholders*" above.

Goldman Sachs may in the future, in its sole discretion and without notice to Shareholders, restructure the Investment Adviser or suggest to the Board the restructuring of the Company, in order to reduce or eliminate the impact or applicability of the Volcker Rule on Goldman Sachs, the Funds or other funds and accounts managed by the Investment Adviser, the Management Company and their affiliates. Goldman Sachs may seek to accomplish this result by reducing the amount of Goldman Sachs' investment in the Company (if any), or by such other means as it determines.

In respect of any Funds that are treated as Volcker covered funds:

Prospective investors are hereby advised that any losses in the Fund will be borne solely by investors in the Fund and not by Goldman Sachs; therefore, Goldman Sachs' losses in the Fund will be limited to any losses in its capacity as an investor in the Fund. Interests in the Fund are not insured by the U.S. Federal Deposit Insurance Corporation, and are not deposits, obligations of, or endorsed or guaranteed in any way, by Goldman Sachs or any other banking entity. Investments in the Fund are subject to substantial investment risks, including, among others, those described herein, including the possibility of partial or total loss of an investor's investment.

#### 14.7 Effect of regulation of speculative position limits

Under US, European or other regulations, some exchanges may have rules limiting the maximum net long or net short positions which any person or group may own, hold or control in any given futures contract or option on such futures contract. Any such limits may prevent a Fund from acquiring positions that might otherwise have been desirable or profitable. In addition, in applying such limits, some exchanges require aggregation of the positions owned, held or controlled by certain related entities. The activities of the Investment Adviser on behalf of a Fund are, and will continue to be, conducted separately from the activities of the Investment Adviser and its affiliates. However, in applying such limits, some exchanges will require aggregation of a Fund's positions in futures with positions held by other entities managed by the Investment Adviser. In addition, it is possible that, in applying such limits, some exchanges will require aggregation of a Fund's positions in futures with positions held or controlled by other entities affiliated with the Investment Adviser. Under such circumstances, Goldman Sachs may utilise available position limits for its proprietary accounts, and, as a result, a Fund, and not Goldman Sachs, could be required to limit its use of futures or liquidate its positions.

In addition, pursuant to the Dodd-Frank Act, the CFTC recently proposed position limit rules for futures and options contracts on 28 agricultural, energy and metal commodities, along with economically equivalent futures, options and swaps that, among other things, would incorporate more restrictive aggregation criteria. Any additional rules or rule amendments adopted by the CFTC in the future may hinder the Investment Adviser's ability to trade such contracts and could have an adverse effect on the operations and profitability of the Funds and the Company.

Pursuant to Directive 2014/65/EU on markets in financial instruments ("MiFID II"), regulators in Member States will be required to impose position limits in relation to commodity derivatives traded on trading venues and economically equivalent OTC contracts based on guidelines drafted by the European Securities and Markets Authority ("ESMA"). Such limits, once in force, may restrict the activities in which the Investment Adviser may engage on behalf of the Funds. Decisions by national regulators to apply position limits which are more stringent than those set out in ESMA guidelines, or revision by ESMA of its guidelines to permit more stringent position limits or change the manner in which positions are netted or aggregated for the purposes of applying position limits, may hinder the ability of one or more Advisers to trade such contracts or other instruments and could have an adverse effect on the operations and profitability of the Funds.

#### 14.8 MiFID II Risk

On 3 January 2018, laws and regulations were introduced by Member States to implement MiFID II and the European Union's Markets in Financial Instruments Regulation ("MiFIR"). These imposed new regulatory obligations and costs on the Management Company and the Investment Advisor. The impact of MiFID II and MiFIR on the EU financial markets and on EU investment firms which offer financial services to clients is expected to be significant. In particular, MiFID II and MiFIR introduces new rules regarding the execution of standardised OTC derivatives on regulated trading venues, transparency in respect of trading on EU trading venues and with EU counterparties and position limit and position reporting requirements in relation to certain commodity derivatives. The exact impact of these new rules and of MiFID II and MiFIR in general on the Company, the Management Company and Investment Advisor are unclear and will take time to quantify but they may be adverse for the Company and the Funds.

### 15 Disclosures regarding the Management Company / Investment Adviser

#### 15.1 Potential Conflicts of Interest

The Board of Directors, the Management Company, the Investment Adviser, the Administrator, the Depositary, the Registrar and Transfer Agent and their respective affiliates and delegates, may each from time to time act as director, management company, investment manager, investment adviser, distributor, administrator, transfer agent or depositary in relation to, or be otherwise involved in, other collective investment schemes which have similar investment objectives to those of the Funds. It is, therefore, possible that any of them may, in the course of business, have potential conflicts of interests

with a Company or the Shareholders. Each will, at all times, have regard in such event to its obligations to the Company and, in particular, to its obligations to act in the best interests of the Shareholders when undertaking any investments where conflicts of interest may arise and will endeavour to ensure that such conflicts are resolved fairly and, in particular, the Investment Adviser will act in a manner which it in good faith considers fair and equitable in allocating investment opportunities to the Company. The estimate of the Valuer may be used when determining the probable realisation value of certain investments. Investors should be aware that in these circumstances a possible conflict of interest may arise as the higher the estimated probable realisation value of the securities the higher the fees payable to the Management Company or the Investment Adviser.

The Management Company, the Investment Adviser, the Administrator, the Depositary, the Registrar and Transfer Agent and their respective affiliates, may each from time to time deal, as principal or agent, with a Company, provided that such dealings are negotiated on an arm's length basis and in the best interests of Shareholders. Transactions are also subject to (i) a certified valuation of any such transaction by a person approved by the Depositary (or the Management Company in the case of a transaction involving the Depositary or an affiliate of the Depositary) as independent and competent is obtained; or (ii) the transaction is executed on best terms on an organised investment exchange in accordance with the rules of such exchange; or (iii) where (i) and (ii) are not practical, the transaction is executed on terms which the Depositary (or the Management Company in the case of a transaction involving the Depositary or an affiliate of the Depositary), is satisfied are negotiated at arm's length and in the best interests of Shareholders at the date of the transaction. The Depositary (or the Management Company in the case of a transaction involving the Depositary) shall document how it is has complied with these obligations and, in the case of a transaction referred to at (iii) above, its rationale for being satisfied that the transaction was negotiated at arm's length and in the best interests of Shareholders.

Each of the Board of Directors and the Management Company shall endeavour to ensure that any conflicts of interest are resolved fairly and in the best interests of Shareholders in accordance with the Management Company's conflicts of interest policy. The Company has appointed Goldman Sachs to provide a number of services to the Company and relies on Goldman Sachs to act in accordance with the Management Company's conflicts of interest policy.

The general nature or causes of interest which may arise despite the application of policies and procedures to mitigate such conflicts currently in place is described below and in Appendix B.

#### *Goldman Sachs' Global Presence*

Goldman Sachs, including its personnel, is a worldwide, full-service investment banking, broker-dealer, asset management and financial services organization, and a major participant in global financial markets. As such, Goldman Sachs provides a wide range of financial services to a substantial and diversified client base. In those and other capacities, Goldman Sachs advises clients in all markets and transactions and purchases, sells, holds and recommends a broad array of investments for its own accounts and for the accounts of clients and of its personnel, through client accounts and the relationships and products it sponsors, manages and advises. Such activities and dealings may give rise to potential conflicts of interest. In addition, the activities of the Advisors and their respective Affiliates, and their directors, trustees, managers, members, partners, officers and employees, for their own accounts and other accounts they manage, may give rise to conflicts of interest that could disadvantage the Company and its Shareholders. A description of certain of such potential conflicts of interest is set forth under Appendix B - "Potential Conflicts of Interest".

#### *Goldman Sachs Specific Conflicts*

GSAMFS serves as the Management Company and Distributor, GSAMI serves as the Investment Adviser, its affiliates may serve as an Investment Adviser, and Goldman Sachs & Co. LLC serves as the Valuer. In addition, certain of the current Directors of the Company are persons employed by or associated with Goldman Sachs. Goldman Sachs may also act in a capacity other than Management Company, Investment Adviser, Valuer or Distributor to the Company or a portfolio fund including as broker, dealer, agent, lender or adviser or in other commercial capacities for the Company or a portfolio fund, which may give rise to additional potential conflicts of interest that could disadvantage the Company and the Shareholders. A description of certain of such potential conflicts of interest is set forth under Appendix B - "Potential Conflicts of Interest".

Appendix B further describes certain conflicts of interest and potential conflicts of interest that may be associated with the financial or other interests that the Management Company, the Investment Adviser and Goldman Sachs may have in transactions effected by, with, and on behalf of the Company. They are not, and are not intended to be, a complete enumeration or explanation of all of the potential conflicts of interest that may arise. Additional information about potential conflicts of interest regarding the Management Company, the Investment Adviser and Goldman Sachs is set forth in the Investment Adviser's Form ADV which prospective Shareholders should review prior to purchasing Shares. A copy of Part 1 and Part 2 of the Forms ADV is available on the SEC's website ([www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov)). By having made an investment in a Fund, a Shareholder is deemed to have assented to the potential conflicts of interest relating to Goldman Sachs and to the operations of the Company in the face of such conflicts.

## 15.2 Dependence on Key Personnel

In managing and directing the investment programs of the Funds, the Investment Adviser may rely heavily on certain key personnel of Goldman Sachs. As a result of regulation or for other reasons, the amount of compensation that may be payable to Goldman Sachs executives or other employees may be reduced, or employees who rely on work visas or other permits may have such visas or permits revoked or not renewed. As a result, certain key personnel, including members of the Investment Adviser's investment team, may leave Goldman Sachs. The departure of any of such key personnel or their inability to fulfil certain duties may adversely affect the ability of the Investment Adviser to effectively implement the investment programs of the Fund and may have an adverse impact on the Fund. Changes to the composition of the investment team may occur over time and without notice to Shareholders.

## 15.3 Goldman Sachs risk

Although the Company is a separate legal entity from Goldman Sachs, it could nonetheless be adversely affected by damage to Goldman Sachs' reputation, any insolvency and/or liquidation proceedings, or if there were a change of control of Goldman Sachs. In that regard, reputational damage, bankruptcy or change of control of Goldman Sachs, the Management Company or the Investment Adviser could cause the Management Company or the Investment Adviser to have difficulty retaining personnel or otherwise adversely affect a Fund and its ability to achieve its investment objective.

## 16 Disclosure regarding taxation issues

### 16.1 Uncertain tax positions

Shareholders should be aware that tax laws and regulations change on an ongoing basis and may be changed with retroactive effect. Moreover, the interpretation and application of tax laws and regulations by certain tax authorities may not be clear, consistent or transparent. As a result, the Net Asset Value of a Fund at the time any subscriptions and redemptions of Shares occur may not accurately reflect the Fund's tax liabilities, including on any historical realized or unrealized gains (including those tax liabilities that are imposed with retroactive effect). In addition, the Net Asset Value of a Fund on any Dealing Day may reflect an accrual for tax liabilities, including estimates for such tax liabilities, that may ultimately not be paid, or that may be less than what is ultimately required to be paid. Accounting standards may also change, creating an obligation for the Company to accrue for a tax liability that was not previously required to be accrued for or in situations where the Company does not expect the relevant Fund to be ultimately subject to such tax liability.

In the event that the Company subsequently accrues for tax liabilities and/or is required to pay amounts relating to tax liabilities that had not previously been accrued and/or any investments result in tax liabilities that were not reflected in their valuation (including previously realised investments), the amount of any such accrual or payment will generally be allocated among the Shareholders at the time of such accrual or payment, rather than when the income or transaction to which such taxes relate was earned or occurred. Moreover, in the event that the Company subsequently determines that an accrual for tax liabilities exceeds or will exceed the liability for such taxes, the benefit from any such determination will generally be allocated among the Shareholders at the time of such determination, rather than when the income or transaction to which such taxes relate was earned or occurred, and Shareholders previously

redeemed Shares will not receive additional compensation or otherwise share such benefit. Shareholders will not be notified of any of the foregoing determinations or payments.

Shareholders that invest in a Fund at a time during which any liabilities for taxes are not accrued will invest in the Fund at a higher Net Asset Value than if liabilities had been accrued at the time of the applicable investment and, likewise, Shareholders that invest in a Fund at a time during which any liabilities for taxes are accrued will invest in the Fund at a lower Net Asset Value than if such liabilities had not been accrued at the time of the applicable investment. On the other hand, Shareholders that redeem Shares of a Fund at a time during which potential liabilities for taxes are not accrued will redeem Shares from the Fund at a higher Net Asset Value than if such liabilities had been accrued at the time of the applicable redemption and, likewise, Shareholders that redeem Shares at a time during which liabilities are accrued will redeem from a Fund at a lower Net Asset Value than if such liabilities had not been accrued at the time of the applicable redemption. In that situation the Fund may also be considered to have been subject to an inadvertent underinvestment effect if that accrual of taxes is not subsequently paid.

## 16.2 Disclosure of information regarding Shareholders

Certain payments to the Company and each Fund of U.S. source interest or dividends (as well as similar payments) and certain payments made after 31 December 2018 attributable to gross proceeds from the sale or other disposition of property that could produce U.S. source interest or dividends, and certain payments (or a portion thereof) made after 31 December 2018 by a foreign financial institution, to a foreign financial institution or other foreign entity, may be subject to a withholding tax of 30% unless various reporting requirements are met. In particular, these reporting requirements may be met if, among other things, the Company and the applicable Fund obtains certain information from each of its Shareholders and the Company and such Fund discloses certain of this information to the Government of Ireland (or the Irish Revenue Commissioners) or to the U.S. Internal Revenue Service (“IRS”). Shareholders that fail to provide the required information could become subject to this withholding tax in respect of all or a portion of any redemption or distribution payments made by the Company or the applicable Fund after 31 December 2018. No assurance can be provided that the Company and each Fund will not be subject to this withholding tax. This and certain other tax risks associated with an investment in the Company and the Funds are discussed above. See “Taxation—United States”, including the legend in that section indicating, among other things, that the discussion in that section cannot be relied upon by any taxpayer for the purpose of avoiding penalties under the U.S. federal tax laws that may be imposed on the taxpayer.

Moreover, the Funds, the Management Company, the Investment Adviser or its affiliates and/or service providers or agents of the Company, the Management Company or the Investment Adviser may from time to time be required or may, in their sole discretion, determine that it is advisable to disclose certain information about a Fund and the Shareholders, including, but not limited to, investments held by a Fund and the names and level of beneficial ownership of Shareholders, to (i) one or more regulatory and/or taxing authorities of certain jurisdictions which have or assert jurisdiction over the disclosing party or in which the Fund directly or indirectly invests and/or (ii) one or more counterparties of, or service providers to, the Investment Adviser, the Management Company or the Company. By virtue of entering into an Original Account Agreement, each Shareholder will have consented to any such disclosure relating to such Shareholder.

## 16.3 Certain ERISA considerations

Although the Company expects that its assets will not be treated as “plan assets” subject to Title I of ERISA or Section 4975 of the Code, there is no assurance that this will be the case. Were the assets of the Company to be treated as “plan assets” (that is, if 25% or more of any class of equity interests in the Company is held by Benefit Plan Investors), the Company could, among other things, be subject to certain restrictions on its ability to carry out its activities as described herein, including, without limitation, that the Company may be prohibited from trading with and through Goldman Sachs in respect of investments made for the Company. Moreover, in such a case, the Company may require Benefit Plan Investors or other employee benefit plans not subject to Title I of ERISA or Section 4975 of the Code to reduce or terminate their interests in the Company in whole or in part notwithstanding that other investors may not be permitted to redeem or transfer their interests in the Company at such time.

For a discussion of certain ERISA considerations relating to an investment in a Fund, see the discussion under Appendix A.

#### 16.4 Special risks resulting from tax publication requirements in Germany

At the Company's discretion, the Share classes of each Fund are classified as either "equity fund" or "mixed fund" in accordance with the respective definitions in the German Investment Tax Act, thereby providing partial tax exemptions to German investors. The German fiscal authorities reserve the right to perform an assessment on the tax situation of the ICAV including the tax classification. The basis for these tax classifications is subject to interpretation and therefore it cannot be guaranteed that such authorities will accept or agree with the Company's tax classifications.

#### 16.5 Special risks resulting from tax publication requirements in Austria

At the Company's discretion, Share classes are entered into Austrian tax transparent reporting. In this instance, the Company is required to provide documentation to the Austrian fiscal authorities upon request in order for such authorities to, inter alia, verify the accuracy of the published tax information. The tax information results from the calculations performed by the Austrian Kontrollbank (OeKB) on behalf of the Austrian tax authorities based on the tax relevant input data provided by the Company. The input data on which the tax information is calculated and published by the OeKB can be subject to interpretation and therefore it cannot be guaranteed that the Austrian tax authorities will accept or agree with the input data provided by the Company. In addition, tax information published on OeKB's website can be corrected within the same calendar year in which the reporting was made, by 15 December and will lead to an automatic correction of the already deducted withholding tax on Austrian investors' deposits and other tax values based thereon, if there is still a valid business relationship with the investor. Corrections after 15 December each calendar year are not processed automatically, investors have to file an income tax statement in order to get any wrong deductions corrected.

#### 16.6 Special risks resulting from tax publication requirements in Switzerland

At the Company's discretion, Share classes are entered into Swiss tax transparent reporting. In this instance, the Company is required to provide documentation to the Swiss fiscal authorities upon request in order for such authorities to, inter alia, verify the accuracy of the published tax information. The basis on which such figures are calculated is subject to interpretation and therefore it cannot be guaranteed that such authorities will accept or agree with the Company's calculation methodology.

#### 16.7 Special risks from tax publication requirements in the United Kingdom

At the Company's discretion, Share classes can be entered into the United Kingdom (UK) Tax Reporting Regime. In circumstances where UK Tax Reporting status is required for a particular Share class, the Company must make an application to HM Revenue & Customs and provide them with the necessary information to process the application. Once a Share class has received UK Tax Reporting status, the Company must comply with the annual reporting requirements in respect of the relevant Share class including preparing a calculation of reportable income and submit this to HM Revenue & Customs in advance of the prescribed deadline. The basis upon which the reportable income amounts are calculated is subject to interpretation, in some instances, and therefore it cannot be guaranteed that HM Revenue & Customs will accept or agree with the Company's calculation methodology.

#### 16.8 Foreign taxes

The Company may be liable to taxes (including withholding taxes) in countries other than Ireland on income earned and capital gains arising on its investments. The Company may not be able to benefit from a reduction in the rate of such foreign tax by virtue of the double taxation treaties between Ireland and other countries. The Company may not, therefore, be able to reclaim any foreign withholding tax suffered by it in particular countries. If this position changes and the Company obtains a repayment of foreign tax, the Net Asset Value of the Company will not be restated and the benefit will be allocated to the then-existing Shareholders rateably at the time of repayment.

## 16.9 US tax-exempt investors

Permitted US Tax Persons may be subject to US federal and state laws, rules and regulations which may regulate their participation in the Company, or their engaging directly, or indirectly through an investment in any of the Funds, in investment strategies of the type which the Funds may utilise from time to time. Each type of exempt investor may be subject to different laws, rules and regulations, and prospective investors are strongly advised to consult with their own advisors as to the advisability and tax consequences of an investment in the Company. See the section headed "Taxation" including the legend in the section entitled "Taxation—United States" indicating, among other things, that the discussion in that section cannot be relied upon by any taxpayer for the purpose of avoiding penalties under the U.S. federal income tax laws that may be imposed on the taxpayer.

## 16.10 Certain Other Tax Risks

In addition to the other tax risks discussed herein, an investment in a Fund involves numerous tax risks, including, among others, the risks that (i) a Shareholder will be directly subject to applicable taxes and tax filing requirements in the jurisdictions in which a Fund directly or indirectly makes investments or is otherwise considered to be doing business, (ii) a fund and/or any investment vehicles through which it invests will be subject to applicable taxes in the jurisdictions in which a fund directly or indirectly invests or is otherwise considered to be doing business, (iii) a Shareholder will be required to file for any available extensions for the completion of such Shareholder's applicable tax returns, and (iv) a Shareholder will recognize phantom income (i.e., income without a corresponding receipt of cash) from an investment in a Fund. For a more complete discussion of the tax risks and other considerations applicable to an investment in a Fund, please see "Taxation".

## 17 Termination of Investment Advisory Agreement

The Company's ability to achieve its investment objective may depend on having access to QFI license and on obtaining advice in relation to its investments in the PRC markets. The Company's investments in the PRC were initially made via the GSAMI QFI license which are managed by the Investment Adviser under the Investment Advisory Agreement. The Investment Advisory Agreement may be terminated by the Company or the Investment Adviser on not less than thirty days' notice or earlier for cause. If the Investment Advisory Agreement is terminated and the Management Company is not able to enter into suitable replacement agreements, the Company may lose access to the GSAMI QFI license, may be unable to fulfil its investment objective and may have to enter into liquidation.

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**GENERAL**

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**The Share Capital**

The share capital of the Company shall at all times equal the Net Asset Value. The Company may issue up to five hundred billion Shares of no par value and the Directors are empowered to issue such Shares at the Net Asset Value per Share (or the relevant initial subscription price in the case of Shares subscribed for during an initial offer period) on such terms as they may think fit. The maximum authorised share capital of the Company shall be 500 billion Shares of no par value and the minimum authorised share capital of the Company shall be USD2 represented by two Subscriber Shares of no par value issued for USD1 each.

Each of the Shares entitles the Shareholder to participate equally on a pro rata basis in the dividends and net assets of the Fund in respect of which they are issued, save in the case of dividends declared prior to becoming a Shareholder. The Subscriber Shares entitle the Shareholders holding them to attend and vote at all meetings of the Company, but do not entitle the holders to participate in the dividends or net assets of any Fund.

The proceeds from the issue of Shares shall be applied in the books of the Company to the relevant Fund and shall be used in the acquisition on behalf of the Fund of assets in which the Fund may invest. The records and accounts of each Fund shall be maintained separately.

The Directors also reserve the right to re-designate any class of Shares from time to time, provided that Shareholders in that class shall first have been notified by the Company that the Shares will be re-designated and in the event that the rights attaching to the Shares will be adversely affected as a result of such re-designation, the Shareholders shall have been given the opportunity to have their Shares repurchased by the Company.

Each of the Shares (including the Subscriber Shares) entitles the holder to attend and vote at meetings of the Company and of the Fund represented by those Shares. The Articles provide that matters may be determined at meetings of the Shareholders on a show of hands unless a poll is requested by five Shareholders holding Voting Shares or by Shareholders holding 10% or more of the Voting Shares or unless the Chairman of the meeting requests a poll. Each Shareholder holding Voting Shares shall have one vote on a show of hands. Each Voting Share gives the holder thereof one vote in relation to any matters relating to the Company which are submitted to Shareholders to a vote by poll. No class or series of Shares confers on the holder thereof any preferential or pre-emptive rights or any rights to participate in the profits and dividends of any other class or series of Shares or any voting rights in relation to matters relating solely to any other class or series of Shares, provided however, that the Subscriber Shares shall confer on the holders thereof the right to vote in respect of matters relating to any other class of Shares.

Resolutions of Shareholders may be passed at general meetings of the Company or alternatively by unanimous written resolution of the Shareholders holding Voting Shares.

Any resolution to alter the class rights of the Shares requires the approval of three quarters of the holders of the Voting Shares represented or present and voting at a general meeting duly convened in accordance with the Articles or alternatively, if passed by written resolution, requires unanimous approval. The quorum for any general meeting convened to consider any alteration to the class rights of the Shares shall be two Shareholders holding Voting Shares.

The Articles of the Company empower the Directors to issue fractional Shares in the Company. Fractional Shares shall not carry any voting rights at general meetings of the Company or of any Fund.

Under the Articles, the Directors are required to establish a separate fund, with separate records, for each series of Shares in the following manner:

- (a) the Company will keep separate books and records of account for each Fund. The proceeds from the issue of each series of Shares will be applied to the Fund established for that series of Shares,

and the assets and liabilities and income and expenditure attributable thereto will be applied to such Fund;

- (b) any asset derived from another asset in a Fund will be applied to the same Fund as the asset from which it was derived and any increase or diminution in value of such an asset will be applied to the relevant Fund;
- (c) in the case of any asset which the Directors do not consider as readily attributable to a particular Fund or Funds, the Directors have the discretion to determine, with the consent of the Depositary, the basis upon which any such asset will be allocated between Funds and the Directors may at any time and from time to time vary such basis;
- (d) any liability will be allocated to the Fund or Funds to which in the opinion of the Directors it relates or if such liability is not readily attributable to any particular Fund the Directors will have discretion to determine, with the consent of the Depositary, the basis upon which any liability will be allocated between Funds and the Directors may at any time and from time to time vary such basis;
- (e) the Directors may, with the consent of the Depositary, transfer any assets to and from a Fund or Funds if, for any reason, a liability would be borne in a different manner from that in which it would have been borne under paragraph (d) above or in any similar circumstances; and
- (f) where the assets of the Company (if any) attributable to Subscriber Shares give rise to any net profit, the Directors may allocate assets representing such net profits to such Fund or Funds as they may deem appropriate.

## Meetings

All general meetings of the Company shall be held in Ireland. In each year the Company shall hold a general meeting as its annual general meeting. Twenty-one days' notice (excluding the day of posting and the day of the meeting) shall be given in respect of each general meeting of the Company. The notice shall specify the venue and time of the meeting and the business to be transacted at the meeting. A proxy may attend on behalf of any Shareholder. An ordinary resolution is a resolution passed by a plurality of votes cast and a special resolution is a resolution passed by a majority of 75% or more of the votes cast. The Articles provide that matters may be determined by a meeting of Shareholders on a show of hands unless a poll is requested by five Shareholders holding Voting Shares or by Shareholders holding 10% or more of the Voting Shares or unless the Chairman of the meeting requests a poll. Each Voting Share (including the Subscriber Shares) gives the holder one vote in relation to any matters relating to the Company which are submitted to Shareholders for a vote by poll.

## Reports

In each year the Directors shall cause to be prepared an annual report and audited annual accounts for the Company.

Audited financial statements will be prepared to 31 December in each year. The Company will publish an annual report and audited annual accounts for the Company / each Fund within four months of the end of the financial period to which they relate, i.e. normally in April of each year. Unaudited half yearly accounts will be made up to 30 June in each year. The unaudited half yearly reports will be published within two months of the end of the half year period to which they relate, i.e. normally in August of each year.

Audited annual reports and unaudited half-yearly reports incorporating financial statements will be sent to Shareholders by electronic means and hard copy reports are available free of charge, on request.

The annual report and audited annual accounts will be forwarded to Shareholders and Subscriber Shareholders at least twenty-one days before the annual general meeting. In addition, the Company shall prepare and send to Shareholders and Subscriber Shareholders a half-yearly report which shall include unaudited half-yearly accounts for the Company.

The Company, acting through the Investment Adviser as its delegate, may from time to time elect, in its sole discretion, to make available to the Shareholders, upon request and subject to certain policies and conditions (as described below), regular periodic reports that contain estimates of the Company's performance, list the Company's investment positions and/or collateral holdings and activities or contain other information about the Company (collectively, the "Periodic Reports"). Shareholders interested in receiving Periodic Reports should contact the Investment Adviser to learn if the Company is making any such reports available.

The Company is not obliged to provide Periodic Reports to the Shareholders. However, if the Company chooses to provide such reports, subject to such policies and conditions as may be established by the Directors and the Investment Adviser (as described below), the Company will endeavour to make the reports available to all requesting Shareholders on equal terms. The Company may discontinue providing Periodic Reports at any time without prior notice.

If provided, Periodic Reports will not be audited and may be based on estimated data that will not reflect reconciliation with the records of the Administrator or other agents of the Company. In addition, Periodic Reports may not reflect the accrual of certain expenses and liabilities of the Company including, without limitation, fees and performance-based compensation that have been, or will be, incurred as of the end of the period in respect of which valuation or performance information contained in the Periodic Report is calculated and which, when accrued, would cause the valuation or rates of return presented in such Periodic Report to be reduced. Estimated returns included in a Periodic Report will be subject to high levels of uncertainty and actual returns may vary significantly from such estimated returns. Therefore, Shareholders should not construe such estimated returns as providing any assurance or guarantee as to actual returns. The Net Asset Value at which Shares will be issued and redeemed may differ from the estimates contained in such Periodic Reports. The Company and the Investment Adviser make no representation as to the accuracy, completeness, fitness for a particular purpose or timeliness of any information contained in any Periodic Report, and the Company, the Investment Adviser and their respective affiliates will not be liable for any loss suffered by a Shareholder as a result of reliance on any such report.

The Company or the Investment Adviser may, in its sole discretion but in accordance with any previously approved policies, agree to provide certain Shareholders, including upon request, with additional or different information than that provided to the Shareholders in Periodic Reports as set forth above.

The determination to provide Periodic Reports and other additional or different information to the Shareholders generally or to any particular Shareholder will be subject to such policies and conditions as may be established by the Directors in their sole discretion. The Company's determination will take into account factors that it deems relevant in its sole discretion, which may include, without limitation, the type or nature of the information requested, confidentiality concerns, potential uses for such information and the intentions of the requesting Shareholder with respect to such information. For instance, the Investment Adviser, as delegate of the Company, may determine not to make such reports and information available: (i) to any Shareholder that has not entered into an agreement satisfactory to the Investment Adviser, in its sole discretion, providing undertakings regarding the use of the information being provided, including an agreement to maintain its confidentiality, (ii) in circumstances where the Investment Adviser reasonably believes that such disclosure involves a material risk of information being utilised contrary to the best interests of the Company, or (iii) where disclosure would be made to a person who is, or is a representative of, a resident of a jurisdiction that does not have a legal and regulatory regime considered by the Investment Adviser to adequately protect the Company in the event of the abuse of the information so disclosed.

In addition, the Investment Adviser may, in its sole discretion and upon request from a Shareholder, provide certain portfolio information to a third party risk measurement firm or a firm providing similar services in order for such firm to prepare risk and/or other reports for such Shareholder, provided that such third party risk measurement firm enters into an agreement satisfactory to the Investment Adviser, in its sole discretion, that provides undertakings regarding limitations on the use of the information being provided, including an agreement to maintain its confidentiality and not to disseminate any specific position information regarding the portfolio to the Shareholder. In the event that the Company provides such information to a third party risk measurement firm upon the request of a Shareholder, the Company will endeavour to provide such information to third party risk measurement firms at the request of other

Shareholders on similar terms, provided that any such request shall be subject to any guidelines formulated by the Investment Adviser, which may be modified from time to time in its sole discretion, as to the conditions with respect to which requests to engage in such a programme will be granted.

The Management Company may also provide Periodic Reports in order to disclose the information set out in “–*Disclosure of Information*” below.

### Termination

All of the Shares or all of the Shares in a Fund or class may be repurchased by the Company in the following circumstances:

- (i) if 75% of the holders of the Voting Shares voting at a general meeting of the Company or the Fund or class, of which not more than six and not less than four weeks’ notice has been given, approve the repurchase of the Shares;
- (ii) if, at any time the Net Asset Value of any Fund or class falls below USD50 million on any Valuation Day;
- (iii) on any date following the first anniversary of the Remittance Date at the Directors’ discretion, provided that notice of not less than four and not more than six weeks has been given to the holders of the Shares; or
- (iv) if no replacement custodian shall have been appointed during the period of six months commencing on the date the Depository or any replacement thereof shall have notified the Company of its desire to retire as custodian or within 90 days from the date on which the Company notifies the Depository of its desire to remove the Depository;
- (v) the Directors deem it appropriate because of adverse political, economic, fiscal or regulatory changes affecting the Company or relevant class of Shares; or
- (vi) the dissolution of a Fund is approved by an Ordinary Resolution, based on NAV, (excluding any Shares held by the Investment Adviser and any affiliate or employee of the Investment Adviser or Goldman Sachs (collectively, the “Investment Manager Shares”)) at a meeting validly called for such purpose (such meeting, the “Dissolution Meeting”) in accordance with the procedures described below:
  - (a) Upon the written request of one or more Shareholders holding at least 1% of the voting power, based on NAV, of the outstanding Voting Shares of a Fund (excluding for purposes of calculating such percentage the Investment Manager Shares), solely for purposes of soliciting other Shareholders in connection with making a Meeting Request, the Directors shall use commercially reasonable efforts to send to all other Shareholders a solicitation to make a Meeting Request, subject to the Directors’ right to impose reasonable conditions upon any such solicitation.
  - (b) Upon receipt by the Directors of a Meeting Request, the Directors shall set a Dissolution Record Date and shall schedule a meeting of the Shareholders for no later than 60 days after the Dissolution Record Date for the purpose of voting on the dissolution of a Fund. The quorum for such meeting shall require attendance, in person or by proxy, of Shareholders holding at least a majority of the voting power, based on NAV of the outstanding Voting Shares of the relevant Fund (excluding for purposes of calculating such percentage the Investment Manager Shares) as of the Dissolution Record Date. If a quorum is not achieved for the meeting, the meeting shall be cancelled and no vote shall be held. The dissolution of a Fund by the Shareholders may only be voted upon at a meeting properly called in accordance with the provisions hereof and will be approved only upon the affirmative vote of Shareholders holding at least a majority of the voting power, based on NAV, of the outstanding Voting Shares of the relevant Fund (excluding for purposes of calculating such percentage the Investment Manager Shares).

- (c) In the event of an affirmative vote in favour of dissolving a Fund at a duly held Dissolution Meeting, the Directors shall seek to liquidate the Fund as soon as reasonably practicable, and the Fund shall be terminated in accordance with the terms of the Articles and applicable law.

Where a repurchase of Shares would result in the number of Shareholders falling below two or such other minimum number stipulated by statute or where a repurchase of Shares would result in the issued share capital of the Company falling below such minimum amount as the Company may be obliged to maintain pursuant to applicable law, the Company may defer the repurchase of the minimum number of Shares sufficient to ensure compliance with applicable law. The repurchase of such Shares will be deferred until the Company is wound up or until the Company procures the issue of sufficient Shares to ensure that the repurchase can be effected. The Company shall be entitled to select the Shares for deferred repurchase in such manner as it may deem to be fair and reasonable and as may be approved by the Depositary.

If all of the Shares in any Fund are to be repurchased, the assets available for distribution (after satisfaction of creditors' claims) shall be distributed pro rata to the holders of the Shares in proportion to the number of the Shares held in that Fund. The assets of each Fund available for distribution (after satisfaction of creditors' claims) shall be distributed pro rata to the holders of the Shares in such Fund and the balance of any assets of the Company then remaining not comprised in any of the other Funds shall be apportioned as between the Funds pro rata to the Net Asset Value of each Fund immediately prior to any distribution to Shareholders and shall be distributed among the Shareholders of each Fund pro rata to the number of Shares in that Fund held by them. Subject to applicable PRC law and regulations, with the authority of a special resolution of the Shareholders, the Company may make distributions in specie to Shareholders on a winding up of the Company. Where the Company makes a distribution in-specie on a winding up, the Company shall if so requested by a Shareholder entitled to receive such distribution in-specie dispose of the relevant assets and transmit the proceeds of such disposal to the Shareholder provided that there shall be no guarantee as to the price which will be obtained on such a disposal of assets. If all of the Shares are to be repurchased and it is proposed to transfer all or part of the assets of the Company to another company, the Company, with the sanction of a special resolution of Shareholders may exchange the assets of the Company for shares or similar interests in the transferee company for distribution among Shareholders.

On a winding up of the Company, the assets available for distribution shall be distributed pro rata to the number of the Shares held by each Shareholder.

### **Material Contracts**

The following contracts, details of which are set out in the section entitled "Management and Administration", have been entered into and are, or may be, material:

- The Management Agreement
- The Investment Advisory Agreement
- The Investment Advisory Sub-Delegation Agreement
- The Depositary Agreement
- The Administration Agreement
- The RTA Agreement

### **Supply and Inspection of Documents**

The following documents are available for inspection free of charge during normal business hours on weekdays (Saturdays and public holidays excepted) at the registered office of the Company:

- (a) the Articles of the Company;
- (b) the certificate of incorporation;
- (c) the UCITS Regulations and the Central Bank UCITS Regulations;
- (d) the Prospectus;
- (e) the KIID; and
- (f) the latest available yearly or half-yearly reports.

Copies of the Articles of the Company (each as amended from time to time) and the latest financial reports of the Company, as appropriate, may be obtained, free of charge, upon request at the registered office of the Company.

### **Fair Treatment of Shareholders**

The Articles are made available for review by each Shareholder as set out above, such that each Shareholder is informed about its rights and obligations under the Articles. The Management Company seeks to ensure fair treatment of all Shareholders by complying with the terms of the Articles, this Prospectus and applicable laws. In addition, the Management Company operates in accordance with the principle of treating customers (including, as appropriate, funds such as the Company and their investors) fairly, which comprises a policy that applies to Goldman Sachs generally, and not just the Management Company. Please refer in particular to “*Redemptions*” for the Company’s policy on deferral of redemptions and the treatment of deferred redemptions.

### **Differing Arrangements with Shareholders; Side Letters**

The Investment Adviser and its affiliates each has the right, in its sole discretion, to enter into direct contractual arrangements with a Shareholder (including, without limitation, in respect of Goldman Sachs or any affiliate or employee thereof as a Shareholder) that: (i) return to such Shareholder, partially or completely, the fees which have been paid by the Company to the Investment Adviser or affiliate in respect of such Shareholder’s Shares; (ii) create fee or compensation (including but not limited to compensation that is higher, lower, calculated in a different manner or payable at different times) arrangements in addition to those described in (i) above; or (iii) reimburse the Shareholder for any indemnification payments which may become owed by the Shareholder in connection with its ownership of Shares. Such arrangements reflect terms privately agreed to between the Investment Adviser or its affiliate and the relevant Shareholder. Subject to the Management Company’s duty to treat investors fairly and to treat investors in the same class equally, the Investment Adviser and its affiliates will be under no obligation to make such arrangements available on equal terms to other Shareholders, and the Company cannot, and is under no duty to, enforce equality of treatment of Shareholders under any such arrangements. In addition, where permitted by applicable law, the Investment Adviser and its affiliates may elect to pay part or all of the fees paid to them by the Company to distributors of the Company. Investors should also refer to risk consideration paragraph 15.1 “Potential Conflicts of Interest”.

The Company or, where empowered to do so, the Investment Adviser may also enter into side letters with investors which clarify the scope and extent of existing rights and/or obligations and/or agree to make available certain information; such side letters will not (i) establish or vary rights and/or obligations as between the Company and Shareholders which would create any preferential treatment as between Shareholders and/or (ii) agree to make available information to an investor that would not generally be made available to any other investor if such investor requested the information. Such side letters will be granted pursuant to a policy agreed with the Directors which seeks to ensure, in general terms, that (i) investors are treated fairly and investors in the same class are treated equally and (ii) the best interests of the Company and its investors must be considered in the granting of any side letter.

**Shareholders' Rights against Service Providers**

The Company is reliant on the performance of third party service providers, including the Management Company, the Investment Adviser, the Valuer, the Depositary, the Administrator, the Registrar and Transfer Agent, the Distributor and the Auditor. Further information in relation to the roles of the service providers is set out above.

No Shareholder will have any direct contractual claim against any service provider with respect to such service provider's default. Any Shareholder who believes they may have a claim against any service provider in connection with their investment in the Company, should consult their legal adviser.

The Depositary Agreement provides that the Depositary will be liable for the loss by the Depositary, or a third party to whom it has entrusted custody, of financial instruments held in custody. It also provides that this liability can be invoked directly or indirectly through the Management Company, depending on the legal nature of the relationship between the Depositary, the Management Company and the Shareholders. The Depositary Agreement does not create for Shareholders any explicit right of action against the Depositary.

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**SUPPLEMENT – GOLDMAN SACHS CHINA A-SHARE EQUITY PORTFOLIO**

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This Supplement relates to the Goldman Sachs China A-Share Equity Portfolio. All references in this Supplement to the “Fund” are references to the Goldman Sachs China A-Share Equity Portfolio. Please note that, prior to its authorisation as a UCITS, the Fund was previously approved as a qualifying investor alternative investment fund, such authorisation having been revoked by the Central Bank on 24 April 2020.

**Investment in the Fund should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors. Please refer to the “Risk Considerations” section for further information.**

## **1 Investment Objective**

The investment objective of the Fund is to achieve long term capital appreciation through investment in companies established or operating in the PRC.

## **2 Investment Policies**

The Fund will, under normal circumstances, invest at least two thirds of its net assets in China A-Shares listed on the Shanghai Stock Exchange and Shenzhen Stock Exchange directly (e.g., through Stock Connect) or through the QFI program or indirectly (e.g., through investment in participation notes (“**P-Notes**”), warrants, options linked to China A Shares or portfolios of China A shares, which aim to synthetically replicate the economic benefit of the relevant China A Shares or portfolios of China A shares, or Permitted Funds investing in China A-Shares) subject to the “Investment Restrictions” section of the Prospectus.

The Fund seeks to invest through a process driven by bottom-up fundamental company analysis. The majority of research is internal and proprietary (external research may be used to support internal research or as a source of investment ideas to be investigated internally). The objective of this research is to identify high-quality companies to invest in for the long-term, with particular attention paying to the quality of management (e.g. how management remuneration is structured), the strength of the franchise (e.g. competitive intensity), the structure of the balance sheet, the long-term growth prospects of the company and the market valuation accorded to the business through review of financial statements and valuation information. In particular, the focus of the research is on companies where it is believed that the market has incorrectly priced future growth potential in cash flows. Such companies have the following attributes: (i) very high quality in terms of management, franchise and financials; (ii) sustainable long-term earnings and cash flow per share growth rates; and (iii) share price valuations which do not

The Investment Adviser implements a multi-faceted approach to Environmental, Social and Governance (ESG) considerations into its fundamental investment process. Further details of the ESG characteristics of the Fund can be found in the Annex.

The Fund will continuously invest at least 51% of its Net Asset Value in equity securities.

The Fund may also invest up to one third of its net assets in other equity and/or equity-related transferable securities and Permitted Funds, including money market instruments, cash and money market funds for the purposes of cash management. Such other equity and equity-related transferable securities may include other PRC equity securities (either directly or indirectly), H-Shares listed on the Hong Kong Stock Exchange as well as common stock, preferred stock (convertible and non-convertible), warrants and other rights to acquire stock, ADRs, EDRs and GDRs traded on exchanges or on the over the counter markets set out in Appendix D. Preferred stock typically embeds an option and leverage, which is not expected to be material. The Fund may invest up to 10% of its net assets in Permitted Funds to the extent that such investment is consistent with its investment policy and restrictions and may not invest in Permitted Funds that allow leverage, as this may result in losses exceeding the net asset value (NAV) of the portfolio of the Permitted Fund. The Fund may invest in P-Notes in both listed and unlisted form, to assist in obtaining and maintaining desired market exposure which will not embed

leverage or derivatives. The Fund will invest on a long-only basis and will not take synthetic short positions.

The reference benchmark for the Fund is the MSCI China A Onshore Index (Total Return Net) (the “**Benchmark**”). The Benchmark captures large and mid-cap representation across Chinese securities listed on the Shanghai and Shenzhen exchanges. Further information on the Benchmark can be found at [www.msci.com](http://www.msci.com). Investors should note that the Fund will be actively managed and does not intend to track the Benchmark. However, the Benchmark (including its risk metrics, such as volatility) is considered, alongside the factors described above, by the Investment Adviser as part of the investment process. In particular, the Investment Adviser may set discretionary internal risk thresholds which may reference deviations from the Benchmark. However, there are no restrictions on the extent to which the Fund’s performance may deviate from that of the Benchmark. For the avoidance of doubt, the Investment Adviser has full discretion over the composition of the Fund’s portfolio and it may take exposures that are not included in the Benchmark and / or are in different weightings from that of the Benchmark.

The Fund may also use financial derivative instruments for investment, hedging and efficient portfolio management purposes, namely foreign currency forward contracts, foreign exchange spot transactions, index futures and option contracts (on equity securities and markets) and swaps (including equity swaps and total return swaps). For further information on the use of financial derivative instruments and associated risks, please refer to the “*Financial Derivative Instruments*” and “*Risk Considerations*” sections above.

The Fund may hold ancillary liquid assets.

The Investment Adviser may use the securities financing techniques listed in the table below, subject to the conditions and limits set out in the Central Bank UCITS Regulations, with respect to, amongst other things, equity securities, markets and other permitted investments. The Fund’s exposure to securities financing techniques is as 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 will not exceed a proportion of the Fund’s net asset value indicated below.	The principal amount of the Fund’s assets that can be subject to the transaction may represent up to a maximum of the proportion of the Fund’s net asset value indicated below.
Total return swaps	0%	50%
Repurchase, including reverse repurchase, transactions	0%	50%
Securities lending transactions	0%	15%

Repurchase agreements, reverse repurchase agreements and securities lending agreements will only be used for efficient portfolio management purposes.

Investors’ attention is drawn to the details of the fees and expenses payable by the Company out of the assets of the Funds set out in the section entitled “Fees and Expenses” in the Prospectus. The Fund may retain such amounts as the Directors consider appropriate to maintain a liquid portfolio of cash, deposits, money market instruments and Government Securities denominated in Renminbi, U.S. Dollars or other major international currencies for the purposes of paying such fees and expenses. Such retained funds may not be invested via the GSAMI QFI license, and as such, in times of rising PRC security values, the portion of the Fund’s assets retained in cash may represent a drag on the performance of the Fund and, conversely, in times of falling PRC security values may cause the Fund to perform better than might otherwise have been the case had a greater investment been made via the GSAMI QFI license.

#### *Sustainability Risks*

The Fund 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 Fund, 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 Fund and could have a material impact on the performance and returns of the Fund.

The Investment Adviser may integrate sustainability risks in its investment decision making process through the consideration of certain environmental, social and governance matters which may include (without limitation) carbon intensity and emissions profiles, workplace health and safety and cyber risk, stakeholder relations, employee relations, board structure and management incentives.

Sustainability risks may be considered across the investment process as appropriate, by reference to the investment strategy and factors such as the asset classes and sectors within the Fund, alongside other factors to assess their potential impact on the quality of a particular investment. The Investment Adviser may utilise proprietary and/or third-party tools and research to assess and monitor sustainability risks that are relevant to the Fund, which may also be informed by the Investment Adviser's engagement with issuers.

### **3 Shares Classes**

The Fund currently offers classes of Shares across 8 categories: P, Base, IC, I, R, IO, E, and IS. Within each category, there are accumulation Shares and four types of distribution shares (monthly, quarterly, semi-annually and annually). Within each category, there are Shares denominated in each Available Currency. Within each category and for classes denominated other than in the Base Currency, there are Currency Hedged Share Classes (indicated by "Hedged" in the name) and unhedged classes (with no particular hedging designation in the name).

The Currency Hedged Share Classes apply either the NAV Hedge or Portfolio Hedge methodology, as described in more detail under "*Hedging Strategies - Currency Hedging at Share Class Level*" in the Prospectus. Share classes which apply either the NAV Hedge or Portfolio Hedge methodology can be identified by the inclusion of reference to either NAV Hedged or Portfolio Hedged in the name of the relevant class.

The Share class can be identified from the name of Share class. For example, the Base Class (Dist) (Q) (EUR) Shares are in the Base category, are denominated in EUR, are unhedged and are quarterly distributing. The sole exception to this is that the names of Share classes denominated in USD do not contain reference to the currency (on the basis that it is the Base Currency). For example, the Base Class (Dist) (A) Shares are in the Base category, are denominated in USD and are annually distributing.

R Class Shares are available to a) financial intermediaries appointed to effect sales of Shares and which, according to applicable regulatory requirements, are not permitted to receive fees, commissions or non-monetary benefits other than from their underlying clients (in the EU this will include financial intermediaries providing discretionary portfolio management or investment advice on an independent basis); and b) financial intermediaries rendering non-independent advice and which according to individual fee arrangements with their clients are not permitted to receive fees, commissions or non-monetary benefits from third parties.

Due to the fee structure of the IO Class Shares it is currently intended that the offering of such Shares will be limited to certain investors who pay compensation to Goldman Sachs through investment management or other agreements or otherwise outside the fees paid by the Company. Such Shares generally will not be available to other investors.

## Base Currency

The Base Currency of the Fund shall be U.S. Dollar.

## Profile of a Typical Investor

The Fund is suitable for retail and professional investors seeking to achieve capital growth through exposure to China A-share equity securities, subject to compliance with applicable legal and regulatory requirements in the relevant jurisdiction(s).

## 4 Dealing in Shares

The procedures for the subscription and redemption of Shares are described in the Prospectus and are supplemented by the following.

A Business Day for the Fund is a day on which banks are open for business in the PRC, Hong Kong, Dublin and London. Each Business Day is a Dealing Day.

The initial offer period for any Share Class in the Fund which has not already launched runs from 9:00 am Irish time on 3 January 2023 to the Subscription Cut-Off Time on 30 June 2023 or such earlier or later time as the Directors may determine.

The initial offer price for Shares in the Fund is USD 10 or the Class Currency equivalent, as applicable.

The Subscription Cut-Off and Redemption Cut-Off are 2:00pm Central European time on the relevant Dealing Day.

The minimum investment amount in the Base Currency for each class of Shares is set out below, with the Class Currency equivalent applying in the case of classes denominated in other currencies:

Share Class	Minimum Investment
P Class Shares	50,000
Base Class Shares	5,000
IC Class Shares	20,000,000
I Class Shares	1,000,000
R Class Shares	5,000
IO Class Shares	1,000,000
E Class Shares	1,500
IS Class Shares	500,000,000

## 5 Valuation

The assets of the Fund shall be valued as described in the Prospectus. The Valuation Point for the Fund is 16:00 CET on the relevant Valuation Day or such other time as the Directors may in their discretion determine and notify to Shareholders. Where such change is permanent, this Supplement will be updated, and Shareholders notified, in advance. For the avoidance of doubt, the Valuation Point for a particular Dealing Day shall not be before the Subscription Cut-Off and Redemption Cut-Off relevant to such Dealing Day.

## 6 Risk Considerations

The Directors consider that it is important that potential shareholders are aware of the risks of investing and, therefore, without prejudice to any other disclosure contained in this Prospectus, would underline the following matters:

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- **The Fund invests in an emerging market. This means the value of the Shares could be highly volatile and entail a high risk of loss, including total loss;**
- **Under the Investment Regulations, there is no explicit limitation on number of PRC securities brokers per Exchange can be appointed. However, in practice, the Fund may or may not elect to use multiple brokers at an Exchange, if it reasonably believes it is in the best interest of the Fund and the Shareholders;**
- **The law relating to the taxation treatment of the Fund's investments remains unclear in parts and the value of the Shares may be impacted by tax liabilities for which no accrual has been made;**
- **There is greater risk than in most other investment funds that the Fund may experience difficulties establishing its right to its assets;**
- **Investment in the Fund is not a substitute for diversification and is intended to be employed as only one component of a portfolio that is diversified based on investments in other, lower risk assets with different risk exposures;**
- **A sales charge may be applied by the Distributor or a Sub-distributor; and**
- **There is no guarantee that the Management Fund, the Investment Adviser or any of the Sub-Investment Advisers will continue to benefit from the GSAMI QFI license nor that, if it does, that the GSAMI QFI license will be made exclusively available to the Fund.**

## 7 Fees and Expenses

Details of the fees and expenses payable by the Fund are set out below and in the "Fees and Expenses" section of the Prospectus.

### ***Investment Management Fee and Operating Expenses Cap***

The Investment Adviser is entitled to receive from the Company a fee (the "**Investment Management Fee**") accruing daily and payable monthly in arrears at the annual rate of up to the rates set out in the table below in the "Investment Management Fee" column. The other fees and expenses of the Fund to be borne by the Shares will be capped (the "**Operating Expenses Cap**") by the Investment Adviser at the percentage per annum of the Net Asset Value set out in the table below in the "Operating Expenses Cap" column.

<b>Class</b>	<b>Investment Management Fee (per annum of net assets)</b>	<b>Operating Expenses Cap (per annum of net assets)</b>
Base Class Shares	1.75%	0.50%
P Class Shares	1.25%	0.50%
R Class Shares	0.85%	0.50%
I Class Shares	0.85%	0.50%
IC Class Shares	0.85%	0.50%
IO Class Shares	Nil †	0.50%
E Class Shares	1.75%	0.50%
IS Class Shares	1.00%	0.50%

† Investors should note that due to the fee structure of the IO Class Shares it is currently intended that the offering of such Shares will be limited to certain investors who pay compensation to Goldman Sachs through investment management or other agreements or otherwise outside the fees paid by the Company. Such Shares generally will not be available to other investors.

Investors should note that, in respect of the E Class Shares, the Distributor will receive a monthly distribution fee payable from the assets of the E Class Shares at a rate of up to 1% per annum on the average daily net assets attributable to the E Class Shares which it may retain or pass on to Sub-distributors in its discretion.

The Investment Adviser will absorb (directly by waiving a portion of its fees or by reimbursement to the account of the Shares), any additional fees, costs or expenses over the Operating Expenses Cap that may arise in respect of the actual cost of establishment, management and operation of the Company attributable to the Shares. The Investment Adviser may from time to time elect to decrease or increase the Operating Expenses Cap by notice to the Company but the Operating Expenses Cap may not be increased above the capped amount set out above without the approval of the holders of the Shares.

The Operating Expenses Cap covers all fees, costs and expenses connected with the establishment, management and operation of the Company attributable to the Shares (other than the Investment Management Fee described above) including, but not limited to, management company, administration, registration, shareholder services, transfer agency, custody, sub-custody and transfer fees, wiring expenses in connection with the payment of redemption proceeds, any out-of-pocket expenses incurred by any of the service providers on behalf of the Company and other fees and expenses incurred in relation to preparing, translating, printing, publishing and distributing the Prospectus, annual and semi-annual reports and other documents to the Shareholders, the costs and expenses of obtaining authorisations or registrations of the Company or of the Shares with any regulatory authority in any jurisdiction, including the fees of local paying agents and representatives, professional fees and expenses, annual audit fees, Directors' fees and expenses, fees and expenses incurred by the Investment Adviser in connection with membership in investment company organisations including but not limited to the investment company institute (the "ICI").

The Operating Expenses Cap excludes withholding, stamp duty or other taxes on the investments of the Company, commissions and brokerage fees incurred with respect to the Company's investments, interest on overdraft facilities and bank charges incurred in negotiating, effecting or varying the terms of such facilities, any commissions charged by intermediaries in relation to an investment in the Shares, and such extraordinary or exceptional costs and expenses (if any) including those incurred by any of the service providers on behalf of the Company as may arise from time to time, such as material litigation in relation to the Company.

The Articles empower the Company to pay total Directors' fees in any year up to such sum as the Directors may from time to time determine and disclose to the Shareholders; the particular fees payable by the Fund are included in the Operating Expenses Cap set out above.

The Investment Adviser will pay the fees of the Sub-Investment Advisers out of the Investment Management Fee and may, in its sole discretion, determine that the Investment Management Fee shall also be paid to or shared with its other affiliates. The Investment Adviser is also entitled to be reimbursed all reasonable out-of-pocket and third party expenses incurred in the performance of its duties.

SFDR Annex

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**APPENDIX A**

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ERISA and the Code impose certain requirements on employee benefit plans to which Title I of ERISA applies, certain other plans (such as individual retirement accounts and Keogh plans) that, although not subject to ERISA, are subject to certain similar rules of the Code and entities whose assets are treated as “plan assets” of any such plans or accounts under ERISA (such plans, entities and accounts, collectively, “Benefit Plan Investors”). ERISA and the Code also impose certain requirements on those persons who are fiduciaries with respect to such Benefit Plan Investors (each a “Fiduciary” and collectively, “Fiduciaries”). In accordance with ERISA’s general fiduciary standards, before investing in a Fund, a Fiduciary should determine whether such an investment is permitted under the instruments governing the Benefit Plan Investor and is appropriate for the Benefit Plan Investor in view of its overall investment policy and the composition and diversification of its portfolio. Moreover, ERISA and the Code require that certain reporting and disclosure be made with respect to “plan assets,” that “plan assets” be held in trust, and that the indicia of ownership of “plan assets” be maintained within the jurisdiction of district courts of the United States. Thus, a Fiduciary considering an investment in a Fund should consult with its legal counsel concerning all the legal implications of investing in a Fund, especially the issues discussed in the following paragraphs. In addition, a Fiduciary should consider whether an investment in a Fund will result in any “unrelated business taxable income” to the Benefit Plan Investor.

Unless statutory or administrative exemptions are available, Section 406 of ERISA and Section 4975 of the Code prohibit a broad range of transactions involving “plan assets” and persons who have certain specified relationships to a Benefit Plan Investor (“parties in interest” within the meaning of ERISA and “disqualified persons” within the meaning of the Code) and impose additional prohibitions on parties in interest and disqualified persons who are Fiduciaries. Certain prospective Benefit Plan Investors may currently maintain relationships with the Investment Adviser and/or other entities that are affiliated with the Company, and, as a result, one or more of such entities may be deemed to be a “party in interest” or “disqualified person” with respect to (including a Fiduciary of) any such prospective Benefit Plan Investor.

Section 3(42) of ERISA provides that the underlying assets of an entity will not be treated as “plan assets” subject to Title I of ERISA or Section 4975 of the Code if, immediately after the most recent acquisition of any equity interest in the entity, whether or not from the entity, less than 25% of the total value of each class of equity interests in the entity is held by Benefit Plan Investors (disregarding for this purpose any equity interests held by any person (other than a Benefit Plan Investor) who has discretionary authority or control with respect to the assets of the entity or any person who provides investment advice for a fee with respect to the entity’s assets, or any affiliate of such a person other than a Benefit Plan Investor). In addition, under Section 3(42) of ERISA, an entity in which Benefit Plan Investors exceed the 25% limit is considered to hold “plan assets”, but only to the extent of the percentage of the equity interests in the entity held by such Benefit Plan Investors. The Company expects that investment in each of the Funds by Benefit Plan Investors will be below the 25% limit described above and that the Funds should not therefore be treated as holding “plan assets” subject to Title I of ERISA or Section 4975 of the Code.

The Company reserves the right to exclude Benefit Plan Investors and other employee benefit plan investors from, or limit investments by such investors in, any of the Funds (including, without limitation, by rejecting subscriptions for Shares by, or transfers of any Shares to, any such investors or by requiring any such investors to terminate their interests in any of the Funds in whole or in part at any time) if the Company determines that participation or continued participation by any such investors causes or could cause any of the Funds to be or continue to be treated as holding “plan assets” subject to Title I of ERISA, Section 4975 of the Code or similar laws or regulations, or for any other reason in its sole discretion.

In the event that any of the Funds at any time are treated as holding “plan assets”, it would mean (among other things) that such assets would be subject to the reporting and disclosure rules of Title I of ERISA and Section 4975 of the Code, might mean that the Fiduciary who decided to invest in that Fund had improperly delegated asset management responsibility and might mean that certain aspects related to the investment in the Fund (including, without limitation, the operation of the Fund, the holding of the

assets of the Fund and the functions of the Investment Adviser) could result in prohibited transactions under Title I of ERISA and Section 4975 of the Code.

The availability of a prohibited transaction exemption issued by the U.S. Department of Labor to a transaction involving the Company does not necessarily mean that all related requirements of ERISA or the Code are met with respect to the Company and its operations or the Investment Adviser or the Investment Adviser and their functions.

Employee benefit plan investors that are not subject to requirements of ERISA and the Code discussed above, such as governmental plans (as defined in Section 3(32) of ERISA), may be subject to materially similar provisions of other applicable U.S. federal or state law or may be subject to other legal restrictions on their ability to invest in the Company. Accordingly, any such plans and the fiduciaries of such plans should consult with their legal counsel concerning all the legal implications of investing in the Company.

**The Company's sale of Shares to Benefit Plan Investors and other employee plan investors is in no respect a representation or warranty by the Company, the Investment Adviser, the Investment Adviser or any of their affiliates (including, without limitation, Goldman Sachs & Co. LLC), or by any other person associated with the sale of the Shares, that the investment by such investors meets all relevant legal requirements applicable to such investors generally or to any particular investor, or that the investment is otherwise appropriate for such investors generally or for any particular investor.**

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**APPENDIX B**

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**Potential Conflicts of Interest****General Categories of Conflicts Associated with the Company**

The Company has (directly, through the Management Company and its delegates) appointed Goldman Sachs (which, for purposes of this “*Potential Conflicts of Interest*” section, shall mean, collectively, The Goldman Sachs Group, Inc., the Management Company, the Investment Adviser and their affiliates, directors, partners, trustees, managers, members, officers and employees) to provide a number of services to the Company and relies on Goldman Sachs to act in accordance with the Management Company’s conflicts of interest policy. Goldman Sachs is a worldwide, full-service investment banking, broker-dealer, asset management and financial services organization and a major participant in global financial markets. As such, Goldman Sachs provides a wide range of financial services to a substantial and diversified client base that includes corporations, financial institutions, governments and high net-worth individuals. Goldman Sachs acts as an investment banker, research provider, investment adviser, financier, adviser, market maker, prime broker, derivatives dealer, lender, counterparty, agent, principal and investor. In those and other capacities, Goldman Sachs advises clients in all markets and transactions and purchases, sells, holds and recommends a broad array of investments, including securities, derivatives, loans, commodities, currencies, credit default swaps, indices, baskets and other financial instruments and products, for its own account and for the accounts of clients and of its personnel, through client accounts and the relationships and products it sponsors, manages and advises. Goldman Sachs has direct and indirect interests in the global fixed income, currency, commodity, equities, bank loan and other markets, and the securities and issuers, in which the Company may directly and indirectly invest. As a result, Goldman Sachs’ activities and dealings may affect the Company in ways that may disadvantage or restrict the Company and/or benefit Goldman Sachs or other Accounts. “Accounts” means Goldman Sachs’ own accounts, accounts in which personnel of Goldman Sachs have an interest, accounts of Goldman Sachs’ clients, including separately managed accounts (or separate accounts), and pooled investment vehicles that Goldman Sachs sponsors, manages or advises, including the Company. In managing conflicts of interest that may arise as a result of the foregoing, GSAM generally will be subject to fiduciary requirements.

The following are descriptions of certain conflicts of interest and potential conflicts of interest that may be associated with the financial or other interests that the Management Company, the Investment Adviser and Goldman Sachs may have in transactions effected by, with, and on behalf of the Company. They are not, and are not intended to be, a complete enumeration or explanation of all of the potential conflicts of interest that may arise. In addition, Goldman Sachs’ activities on behalf of certain other entities that are not investment advisory clients of Goldman Sachs may create conflicts of interest between such entities, on the one hand, and Accounts (including the Company), on the other hand, that are the same as or similar to the conflicts that arise between the Company and other Accounts, as described herein. See Item 7 (“*Types of Clients*”) of the Investment Adviser’s Form ADV. The conflicts herein do not purport to be a complete list or explanation of the conflicts associated with the financial or other interests GSAM or Goldman Sachs may have now or in the future. Additional information about potential conflicts of interest regarding the Management Company, the Investment Adviser and Goldman Sachs is set forth in the Investment Adviser’s Form ADV, which prospective Shareholders should review prior to purchasing Shares. A copy of Part 1 and Part 2A of the Investment Adviser’s Form ADV is available on the SEC’s website ([www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov)). By having made an investment in a fund, a Shareholder is deemed to have assented to the potential conflicts of interest relating to Goldman Sachs and to the operations of the fund in the face of such conflicts.

**The Sale of Shares and the Allocation of Investment Opportunities*****Goldman Sachs’ Financial and Other Interests May Incentivize Goldman Sachs to Promote the Sale of Shares***

Goldman Sachs and its personnel have interests in promoting sales of Shares in the Company, and the compensation from such sales may be greater than the compensation relating to sales of interests in other Accounts. Therefore, Goldman Sachs and its personnel may have a financial interest in promoting Shares in the Company over interests in other Accounts.

The Management Company and the Investment Adviser may simultaneously manage Accounts for which they receive greater fees or other compensation (including performance-based fees or allocations) than they receive in respect of the Company. The simultaneous management of Accounts that pay greater fees or other compensation and the Company may create a conflict of interest as the Investment Adviser or the Management Company may have an incentive to favour Accounts with the potential to receive greater fees. For example, the Investment Adviser or the Management Company may be faced with a conflict of interest when allocating scarce investment opportunities given the possibly greater fees from Accounts that pay performance-based fees. To address these types of conflicts, the Management Company and the Investment Adviser have adopted policies and procedures under which they will allocate investment opportunities in a manner that they believe is consistent with their respective obligations as management company and fiduciary duties as an investment adviser. See “—*Allocation of Investment Opportunities and Expenses Among the Company and Other Accounts*” below. However, the availability, amount, timing, structuring or terms of an investment by the Company may differ from, and performance may be lower than, the investments and performance of other Accounts.

*Sales Incentives and Related Conflicts Arising from Goldman Sachs’ Financial and Other Relationships with Intermediaries*

Goldman Sachs and its personnel, including employees of the Management Company and Investment Adviser, may receive benefits and earn fees and compensation for services provided to Accounts (including the Company) and in connection with the distribution of the Company. Any such fees and compensation may be paid directly or indirectly out of the fees payable to the Investment Adviser or the Management Company in connection with the management of such Accounts (including the Company). Moreover, Goldman Sachs and its personnel, including employees of the Management Company and the Investment Adviser, may have relationships (both involving and not involving the Company, and including without limitation placement, brokerage, advisory and board relationships) with distributors, consultants and others who recommend, or engage in transactions with or for, the Company. Such distributors, consultants and other parties may receive compensation from Goldman Sachs or the Company in connection with such relationships. As a result of these relationships, distributors, consultants and other parties may have conflicts that create incentives for them to promote the Company.

Without prejudice to applicable inducement rules, Goldman Sachs and the Company may make payments to authorized dealers and other financial intermediaries and to salespersons to promote the Company. These payments may be made out of Goldman Sachs’ assets or amounts payable to Goldman Sachs. These payments may create an incentive for such persons to highlight, feature or recommend the Company.

*Allocation of Investment Opportunities and Expenses Among the Company and Other Accounts*

The Management Company and the Investment Adviser may manage or advise multiple Accounts (including Accounts in which Goldman Sachs and its personnel have an interest) that have investment objectives that are the same or similar to the Company and that may seek to make investments or sell investments in the same securities or other instruments, sectors or strategies as the Company. This may create potential conflicts, particularly in circumstances where the availability or liquidity of such investment opportunities is limited (e.g., in local and emerging markets, high yield securities, fixed income securities, regulated industries, real estate assets, primary investments and secondary interests in alternative private investment funds, direct or indirect investments in and co-investments alongside private investment funds, investments in master limited partnerships in the oil and gas industry and initial public offerings/new issues).

To address these potential conflicts, the Management Company and the Investment Adviser have developed allocation policies and procedures that provide that Goldman Sachs and the Investment Adviser’s personnel making portfolio decisions for Accounts will make investment decisions for, and allocate investment opportunities among, such Accounts consistent with the Management Company’s and the Investment Adviser’s fiduciary obligations. These policies and procedures may result in the pro rata allocation (on a basis determined by the Management Company or the Investment Adviser) of limited opportunities across eligible Accounts managed by a particular portfolio management team, but in other cases such allocation may not be pro rata.

Allocation-related decisions for the Company and other Accounts may be made by reference to one or more factors, including without limitation: the Account's portfolio and its investment horizons, objectives, guidelines and restrictions (including legal and regulatory restrictions affecting certain Accounts or affecting holdings across Accounts); client instructions; strategic fit and other portfolio management considerations, including different desired levels of exposure to certain strategies; the expected future capacity of the Company and the applicable Accounts; limits on the Investment Adviser's brokerage discretion; cash and liquidity needs and other considerations; and the availability of other appropriate or substantially similar investment opportunities; and differences in benchmark factors and hedging strategies among Accounts. Suitability considerations, reputational matters and other considerations may also be considered.

In a case in which one or more Accounts are intended to be the Investment Adviser's primary investment vehicles focused on, or to receive priority with respect to, a particular trading strategy, other Accounts (including the Company) may not have access to such strategy or may have more limited access than would otherwise be the case. To the extent that such Accounts are managed by areas of Goldman Sachs other than the Investment Adviser, such Accounts will not be subject to the Investment Adviser's allocation policies. Investments by such Accounts may reduce or eliminate the availability of investment opportunities to, or otherwise adversely affect, the Company. Furthermore, in cases in which one or more Accounts are intended to be GSAM's primary investment vehicles focused on, or receive priority with respect to, a particular trading strategy or type of investment, such Accounts may have specific policies or guidelines with respect to Accounts or other persons receiving the opportunity to invest alongside such Accounts with respect to one or more investments ("Co-Investment Opportunities"). As a result, certain Accounts or other persons will receive allocations to, or rights to invest in, Co-Investment Opportunities that are not available generally to the Company.

In addition, in some cases the Management Company or the Investment Adviser may make investment recommendations to Accounts that make investment decisions independently of the Management Company or the Investment Adviser. In circumstances in which there is limited availability of an investment opportunity, if such Accounts invest in the investment opportunity at the same time as, or prior to a fund, the availability of the investment opportunity for the Company will be reduced irrespective of the Management Company's or the Investment Adviser's policies regarding allocation of investments. In certain cases, persons or entities who do not have an Account with the Management Company or Investment Adviser may receive allocations of opportunities from the Management Company or Investment Adviser, and be included in the Management Company or Investment Adviser's allocation procedures as if they had an Account with the Management Company or Investment Adviser, even though there is no investment advisory relationship between the Management Company or Investment Adviser and such persons or entities. Such cases include, but are not limited to, certain entities to which the Management Company or Investment Adviser provides various services, including management and other services in relation to their business strategies and operations, certain entities in which Accounts (including the Company) have a direct or indirect interest, certain entities with which Accounts (including the Company) have a business or other relationship, and/or certain entities to which the Management Company or Investment Adviser or their personnel provide investment-related or other services (which may include serving on governing or advisory boards). Such persons or entities may have investment objectives or business strategies that are the same as or similar to the investment objectives or investment program of the Company, and may seek to make or sell investments in the same securities or other instruments, sectors or strategies as the Company. Although a particular investment opportunity may be appropriate for both such a person or entity and the Company (including without limitation if the Company has an interest in or relationship with such person or entity), such opportunity may be allocated in whole or in part to the person or entity that does not have an Account in accordance with Management Company or the Investment Adviser's allocation policies and procedures. In addition, due to regulatory or other considerations, the receipt by the person or entity of an investment opportunity may restrict or limit the ability of the Company to receive an allocation of the same opportunity if the Company has an interest in or relationship with such person or entity.

The Management Company or the Investment Adviser may, from time to time, develop and implement new trading strategies or seek to participate in new trading strategies and investment opportunities. These strategies and opportunities may not be employed in all Accounts or employed pro rata among Accounts where they are used, even if the strategy or opportunity is consistent with the objectives of such Accounts. Further, a trading strategy employed for the Company that is similar to, or the same as, that of another Account may be implemented differently, sometimes to a material extent. For example,

the Company may invest in different securities or other assets, or invest in the same securities and other assets but in different proportions, than another Account with the same or similar trading strategy. The implementation of the Company's trading strategy will depend on a variety of factors, including the portfolio managers involved in managing the trading strategy for the Account, the time difference associated with the location of different portfolio management teams, and the factors described above and in Item 6 ("*PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT—Side-by-Side Management of Advisory Accounts; Allocation of Opportunities*") of the Investment Adviser's Form ADV.

During periods of unusual market conditions, the Management Company or the Investment Adviser may deviate from their normal trade allocation practices. For example, this may occur with respect to the management of unlevered and/or long-only Accounts that are typically managed on a side-by-side basis with levered and/or long-short Accounts. During such periods, the Management Company or the Investment Adviser will seek to exercise a disciplined process for determining allocations (including to Accounts in which Goldman Sachs and its personnel have an interest).

The Management Company, the Investment Adviser and the Company and GSAM may receive notice of, or offers to participate in, investment opportunities from third parties for various reasons. The Management Company or the Investment Adviser in its sole discretion will determine whether the fund will participate in any such investment opportunities and investors should not expect that the Company will participate in any such investment opportunities unless the opportunities are received pursuant to contractual requirements, such as preemptive rights or rights offerings, under the terms of the fund's investments. Moreover, Goldman Sachs businesses outside of GSAM are under no obligation or other duty to provide investment opportunities to the fund, and generally are not expected to do so. Further, opportunities sourced within particular portfolio management teams within GSAM may not be allocated to Accounts (including a fund) managed by such teams or by other teams. Opportunities not allocated (or not fully allocated) to a fund or other Accounts managed by GSAM may be undertaken by Goldman Sachs (including GSAM), including for Goldman Sachs Accounts, or made available to other Accounts or third parties, and the fund will not receive any compensation related to such opportunities. Additional information about the Investment Adviser's allocation policies is set forth in Item 6 ("*PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT—Side-by-Side Management of Advisory Accounts; Allocation of Opportunities*") of the Investment Adviser's Form ADV.

As a result of the various considerations above, there will be cases in which certain Accounts (including Accounts in which Goldman Sachs and personnel of Goldman Sachs have an interest) receive an allocation of an investment opportunity at times that the Company does not, or when the Company receives an allocation of such opportunities but on different terms than other Accounts (which may be less favorable). The application of these considerations may cause differences in the performance of different Accounts that employ strategies the same or similar to those of the Company.

Multiple Accounts (including the Company) may participate in a particular investment or incur expenses applicable in connection with the operation or management of the Accounts, or otherwise may be subject to costs or expenses that are allocable to more than one Account (which may include, without limitation, research expenses, technology expenses, expenses relating to participation in bondholder groups, restructurings, class actions and other litigation, and insurance premiums). GSAM may allocate investment-related and other expenses on a pro rata or different basis. Certain Accounts are, by their terms or by determination of GSAM, which may be made on a case-by-case basis, not responsible for their share of such expenses, and, in addition, GSAM has agreed with certain Accounts to cap the amount of expenses (or the amount of certain types of expenses) borne by such Accounts, which may result in such Accounts not bearing the full share of expenses they would otherwise have borne as described above. As a result, the Company may be responsible for bearing a different or greater amount of expenses, while other Accounts may not bear any, or do not bear their full share, of such expenses.

## **Management of the Company**

### *Considerations Relating to Information Held by Goldman Sachs*

Goldman Sachs has established certain information barriers and other policies to address the sharing of information between different businesses within Goldman Sachs. As a result of information barriers, neither the Management Company nor the Investment Adviser generally will have access, or they will have limited access, to information and personnel in other areas of Goldman Sachs, and generally will

not manage the Company with the benefit of information held by such other areas. Goldman Sachs, due to its access to and knowledge of funds, markets and securities based on its prime brokerage and other businesses, may make decisions based on information or take (or refrain from taking) actions with respect to interests in investments of the kind held (directly or indirectly) by the Company in a manner that may be adverse to the Company, and will not have any obligation or other duty to share information with the Management Company .

Information barriers also exist between certain businesses within the Management Company and Investment Adviser, and the conflicts described herein with respect to information barriers and otherwise with respect to Goldman Sachs and the Management Company and the Investment Adviser will also apply to the businesses within the Management Company and the Investment Adviser. There may also be circumstances in which, as a result of information held by certain portfolio management teams in the Investment Adviser, the Investment Adviser limits an activity or transaction for the Company, including if the Company is managed by a portfolio management team other than the team holding such information.

In addition, regardless of the existence of information barriers, Goldman Sachs will not have any obligation or other duty to make available for the benefit of the Company any information regarding Goldman Sachs' trading activities, strategies or views, or the activities, strategies or views used for other Accounts. Furthermore, to the extent that the Management Company and the Investment Adviser have access to fundamental analysis and proprietary technical models or other information developed by Goldman Sachs and its personnel, or other parts of the Management Company and the Investment Adviser, they will not be under any obligation or other duty to effect transactions on behalf of Accounts (including the Company) in accordance with such analysis and models. In the event Goldman Sachs, the Management Company or the Investment Adviser elects not to share certain information with the Company, the Company may make investment decisions that differ from those it would have made if Goldman Sachs, the Management Company or the Investment Adviser had provided such information, which may be disadvantageous to the Company.

Different areas of the Management Company, Investment Adviser and Goldman Sachs may take views, and make decisions or recommendations, that are different than other areas of the Management Company, the Investment Adviser and Goldman Sachs. Different portfolio management teams within the Management Company or the Investment Adviser may make decisions based on information or take (or refrain from taking) actions with respect to Accounts they advise in a manner that may be different than or adverse to the Company. Such teams may not share information with the Company's portfolio management teams, including as a result of certain information barriers and other policies, and will not have any obligation or other duty to do so.

Goldman Sachs operates a business known as Goldman Sachs Securities Services ("GSS"), which provides prime brokerage, administrative and other services to clients which may involve investment funds (including pooled investment vehicles and private funds) in which one or more Accounts invest ("Underlying Funds") or markets and securities in which Accounts invest. GSS and other parts of Goldman Sachs have broad access to information regarding the current status of certain markets, investments and funds and detailed information about fund operators that is not available to the Management Company or the Investment Adviser. In addition, Goldman Sachs may act as a prime broker to one or more Underlying Funds, in which case Goldman Sachs will have information concerning the investments and transactions of such Underlying Funds that is not available to the Management Company or the Investment Adviser. As a result of these and other activities, parts of Goldman Sachs may be in possession of information in respect of markets, investments, investment advisers that are affiliated or unaffiliated with Goldman Sachs and Underlying Funds, which, if known to the Management Company or the Investment Adviser, might cause the Management Company or the Investment Adviser to seek to dispose of, retain or increase interests in investments held by Accounts or acquire certain positions on behalf of Accounts, or take other actions. Goldman Sachs will be under no obligation or other duty to make any such information available to the Management Company or the Investment Adviser or personnel involved in decision-making for Accounts (including the Company).

#### *Valuation of the Company's Investments*

The Management Company has appointed the Valuer as its delegate to perform certain valuation services related to securities and assets held in the Company. The Valuer performs such valuation in accordance with the Management Company's valuation policies. The Valuer may value an identical

asset differently than another division or unit within Goldman Sachs values the asset, including because such other division or unit has information or uses valuation techniques and models or other information that it does not share with , or that are different than those of, the Management Company or the Valuer. This is particularly the case in respect of difficult-to-value assets. The Valuer may also value an identical asset differently in different Accounts (e.g., including because different Accounts are subject to different valuation guidelines pursuant to their respective governing agreements, (e.g., in connection with certain regulatory restrictions applicable to different Accounts), different third-party vendors are hired to perform valuation functions for the Accounts or, the Accounts are managed or advised by different portfolio management teams within GSAM, the Management Company or the Investment Adviser) that employ different valuation policies or procedures, or otherwise. The Valuer will face a conflict with respect to valuations generally because of their effect on the fees payable to the Management Company or the Investment Adviser and other compensation.

*Goldman Sachs', the Management Company's and the Investment Adviser's Activities on Behalf of Other Accounts*

The Management Company and the Investment Adviser will be responsible for the day-to-day portfolio management decisions in relation to the Company. The Management Company's and the Investment Adviser's decisions and actions on behalf of the Company may differ from those on behalf of other Accounts. Advice given to, or investment or voting decisions made for, one or more Accounts may compete with, affect, differ from, conflict with, or involve timing different from, advice given to or investment decisions made for the Company.

Goldman Sachs engages in a variety of activities in the global financial markets. The extent of Goldman Sachs' activities in the global financial markets, including without limitation in its capacity as an investment banker, research provider, investment adviser, financier, adviser, market maker, prime broker, derivatives dealer, lender, counterparty, agent, principal and investor, as well as in other capacities, may have potential adverse effects on the Company.

Goldman Sachs (including the Management Company , Investment Adviser and GSAM), the clients it advises, and its personnel have interests in and advise Accounts that have investment objectives or portfolios similar to, related to or opposed to those of the Company. Goldman Sachs may receive greater fees or other compensation (including performance-based fees) from such Accounts than it does from the Company. In addition, Goldman Sachs (including GSAM), the clients it advises, and its personnel may engage (or consider engaging) in commercial arrangements or transactions with the Accounts, and/or may compete for commercial arrangements or transactions in the same types of companies, assets, securities and other instruments as the Company. Decisions and actions of the Management Company or the Investment Adviser on behalf of the Company may differ from those by Goldman Sachs (including GSAM) on behalf of other Accounts, including Accounts sponsored, managed or advised by GSAM. Advice given to, or investment or voting decisions made for, the Company may compete with, affect, differ from, conflict with, or involve timing different from, advice given to, or investment or voting decisions made for, other Accounts, including Accounts sponsored, managed or advised by GSAM.

Transactions by, advice to and activities of Accounts (including with respect to investment decisions, voting and the enforcement of rights) may involve the same or related companies, securities or other assets or instruments as those in which the Company invests, and such Accounts may engage in a strategy while the Company is undertaking the same or a differing strategy, any of which could directly or indirectly disadvantage the Company (including its ability to engage in a transaction or other activities) or the prices or terms at which the Company's transactions or other activities may be effected.

For example, Goldman Sachs may be engaged to provide advice to an Account that is considering entering into a transaction with the Company, and Goldman Sachs may advise the Account not to pursue the transaction with the Company, or otherwise in connection with a potential transaction provide advice to the Account that would be adverse to the Company. Additionally, the Company may buy a security and an Account may establish a short position in that same security or in similar securities. This short position may result in the impairment of the price of the security that the Company holds or may be designed to profit from a decline in the price of the security. The Company could similarly be adversely impacted if it establishes a short position, following which an Account takes a long position in the same security or in similar securities. In addition, Goldman Sachs (including GSAM) may make filings in connection with a shareholder class action lawsuit or similar matter involving a particular security on

behalf of an Account (including the Company), but not on behalf of a different Account (including the Company) that holds or held the same security, or that is invested in or has extended credit to different parts of the capital structure of the same issuer.

To the extent the Company engages in transactions in the same or similar types of securities or other investments as other Accounts, the Company and other Accounts may compete for such transactions or investments, and transactions or investments by such other Accounts may negatively affect the transactions of the Company (including the ability of the Company to engage in such a transaction or investment or other activities), or the price or terms at which the Company's transactions or investments or other activities may be effected. Moreover, the Company, on the one hand, and Goldman Sachs or other Accounts, on the other hand, may vote differently on or take or refrain from taking different actions with respect to the same security, which may be disadvantageous to the Company. Accounts may also have different rights in respect of an investment with the same issuer or unaffiliated investment adviser, or invest in different classes of the same issuer that have different rights, including, without limitation, with respect to liquidity. The determination to exercise such rights by GSAM on behalf of such other Accounts may have an adverse effect on the Company.

Goldman Sachs (including, as applicable, GSAM) and its personnel, when acting as an investment banker, research provider, investment adviser, financier, adviser, market maker, prime broker, derivatives dealer, lender, counterparty or investor, or in other capacities, may advise on transactions, make investment decisions or recommendations, provide differing investment views or have views with respect to research or valuations that are inconsistent with, or adverse to, the interests and activities of the Company. Shareholders may be offered access to advisory services through several different Goldman Sachs advisory businesses (including Goldman Sachs & Co. LLC and GSAM). Different advisory businesses within Goldman Sachs manage Accounts according to different strategies and may also apply different criteria to the same or similar strategies and may have differing investment views in respect of a portfolio company or a security, an issuer or a security or other investment. Similarly, within the Investment Adviser, certain investment teams or portfolio managers may have differing or opposite investment views in respect of an issuer or a security, and the positions the Company's investment team or portfolio managers take in respect of the Company may be inconsistent with, or adversely affected by, the interests and activities of the Accounts advised by other investment teams or portfolio managers of the Investment Adviser. Research, analyses or viewpoints may be available to clients or potential clients at different times. Goldman Sachs will not have any obligation or other duty to make available to the Company any research or analysis prior to its public dissemination. The Management Company or the Investment Adviser is responsible for making investment decisions on behalf of the fund, and such investment decisions can differ from investment decisions or recommendations by Goldman Sachs on behalf of other Accounts. Goldman Sachs, on behalf of one or more Accounts, may implement an investment decision or strategy ahead of, or contemporaneously with, or behind similar investment decisions or strategies made for the Company (whether or not the investment decisions emanate from the same research analysis or other information). The relative timing for the implementation of investment decisions or strategies for Accounts (including Accounts sponsored, managed or advised by GSAM), on the one hand, and the Company, on the other hand, may disadvantage the Company. Certain factors, for example, market impact, liquidity constraints or other circumstances, could result in the Company receiving less favorable trading results or incurring increased costs associated with implementing such investment decisions or strategies, or being otherwise disadvantaged.

The Investment Adviser has adopted a Code of Ethics (the "Code of Ethics") under Rule 204A-1 of the Advisers Act designed to provide that personnel of the Investment Adviser, and certain additional Goldman Sachs personnel who support the Investment Adviser, comply with applicable federal securities laws and place the interests of clients first in conducting personal securities transactions. The Code of Ethics imposes certain restrictions on securities transactions in the personal accounts of covered persons to help avoid conflicts of interest. Subject to the limitations of the Code of Ethics, covered persons may buy and sell securities or other investments for their personal accounts, including investments in the Company, and may also take positions that are the same as, different from, or made at different times than, positions taken directly or indirectly for the Company. Additionally, all Goldman Sachs personnel, including personnel of the Investment Adviser, are subject to firm-wide policies and procedures regarding confidential and proprietary information, information barriers, private investments, outside business activities and personal trading.

### *Potential Conflicts Relating to Follow-On Investments*

From time to time, the Investment Adviser may provide opportunities to Accounts (including potentially the Company) to make investments in companies in which certain Accounts have already invested. Such follow-on investments can create conflicts of interest, such as the determination of the terms of the new investment and the allocation of such opportunities among Accounts (including the Company). Follow-on investment opportunities may be available to the Company notwithstanding that the Company has no existing investment in the issuer, resulting in the assets of the Company potentially providing value to, or otherwise supporting the investments of, other Accounts. Accounts (including the Company) may also participate in releveraging, recapitalization, and similar transactions involving companies in which other Accounts have invested or will invest. Conflicts of interest in these and other transactions may arise between Accounts (including the Company) with existing investments in a company and Accounts making subsequent investments in the company, which may have opposing interests regarding pricing and other terms. The subsequent investments may dilute or otherwise adversely affect the interests of the previously-invested Accounts (including the Company).

### *Diverse Interests of Shareholders*

The various types of investors in and beneficiaries of the Company, including to the extent applicable the Investment Adviser and its affiliates, may have conflicting investment, tax and other interests with respect to their interest in the Company. When considering a potential investment for the Company, the Investment Adviser will generally consider the investment objectives of the Company, not the investment objectives of any particular investor or beneficiary. The Investment Adviser may make decisions, including with respect to tax matters, from time to time that may be more beneficial to one type of investor or beneficiary than another, or to the Investment Adviser and its affiliates than to investors or beneficiaries unaffiliated with the Investment Adviser. In addition, Goldman Sachs may face certain tax risks based on positions taken by the Company, including as a withholding agent. Goldman Sachs reserves the right on behalf of itself and its affiliates to take actions adverse to the Company or other Accounts in these circumstances, including withholding amounts to cover actual or potential tax liabilities.

### *Strategic Arrangements*

GSAM may enter into strategic relationships with existing investors in Accounts or third parties that, although intended to be complementary to certain Accounts (including the Company), may require Accounts to share investment opportunities or otherwise limit the amount of an investment opportunity the Accounts can otherwise take. Moreover, such relationships may include terms that are more favorable than the terms given to the other investors in the Company, such as the opportunity to invest in Accounts (including the Company) or specific investments on a reduced fee or no-fee basis.

### *Selection of Service Providers*

The Company expects to engage service providers (including attorneys and consultants) that may also provide services to Goldman Sachs and other Accounts. The Management Company and the Investment Adviser intend to select these service providers based on a number of factors, including expertise and experience, knowledge of related or similar products, quality of service, reputation in the marketplace, relationships with the Management Company and the Investment Adviser, Goldman Sachs or others, and price. These service providers may have business, financial, or other relationships with Goldman Sachs (including its personnel), including being a portfolio company of GSAM, Goldman Sachs, or an Account. These relationships may or may not influence the Management Company and the Investment Adviser's selection of these service providers for the Company. In such circumstances, there may be a conflict of interest between Goldman Sachs (acting on behalf of the Company) and the Company if the Company determines not to engage or continue to engage these service providers. Notwithstanding the foregoing, the selection of service providers for the Company will be conducted in accordance with the Management Company and the Investment Adviser's fiduciary obligations to the Company. The service providers selected by the Management Company and the Investment Adviser may charge different rates to different recipients based on the specific services provided, the personnel providing the services, the complexity of the services provided, or other factors. As a result, the rates paid with respect to these service providers by the Company, on the one hand, may be more or less favorable than the rates paid by Goldman Sachs, including GSAM, on the other hand. In addition, the

rates paid by GSAM or the Company, on the one hand, may be more or less favorable than the rates paid by other parts of Goldman Sachs or Accounts managed by other parts of Goldman Sachs, on the other hand. Goldman Sachs (including GSAM) and/or Accounts may hold investments in companies that provide services to entities in which the Company invests generally, and, subject to applicable law, GSAM may refer or introduce such companies' services to entities that have issued securities held by the Company.

#### *Goldman Sachs May In-Source or Outsource*

Subject to applicable law, Goldman Sachs, including the Management Company and/or the Investment Adviser, may from time to time and without notice to investors in-source or outsource certain processes or functions in connection with a variety of services that it provides to the Company in its administrative or other capacities. Such in-sourcing or outsourcing may give rise to additional conflicts of interest.

#### *Distributions of Assets Other Than Cash*

With respect to Company redemptions, the Company may, in certain circumstances, have discretion to decide whether to permit or limit redemptions and whether to make distributions in connection with redemptions in the form of securities or other assets, and in such case, the composition of such distributions. In making such decisions, the Management Company or the Investment Adviser may have a potentially conflicting division of loyalties and responsibilities to redeeming investors and remaining investors.

### **Goldman Sachs May Act in a Capacity Other Than The Management Company and The Investment Adviser to the Company**

#### *Investments in Different Parts of an Issuer's Capital Structure*

Goldman Sachs (including GSAM) or Accounts, on the one hand, and the Company, on the other hand, may invest in or extend credit to different parts of the capital structure of a single issuer. As a result, Goldman Sachs (including GSAM) or Accounts may take actions that adversely affect the Company. In addition, Goldman Sachs (including GSAM) may advise Accounts with respect to different parts of the capital structure of the same issuer, or classes of securities that are subordinate or senior to securities, in which the Company invests. Goldman Sachs (including GSAM) may pursue rights, provide advice or engage in other activities, or refrain from pursuing rights, providing advice or engaging in other activities, on behalf of itself or other Accounts with respect to an issuer in which the Company has invested, and such actions (or refraining from action) may have a material adverse effect on the Company.

For example, in the event that Goldman Sachs (including GSAM) or an Account holds loans, securities or other positions in the capital structure of an issuer that ranks senior in preference to the holdings of the Company in the same issuer, and the issuer experiences financial or operational challenges, Goldman Sachs (including GSAM), acting on behalf of itself or the Account, may seek a liquidation, reorganization or restructuring of the issuer, or terms in connection with the foregoing, that may have an adverse effect on or otherwise conflict with the interests of the Company's holdings in the issuer. In connection with any such liquidation, reorganization or restructuring, the Company's holdings in the issuer may be extinguished or substantially diluted, while Goldman Sachs (including GSAM) or another Account may receive a recovery of some or all of the amounts due to them. In addition, in connection with any lending arrangements involving the issuer in which Goldman Sachs (including GSAM) or an Account participates, Goldman Sachs (including GSAM) or the Account may seek to exercise its rights under the applicable loan agreement or other document, which may be detrimental to the Company. Alternatively, in situations in which the Company holds a more senior position in the capital structure of an issuer experiencing financial or other difficulties as compared to positions held by other Accounts (which may include those of Goldman Sachs, including GSAM), the Management Company or the Investment Adviser may determine not to pursue actions and remedies that may be available to the Company or enforce particular terms that might be unfavorable to the Accounts holding the less senior position. In addition, in the event that Goldman Sachs (including GSAM) or the Accounts hold voting securities of an issuer in which the Company holds loans, bonds or other credit-related assets or securities, Goldman Sachs (including GSAM) or the Accounts may vote on certain matters in a manner that has an adverse effect on the positions held by the Company. Conversely, the Company may hold voting securities of an issuer in which Goldman Sachs (including GSAM) or Accounts hold credit-related

assets or securities, and the Management Company or the Investment Adviser may determine on behalf of the Company not to vote in a manner adverse to Goldman Sachs (including GSAM) or the Accounts.

These potential issues are examples of conflicts that Goldman Sachs (including GSAM) will face in situations in which the Company, and Goldman Sachs (including GSAM) or other Accounts, invest in or extend credit to different parts of the capital structure of a single issuer. Goldman Sachs (including GSAM) addresses these issues based on the circumstances of particular situations. For example, Goldman Sachs (including GSAM) may determine to rely on information barriers between different Goldman Sachs (including GSAM) business units or portfolio management teams. Goldman Sachs (including GSAM) may determine to rely on the actions of similarly situated holders of loans or securities rather than, or in connection with, taking such actions itself on behalf of the Company.

As a result of the various conflicts and related issues described above and the fact that conflicts will not necessarily be resolved in favor of the interests of the Company, the Company could sustain losses during periods in which Goldman Sachs (including GSAM) and other Accounts (including Accounts sponsored, managed or advised by GSAM) achieve profits generally or with respect to particular holdings in the same issuer, or could achieve lower profits or higher losses than would have been the case had the conflicts described above not existed. The negative effects described above may be more pronounced in connection with transactions in, or the Company's use of, small capitalization, emerging market, distressed or less liquid strategies.

#### *Principal and Cross Transactions*

When permitted by applicable law and their respective policies, the Management Company and the Investment Adviser, acting on behalf of the Company, may enter into transactions in securities and other instruments with or through Goldman Sachs or in Accounts managed by the Management Company or the Investment Adviser or its affiliates, and may (but is under no obligation or other duty to) cause the Company to engage in transactions in which the Management Company or the Investment Adviser act as principal on their own behalf (principal transactions), advise both sides of a transaction (cross transactions) and act as broker for, and receive a commission from, the Company on one side of a transaction and a brokerage account on the other side of the transaction (agency cross transactions). There may be potential conflicts of interest, regulatory issues or restrictions contained in GSAM's internal policies relating to these transactions which could limit the Management Company's or the Investment Adviser's decision to engage in these transactions for the Company. In certain circumstances, such as when Goldman Sachs is the only or one of a few participants in a particular market or is one of the largest such participants, such limitations may eliminate or reduce the availability of certain investment opportunities to the Company or impact the price or terms on which transactions relating to such investment opportunities may be effected.

Cross transactions may also occur in connection with the offering of co-investment opportunities to an Account following the acquisition of an investment by another Account. In these cases, the Account that is offered the co-investment opportunity may purchase a portion of the investment acquired by another Account. The price at which an Account (including the Company) acquires an investment in connection with a co-investment opportunity may be based upon cost and may or may not include an interest component or may reflect adjustments to the value of the investment following acquisition by the selling Account.

In certain circumstances, Goldman Sachs may, to the extent permitted by applicable law, purchase or sell securities on behalf of an Account as a "riskless principal." For instance, Goldman Sachs may purchase securities from a third party with the knowledge that an Account (including the Company) is interested in purchasing those securities and immediately sell the purchased securities to such Account. In addition, in certain instances, an Account (including the Company) may request Goldman Sachs to purchase a security as a principal and issue a participation or similar interest to the Account in order to comply with applicable local regulatory requirements.

Goldman Sachs will have a potentially conflicting division of loyalties and responsibilities to the parties in such transactions, and including with respect to a decision to enter into such transactions as well as with respect to valuation, pricing and other terms. The Management Company and the Investment Adviser have developed policies and procedures in relation to such transactions and conflicts. However, there can be no assurance that such transactions will be effected, or that such transactions will be

effected in the manner that is most favorable to the Company as a party to any such transaction. Cross transactions may disproportionately benefit some Accounts relative to other Accounts, including the Company, due to the relative amount of market savings obtained by the Accounts. Principal, cross or agency cross transactions will be effected in accordance with fiduciary requirements and applicable law (which may include disclosure and consent). By virtue of entering into the Original Account Agreement, a Shareholder consents to the Company entering into principal transactions, cross transactions and agency cross transactions to the fullest extent permitted under applicable law.

#### *Goldman Sachs May Act in Multiple Commercial Capacities*

Goldman Sachs may act as broker, dealer, agent, counterparty, lender or adviser or in other commercial capacities for the Company or issuers of securities held by the Company. Goldman Sachs may be entitled to compensation in connection with the provision of such services, and the Company will not be entitled to any such compensation. Goldman Sachs will have an interest in obtaining fees and other compensation in connection with such services that are favourable to Goldman Sachs, and in connection with providing such services may take commercial steps in its own interests or may advise the parties to which it is providing services, or take other actions, any of which may have an adverse effect on the Company. For example, Goldman Sachs may require repayment of all or part of a loan from a company in which an Account (including the Company) holds an interest, which could cause the company to default or be required to liquidate its assets more rapidly, which could adversely affect the value of the company and the value of the Account invested therein. Goldman Sachs may also advise such a company to make changes to its capital structure the result of which would be a reduction in the value or priority of a security held (directly or indirectly) by the Company. Actions taken or advised to be taken by Goldman Sachs in connection with other types of transactions may also result in adverse consequences for the Company. Goldman Sachs may also provide various services to companies in which the Company has an interest, or to the Company, which may result in fees, compensation and remuneration, as well as other benefits, to Goldman Sachs. Such fees, compensation and remuneration as well as other benefits may be substantial. Providing services to the Company and companies in which the Company invests may enhance Goldman Sachs' relationships with various parties, facilitate additional business development and enable Goldman Sachs to obtain additional business and generate additional revenue.

Goldman Sachs' activities on behalf of its clients may also restrict investment opportunities that may be available to the Company. For example, Goldman Sachs is often engaged by companies as a financial advisor, or to provide financing or other services, in connection with commercial transactions that may be potential investment opportunities for the Company. There may be circumstances in which the Company is precluded from participating in such transactions as a result of Goldman Sachs' engagement by such companies. Goldman Sachs reserves the right to act for these companies in such circumstances, notwithstanding the potential adverse effect on the Company. Goldman Sachs may also represent creditor or debtor companies in proceedings under Chapter 11 of the U.S. Bankruptcy Code (and equivalent non-U.S. bankruptcy laws) or prior to these filings. From time to time, Goldman Sachs may serve on creditor or equity committees. These actions, for which Goldman Sachs may be compensated, may limit or preclude the flexibility that the Company may otherwise have to buy or sell securities issued by those companies, as well as certain other assets. Please also see "*—Management of the Company —Considerations Relating to Information Held by Goldman Sachs*" above and "*—Potential Limitations and Restrictions on Investment Opportunities and Activities of Goldman Sachs and the Company*" below.

Subject to applicable law, the Management Company or the Investment Adviser may cause the Company to invest in securities, bank loans or other obligations of companies affiliated with or advised by Goldman Sachs or in which Goldman Sachs or Accounts have an equity, debt or other interest, or to engage in investment transactions that may result in Goldman Sachs or other Accounts being relieved of obligations or otherwise divested of investments. For example, the Company may acquire securities or indebtedness of a company affiliated with Goldman Sachs directly or indirectly through syndicate or secondary market purchases, or may make a loan to, or purchase securities from, a company that uses the proceeds to repay loans made by Goldman Sachs. These activities by the Company may enhance the profitability of Goldman Sachs or other Accounts with respect to their investment in and activities relating to such companies. The Company will not be entitled to compensation as a result of this enhanced profitability.

Subject to applicable law, Goldman Sachs (including the Management Company and the Investment Adviser) and Accounts (including Accounts formed to facilitate investment by Goldman Sachs personnel) may also invest in or alongside the Company. These investments may be on terms more favourable than those of other Shareholders and may constitute substantial percentages of the Company, and may result in the Company being allocated a smaller share of the investment than would be the case absent the side-by-side investment. Unless provided otherwise by agreement to the contrary, Goldman Sachs or Accounts may redeem interests in the Company at any time without notice to Shareholders or regard to the effect on the Company's portfolio, which may be adversely affected by any such redemption. Substantial requests for redemption by Goldman Sachs in a concentrated period of time could require the Company to liquidate certain of its investments more rapidly than otherwise desirable in order to raise cash to fund the redemptions, adversely affecting the Company and the Shareholders. For example, due to the requirements of the Volcker Rule and other requirements of the BHCA, Goldman Sachs and certain Goldman Sachs personnel have disposed of, and continue to dispose of, investments in certain pooled investment vehicles, including through redemptions, which have been and may continue to be substantial and have the adverse effects described above. See "*Potential Limitations and Restrictions on Investment Opportunities and Activities of Goldman Sachs and the Company*" below.

Goldman Sachs (including the Management Company and the Investment Adviser) may create, write, sell, issue, invest in or act as placement agent or distributor of derivative instruments related to the Company, or with respect to underlying securities or assets of the Company, or which may be otherwise based on or seek to replicate or hedge the performance of the Company. Such derivative transactions, and any associated hedging activity, may differ from and be adverse to the interests of the Company.

Goldman Sachs may make loans to, or enter into margin, asset-based or other credit facilities or similar transactions with clients, companies or individuals that may (or may not) be secured by publicly or privately held securities or other assets, including a client's Shares in the Company. Some of these borrowers may be public or private companies, or founders, officers or shareholders in companies in which the Company (directly or indirectly) invests, and such loans may be secured by securities of such companies, which may be the same as, *pari passu* with, or more senior or junior to, interests held (directly or indirectly) by the Company. In connection with its rights as lender, Goldman Sachs may act to protect its own commercial interest and may take actions that adversely affect the borrower, including by liquidating or causing the liquidation of securities on behalf of a borrower or foreclosing and liquidating such securities in Goldman Sachs' own name. Such actions may in turn adversely affect the Company (e.g., if the borrower rapidly liquidated a large position in a security that is held by the Company is liquidated, among the other potential adverse consequences, the value of such security may decline rapidly and the Company may in turn decline in value or may be unable to liquidate its positions in such security at an advantageous price or at all). See "*Goldman Sachs May Act in a Capacity Other Than The Management Company and The Investment Adviser to the Company—Investments in Different Parts of an Issuer's Capital Structure*." In addition, Goldman Sachs may make loans to Shareholders or enter into similar transactions that are secured by a pledge of, or mortgage over, a Shareholder's Shares, which would provide Goldman Sachs with the right to redeem such Shares in the event that such Shareholder defaults on its obligations. These transactions and related redemptions may be significant and may be made without notice to the Shareholders.

### **Proxy Voting by the Management Company and the Investment Adviser**

The Management Company and the Investment Adviser have implemented processes designed to prevent conflicts of interest from influencing proxy voting decisions that they make on behalf of advisory clients, including the Company, and to help ensure that such decisions are made in accordance with its fiduciary obligations to their clients. Notwithstanding such proxy voting processes, proxy voting decisions made by the Management Company or the Investment Adviser in respect of securities held by the Company may benefit the interests of Goldman Sachs and /or Accounts other than the Company.

### **Potential Limitations and Restrictions on Investment Opportunities and Activities of Goldman Sachs and the Company**

The Management Company and the Investment Adviser may restrict their investment decisions and activities on behalf of the Company in various circumstances, including as a result of applicable regulatory requirements, information held by GSAM or Goldman Sachs, Goldman Sachs' roles in

connection with other clients and in the capital markets (including in connection with advice it may give to such clients or commercial arrangements or transactions that may be undertaken by such clients or by Goldman Sachs), Goldman Sachs' internal policies and/or potential reputational risk or disadvantage to in connection with Accounts (including the Company). The Management Company and the Investment Adviser might not engage in transactions or other activities for, or enforce certain rights in favour of, the Company due to Goldman Sachs' activities outside the fund and regulatory requirements, policies and reputational risk assessments.

In addition, the Management Company and the Investment Adviser may restrict, limit or reduce the amount of the Company's investment, or restrict the type of governance or voting rights it acquires or exercises, where the Company (potentially together with Goldman Sachs and other Accounts) exceed a certain ownership interest, or possess certain degrees of voting or control or have other interests. For example, such limitations may exist if a position or transaction could require a filing or license or other regulatory or corporate consent, which could, among other things, result in additional costs and disclosure obligations for, or impose regulatory restrictions on, Goldman Sachs, including GSAM, or on other Accounts, or where exceeding a threshold is prohibited or may result in regulatory or other restrictions. In certain cases, restrictions and limitations will be applied to avoid approaching such threshold. Circumstances in which such restrictions or limitations may arise include, without limitation: (i) a prohibition against owning more than a certain percentage of an issuer's securities; (ii) a "poison pill" that could have a dilutive impact on the holdings of the Company should a threshold be exceeded; (iii) provisions that would cause Goldman Sachs to be considered an "interested stockholder" of an issuer; (iv) provisions that may cause Goldman Sachs to be considered an "affiliate" or "control person" of the issuer; and (v) the imposition by an issuer (through charter amendment, contract or otherwise) or governmental, regulatory or self-regulatory organization (through law, rule, regulation, interpretation or other guidance) of other restrictions or limitations.

When faced with the foregoing limitations, Goldman Sachs will generally avoid exceeding the threshold because exceeding the threshold could have an adverse impact on the ability of GSAM or Goldman Sachs to conduct business activities. The Management Company and the Investment Adviser may also reduce the Company's interest in, or restrict the Company from participating in, an investment opportunity that has limited availability or where Goldman Sachs has determined to cap its aggregate investment in consideration of certain regulatory or other requirements so that other Accounts that pursue similar investment strategies may be able to acquire an interest in the investment opportunity. The Management Company and the Investment Adviser may determine not to engage in certain transactions or activities which may be beneficial to the Company because engaging in such transactions or activities in compliance with applicable law would result in significant cost to, or administrative burden on, the Management Company and the Investment Adviser or create the potential risk of trade or other errors. In circumstances in which the Company and one or more registered investment funds make side-by-side investments, Goldman Sachs, acting on behalf of the Company, may be limited in the terms of the transactions that it may negotiate under applicable law. This may have the effect of limiting the ability of the Company to participate in certain transactions or result in terms to the Company that are less favorable than would have otherwise been the case.

The Management Company and the Investment Adviser generally is not permitted to use material non-public information in effecting purchases and sales in transactions for the Company that involve public securities. The Management Company and the Investment Adviser may limit an activity or transaction (such as a purchase or sale transaction) which might otherwise be engaged in by the Company, including as a result of information held by Goldman Sachs (including GSAM or its personnel). For example, directors, officers and employees of Goldman Sachs may take seats on the boards of directors of, or have board of directors observer rights with respect to, companies in which Goldman Sachs invests on behalf of the Company. To the extent a director, officer or employee of Goldman Sachs were to take a seat on the board of directors of, or have board of directors observer rights with respect to, a public company, the Management Company and the Investment Adviser (or certain of its investment teams) may be limited and/or restricted in its or their ability to trade in the securities of the company.

Furthermore, GSAM operates a program reasonably designed to ensure compliance generally with economic and trade sanctions-related obligations applicable directly to its activities (although such obligations are not necessarily the same obligations that the Company may be subject to). Such economic and trade sanctions may prohibit, among other things, transactions with and the provision of services to, directly or indirectly, certain countries, territories, entities and individuals. These economic

and trade sanctions, and the application by GSAM of its compliance program in respect thereof, may restrict or limit the Company's investment activities.

The Management Company and the Investment Adviser may determine to limit or not engage at all in transactions and activities on behalf of the Company for reputational or other reasons. Examples of when such determinations may be made include, but are not limited to, where Goldman Sachs is providing (or may provide) advice or services to an entity involved in such activity or transaction, where Goldman Sachs or an Account is or may be engaged in the same or a related activity or transaction to that being considered on behalf of the Company or where Goldman Sachs or an Account has an interest in an entity involved in such activity or transaction. The Investment Adviser may restrict its investment decisions and activities on behalf of the Company and not on behalf of other Accounts, where there are political, public relations, or other reputational considerations relating to counterparties or other participants in such activity or transaction, or where such activity or transaction on behalf of or in respect of the Company could affect, in tangible or intangible ways, Goldman Sachs, GSAM, an Account or their activities.

In order to engage in certain transactions on behalf of the Company, the Management Company and/or the Investment Adviser will also be subject to (or cause the Company to become subject to) the rules, terms and/or conditions of any venues through which they trade securities, derivatives or other instruments. This includes, but is not limited to, where the Management Company and/or the Investment Adviser and/or the Company may be required to comply with the rules of certain exchanges, execution platforms, trading facilities, clearinghouses and other venues, or may be required to consent to the jurisdiction of any such venues. The rules, terms and/or conditions of any such venue may result in the Management Company and/or the Investment Adviser (and/or the Company) being subject to, among other things, margin requirements, additional fees and other charges, disciplinary procedures, reporting and recordkeeping, position limits and other restrictions on trading, settlement risks and other related conditions on trading set out by such venues.

From time to time, the Company, and the Management Company and/or the Investment Adviser or their affiliates and/or their service providers or agents may be required, or may determine that it is advisable, to disclose certain information about the Company, including, but not limited to, investments held by the Company, and the names and percentage interest of beneficial owners thereof (and the underlying beneficial owners of such beneficial owners), to third parties, including local governmental authorities, regulatory organisations, taxing authorities, markets, exchanges, clearing facilities, custodians, brokers and trading counterparties of, or service providers to, the Management Company and the Investment Adviser or the Company. The Management Company and/or the Investment Adviser generally expect to comply with such requests to disclose such information as it so determines, including through electronic delivery platforms; however, the Management Company and/or the Investment Adviser may determine to cause the sale of certain assets for the Company rather than make certain required disclosures, and such sale may be at a time that is inopportune from a pricing or other standpoint.

Pursuant to the BHCA, for so long as GSAM acts as investment manager of the Company or in certain other capacities, the periods during which certain investments may be held are limited. As a result, the Company may be required to dispose of investments at an earlier date than would otherwise have been the case had the BHCA not been applicable. In addition, under the Volcker Rule, the size of Goldman Sachs' and Goldman Sachs personnel's ownership interest in certain types of funds is limited, and certain personnel will be prohibited from retaining interests in such funds. As a result, Goldman Sachs and Goldman Sachs personnel have been, and continue to be, required to dispose of all or a portion of their investments in the Company through redemptions, sales to third parties or affiliates, or otherwise, including at times that other investors in the Company may not have the opportunity to dispose of their fund investments. Any such disposition of the Company's interests by Goldman Sachs and personnel of Goldman Sachs could reduce the alignment of interest of Goldman Sachs with other investors in the Company and otherwise adversely affect the Company.

Goldman Sachs may become subject to additional restrictions on its business activities that could have an impact on the Company's activities. In addition, the Management Company and the Investment Adviser may restrict its investment decisions and activities on behalf of the Company and other Accounts, including Accounts sponsored, managed or advised by GSAM.

## Brokerage Transactions

The Investment Adviser often selects U.S. and non-U.S. broker-dealers (including affiliates of the Management Company or Depository or Investment Adviser) that furnish the Investment Adviser, the Company, their affiliates and other Goldman Sachs personnel with proprietary or third-party brokerage and research services (collectively, “brokerage and research services”) that provide, in the Investment Adviser’s view, appropriate assistance to the Investment Adviser in the investment decision-making process. As a result, these brokerage and research services may be bundled with the trade execution, clearing or settlement services provided by a particular broker-dealer and, subject to applicable law, the Investment Adviser may pay for such brokerage and research services with “soft” or commission dollars provided that the services received assist in the provision of investment services to the Company generally and that the receipt of the services, and payment for such, are in compliance with applicable law and regulation. There may be instances or situations in which such practices are subject to restrictions under applicable law. For example, MiFID II restricts European Union domiciled investment advisers from receiving research and other materials that do not qualify as “acceptable minor non-monetary benefits” from broker-dealers unless the research or materials are paid for by the investment advisers from their own resources or from research payment accounts funded by and with the agreement of their clients.

When the Investment Adviser uses client commissions to obtain brokerage and research services, the Investment Adviser receives a benefit because the Investment Adviser does not have to produce or pay for the brokerage and research services itself. As a result, the Investment Adviser will have an incentive to select or recommend a broker-dealer based on the Investment Adviser’s interest in receiving the brokerage and research services from that broker-dealer, rather than solely on its clients’ interest in receiving the best price or commission. In addition, where the Investment Adviser uses client commissions to obtain proprietary research services from an affiliate, the Investment Adviser will have an incentive to allocate more “soft” or commission dollars to pay for those services. Subject to the Investment Adviser’s obligation to determine in good faith that the “commissions” (as broadly defined by the applicable regulations to include a mark-up, mark-down, commission equivalent or other fee in certain circumstances) to be paid to broker-dealers, including their affiliates, are reasonable in relation to the value of the brokerage and research services they provide to the Investment Adviser, the Investment Adviser may cause the Company to pay commissions higher than those charged by other broker-dealers in return for soft dollar benefits received by the Investment Adviser.

The Investment Adviser’s evaluation of the brokerage and research services provided by a broker-dealer may be a significant factor in selecting a broker-dealer to execute transactions. For this purpose, the Investment Adviser has established a voting process in which certain portfolio management teams participate pursuant to which the Investment Adviser’s personnel rate broker-dealers that supply them with brokerage and research services. Subject to the Investment Adviser’s duty to seek best execution and applicable law and without prejudice to applicable inducement rules, laws and regulations, the Investment Adviser allocates trading among broker-dealers in accordance with the outcome of the voting process.

Accounts may differ with regard to whether and to what extent they pay for research and brokerage services through commissions and, subject to applicable law, brokerage and research services may be used to service other Accounts as well as the Company. As a result, brokerage and research services (including soft dollar benefits) may disproportionately benefit other Accounts relative to the Company based on the relative amount of commissions paid by the Company, and in particular those Accounts that do not pay for research and brokerage services or do so to a lesser extent, including in connection with the establishment of maximum budgets for research costs (and switching to execution-only pricing when maximums are met). Except as required by applicable law, the Investment Adviser does not attempt to allocate soft dollar benefits proportionately among clients or to track the benefits of brokerage and research services to the commissions associated with a particular Account or group of Accounts, brokerage and research services (including soft dollar benefits) may disproportionately benefit other Accounts relative to the Company. A copy of the best execution policy of the Management Company and the Investment Adviser is available to investors upon request to the Management Company.

In connection with receiving brokerage and research services from broker-dealers, the Investment Adviser may receive “mixed use” services where a portion of the service assists the Investment Adviser in its investment decision-making process and a portion may be used for other purposes. Where a

service has a mixed use, the Investment Adviser will make a reasonable allocation of its cost according to its use and will use client commissions to pay only for the portion of the product or service that assists the Investment Adviser in its investment decision-making process. The Investment Adviser has an incentive to underestimate the extent of any “mixed use” or allocate the costs to uses that assist the Investment Adviser in its investment decision-making process because the Investment Adviser may pay for such costs with client commissions rather than the Investment Adviser’s own resources.

Conflicts may arise with respect to the Investment Adviser’s selection of broker-dealers to provide prime brokerage services to the Company and the Accounts and its negotiation of the brokerage, margin and other fees payable to such parties. Prime brokerage firms may introduce prospective clients or afford the Investment Adviser the opportunity to make a presentation regarding its services to certain qualified investors at no additional cost or provide other services (e.g., clearance and settlement of securities transactions, placement agent and custody services, and extending margin credit) at favourable or below market rates. Such capital introduction opportunities and other services will create incentives for or provide benefits to the Investment Adviser (and not the Company and the Accounts) from the selection of such prime brokerage firms. In addition, the Investment Adviser may be incentivized to select prime brokers that are clients of the Investment Adviser.

### **Aggregation of Trades by the Management Company or Orders by the Investment Adviser**

The Management Company and the Investment Adviser follows policies and procedures pursuant to which they may combine or aggregate purchase or sale orders for the same security or other instruments for multiple Accounts (including Accounts in which Goldman Sachs has or personnel of Goldman Sachs have an interest) (sometimes referred to as “bunching”), so that the orders can be executed at the same time and block trade treatment of any such orders can be elected when available. The Management Company and the Investment Adviser aggregate orders when the Management Company or the Investment Adviser consider doing so appropriate and in the interests of its clients generally and may elect block trade treatment when available. In addition, under certain circumstances trades orders for the Company may be aggregated with orders for Accounts that contain Goldman Sachs assets.

When a bunched order or block trade is completely filled, the Management Company or, if the order is only partially filled, at the end of the day, the Investment Adviser generally will allocate the securities or other instruments purchased or the proceeds of any sale pro rata among the participating Accounts, based on the purchase or sale order and the Company’s relative size. If the order at a particular broker-dealer or other counterparty is filled at several different prices, through multiple trades, generally all participating Accounts will receive the average price and pay the average commission, subject to odd lots, rounding, and market practice. There may be instances in which not all Accounts are charged the same commission or commission equivalent rates in a bunched or aggregated order, including restrictions under applicable law on the use of client commissions to pay for research services.

Although it may do so in certain circumstances, the Management Company or the Investment Adviser does not always bunch or aggregate orders for different Accounts (including the Company), elect block trade treatment or net buy and sell orders for the Company, if portfolio management decisions relating to the orders are made by separate portfolio management teams, if bunching, aggregating, electing block trade treatment or netting is not appropriate or practicable from the Management Company’s or the Investment Adviser’s operational or other perspective, or if doing so would not be appropriate in light of applicable regulatory considerations. The Management Company or the Investment Adviser may be able to negotiate a better price and lower commission rate on aggregated trade orders than on trade orders for Accounts that are not aggregated, and incur lower transaction costs on netted trade orders than trade orders that are not netted. The Investment Adviser is under no obligation or other duty to aggregate or net for particular orders. Where orders for the Company are not aggregated with other orders, or not netted against orders for the Company or other Accounts, the Company will not benefit from a better price and lower commission rate or lower transaction cost than might have been available had the orders been aggregated or netted. Aggregation and netting of orders may disproportionately benefit some Accounts relative to other Accounts, including the Company, due to the relative amount of market savings obtained by the Accounts. The Investment Adviser may aggregate orders of Accounts that are subject to MiFID II (“MiFID II Accounts”) with orders of Accounts not subject to MiFID II, including those that generate soft dollar commissions (including the Company) and those that restrict the use of soft dollars. All Accounts included in an aggregated order with MiFID II Accounts pay (or receive) the

same average price for the security and the same execution costs (measured by rate). However, MiFID II Accounts included in an aggregated order may pay commissions at “execution-only” rates below the total commission rates paid by Accounts included in the aggregated order that are not subject to MiFID II.

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**APPENDIX C**


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**Definitions of U.S. Person and Non-U.S. Person**

In addition to any other requirements contained in this Prospectus, the Articles or the Original Account Agreement, except at the sole discretion of the Directors, a prospective Shareholder (a) must not be a “U.S. Person” as defined under Regulation S promulgated under the 1933 Act, (b) must be a “Non-United States Person” as defined under the Commodity Exchange Act and (c) must not be a “U.S. Person” as defined in the Code and the Treasury Regulations promulgated thereunder. Each of such terms is defined below, which definitions shall include any amendments to the relevant legislation which may come into effect from time to time. A prospective Shareholder who meets the requirements of clauses (a), (b) and (c) above is referred to as a “Non-U.S. Person” in this Prospectus.

**A. Regulation S Definition of U.S. Person**

- (1) **“U.S. Person”** means:
- (i) any natural person resident in the United States;
  - (ii) any partnership or corporation organized or incorporated under the laws of the United States;
  - (iii) any estate of which any executor or administrator is a U.S. Person;
  - (iv) any trust of which any trustee is a U.S. Person;
  - (v) any agency or branch of a foreign entity located in the United States;
  - (vi) any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a U.S. Person;
  - (vii) any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organized, incorporated, or (if an individual) resident in the United States; and
  - (viii) any partnership or corporation if:
    - (i) organized or incorporated under the laws of any foreign jurisdiction; and
    - (ii) formed by a U.S. Person principally for the purpose of investing in securities not registered under the 1933 Act, unless it is organized or incorporated, and owned, by accredited investors (as defined in Rule 501(a) under the 1933 Act) who are not natural persons, estates or trusts.
- (2) Notwithstanding (1) above, any discretionary account or similar account (other than an estate or trust) held for the benefit or account of a non-U.S. Person by a dealer or other professional fiduciary organized, incorporated, or (if an individual) resident in the United States shall not be deemed a “U.S. Person.”
- (3) Notwithstanding (1) above, any estate of which any professional fiduciary acting as executor or administrator is a U.S. Person shall not be deemed a “U.S. Person” if:
- (a) an executor or administrator of the estate who is not a U.S. Person has sole or shared investment discretion with respect to the assets of the estate; and
  - (ix) the estate is governed by foreign law.
- (4) Notwithstanding (1) above, any trust of which any professional fiduciary acting as trustee is a U.S. Person shall not be deemed a U.S. Person if a trustee who is not a

U.S. Person has sole or shared investment discretion with respect to the trust assets, and no beneficiary of the trust (and no settlor if the trust is revocable) is a “U.S. Person.”

- (5) Notwithstanding (1) above, an employee benefit plan established and administered in accordance with the law of a country other than the United States and customary practices and documentation of such country shall not be deemed a “U.S. Person.”
- (6) Notwithstanding (1) above, any agency or branch of a U.S. Person located outside the United States shall not be deemed a “U.S. Person” if:
  - (a) the agency or branch operates for valid business reasons; and
  - (x) the agency or branch is engaged in the business of insurance or banking and is subject to substantive insurance or banking regulation, respectively, in the jurisdiction where located.
- (7) The International Monetary Fund, the International Bank for Reconstruction and Development, the Inter-American Development Bank, the Asian Development Bank, the African Development Bank, the United Nations, and their agencies, affiliates and pension plans, and any other similar international organizations, their agencies, affiliates and pension plans shall not be deemed “U.S. Persons.”

B. Under the Commodity Exchange Act, a “**Non-United States Person**” is defined as:

- (1) a natural person who is not a resident of the United States;
- (2) a partnership, corporation or other entity, other than an entity organized principally for passive investment, organized under the laws of a foreign jurisdiction and which has its principal place of business in a foreign jurisdiction;
- (3) an estate or trust, the income of which is not subject to United States income tax regardless of source;
- (4) an entity organized principally for passive investment such as a pool, investment company or other similar entity; provided, that units of participation in the entity held by persons who do not qualify as Non-United States Persons or otherwise as qualified eligible persons represent in the aggregate less than 10% of the beneficial interest in the entity, and that such entity was not formed principally for the purpose of facilitating investment by persons who do not qualify as Non-United States Persons in a pool with respect to which the operator is exempt from certain requirements of Part 4 of the CFTC’s regulations by virtue of its participants being Non-United States Persons; and
- (5) a pension plan for the employees, officers or principals of an entity organized and with its principal place of business outside the United States.

C. Under the Code and the Treasury Regulations promulgated thereunder, a “**U.S. Person**” (a “**U.S. Tax Person**”) is defined as:

- (1) an individual who is a U.S. citizen or a U.S. “resident alien.” Currently, the term “resident alien” is defined to generally include an individual who (i) holds an Alien Registration Card (a “green card”) issued by the U.S. Immigration and Naturalisation Services or (ii) meets a “substantial presence” test. The “substantial presence” test is generally met with respect to any current calendar year if (i) an individual is present in the U.S. on at least thirty-one (31) days during such year and (ii) the sum of the number of days on which such individual is present in the U.S. during the current year, 1/3 of the number of such days during the first preceding year, and 1/6 of the number of such days during the second preceding year, equals or exceeds 183 days;
- (2) a corporation or partnership created or organized in the United States or under the law of the United States or any state;

- (3) a trust where (i) a U.S. court is able to exercise primary jurisdiction over the trust and (ii) one or more U.S. Tax Persons have the authority to control all substantial decisions of the trust; and
- (4) an estate that is subject to U.S. tax on its worldwide income from all sources.

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**APPENDIX D**


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The following exchanges and markets constitute Recognised Markets for the purposes of this Prospectus:

- (i) Any stock exchange (or market) in Austria, Australia, Belgium, Bulgaria, Belgium, Canada, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Japan, Latvia, Lithuania, Luxembourg, Netherlands, New Zealand, Norway, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, Switzerland, United Kingdom and United States:
- (ii) Any of the following stock exchanges:
- Argentina
    - Buenos Aires Stock Exchange
    - Buenos Aires Floor SINAC (part of the Buenos Aires Stock Exchange)
    - Cordoba Stock Exchange
    - La Plata Stock Exchange
    - Mendoza Stock Exchange
    - Rosario Stock Exchange
    - Bolsa de Comercio de Santa Fe
    - Mercado Abierto Electrónico (MAE)
    - Mercado a Termino de Rosario
    - Mercado de Valores de Rosario
    - Mercados de Futuros y Opciones SA (Merfox)
  - Bahrain
    - Bahrain Stock Exchange
    - Manama Stock Exchange
  - Bangladesh
    - Dhaka Stock Exchange
    - Chittagong Stock Exchange
  - Botswana
    - Botswana Stock Exchange
    - Serowe Stock Exchange
  - Brazil
    - Rio de Janeiro Stock Exchange
    - Sao Paulo Stock Exchange
    - Bolsa de Valores, Mercadorias & Futuros de São Paulo
    - Bahia-Sergipe-Alagoas Stock Exchange
    - Brasilia Stock Exchange
    - Extremo Sul Porto Alegre Stock Exchange
    - Minas Esperito Santo Stock Exchange
    - Parana Curitiba Stock Exchange
    - Pernambuco e Paraiba Recife Stock Exchange
    - Regional Fortaleza Stock Exchange
    - Santos Stock Exchange
  - Bulgaria
    - The Bulgaria Stock Exchange Sofia Ltd
  - Chile
    - Bolsa Electronica de Chile
    - Santiago Stock Exchange
    - Valparaiso Stock Exchange
  - China
    - Shanghai Securities Exchange
    - Shenzhen Stock Exchange
  - Colombia
    - Bogota Stock Exchange
    - Medellin Stock Exchange
    - Colombian Stock Exchange
    - Occidente Stock Exchange
  - Costa Rica
    - Bolsa Nacional de Valores S.A.
    - San Jose Stock Exchange
  - Croatia
    - Zagreb Stock Exchange
  - Egypt
    - Cairo and Alexandria Stock Exchange
    - Egyptian Exchange

-	Georgia	Georgian Central Securities Depository
-	Ghana	Ghana Stock Exchange
-	Hong Kong	The Stock Exchange of Hong Kong Limited Growth Enterprise Market
-	Iceland	Iceland Stock Exchange OMX Nordic Exchange
-	India	The National Stock Exchange of India The Stock Exchange, Mumbai Delhi Stock Exchange Ahmedabad Stock Exchange Bangalore Stock Exchange Cochin Stock Exchange Guwahati Stock Exchange Magadh Stock Exchange Pune Stock Exchange Hyderabad Stock Exchange Ludhiana Stock Exchange Uttar Pradesh Stock Exchange Calcutta Stock Exchange Bombay Stock Exchange Madras Stock Exchange
-	Indonesia	Indonesia Stock Exchange Surabaya Stock Exchange
-	Israel	Tel Aviv Stock Exchange Limited
-	Jordan	Amman Stock Exchange
-	Kazakhstan	Kazakhstan Stock Exchange
-	Kenya	Nairobi Stock Exchange
-	Kuwait	Kuwait Stock Exchange
-	Malaysia	Bursa Malaysia Bhd Bumiputra Stock Exchange
-	Mauritius	Stock Exchange of Mauritius
-	Mexico	Mexico Stock Exchange Mercado Mexicana de Derivados
-	Morocco	Casablanca Stock Exchange
-	Namibia	Namibian Stock Exchange
-	Nigeria	Nigerian Stock Exchange Kaduna Stock Exchange Port Harcourt Stock Exchange
-	Oman	Muscat Securities Market (MSM)
-	Pakistan	Karachi Stock Exchange Lahore Stock Exchange Islamabad Stock Exchange
-	Panama	Bolsa de Panama General
-	Peru	Lima Stock Exchange
-	Philippines	Philippines Stock Exchange
-	Qatar	Qatar Stock Exchange Doha Securities Market
-	Romania	Bucharest Stock Exchange
-	Russia	Moscow Exchange Level 1 Moscow Exchange Level 2
-	Saudi Arabia	The Tadawul Stock Exchange Riyadh Stock Exchange
-	Serbia	Belgrade Stock Exchange
-	Singapore	Singapore Stock Exchange SESDAQ
-	South Africa	Bond Exchange of South Africa Johannesburg Stock Exchange
-	South Korea	Korea Exchange, Inc. (KRX) KRX Stock Market Division (KRX KOSPI Market)

Market)	KRX Futures Market Division (KRX Derivatives)
	KRX Korea Securities Dealers Association Automated Quotation (KOSDAQ) Division
- Sri Lanka	Colombo Stock Exchange
- Taiwan	Taiwan Stock Exchange
	GreTai Securities Market (GTSM)
	Taiwan Futures Exchange (TAIFEX)
- Thailand	Stock Exchange of Thailand
	Market for Alternative Investments (MAI)
- Tunisia	Tunisia Stock Exchange
- Turkey	Istanbul Stock Exchange
- Uganda	Kampala Stock Exchange
- Ukraine	Ukrainian Stock Exchange
	First Securities Trading System (PFTS)
	Ukrainian Interbank Currency Exchange
- United Arab Emirates	Abu Dhabi Securities Exchange
	Dubai Financial Market
	NASDAQ Dubai
	Borse Dubai
	Dubai Gold and Commodities Exchange
	Dubai Mercantile Exchange
- Uruguay	Montevideo Stock Exchange
	Rospide Sociedad De Bolsa S.A
- Vietnam	Vietnam Stock Exchange
	Ho Chi Minh Stock Exchange
	Ho Chi Minh Securities Trading Center
	Hanoi Securities Trading Center
- Zambia	Lusaka Stock Exchange
- Zimbabwe	Zimbabwe Stock Exchange

(iii) The following exchanges or markets:

- the market organised by the International Capital Market Association;
- The UK market (i) conducted by banks and other institutions regulated by the Financial Conduct Authority and subject to the Inter-Professional Conduct provisions of the Financial Service Authority's Market Conduct Sourcebook and (ii) in non-investment products which are subject to the guidance contained in the "Non-Investment Products Code" drawn up by the participants in the London Market, including the Financial Service Authority and the Bank of England (formerly known as "The Grey Paper"); and
- (a) NASDAQ in the United States, (b) the market in the US government securities conducted by the primary dealers regulated by the Federal Reserve Bank of New York; and (c) the over-the-counter market in the United States conducted by primary dealers and secondary dealers regulated by the Securities and Exchange Commission and the Financial Industry Regulatory Authority (FINRA) and by banking institutions regulated by the US Comptroller of Currency, the Federal Reserve System or Federal Deposit Insurance Corporation;
- the over-the-counter market in Japan regulated by the Securities Dealers Association of Japan;
- AIM – the alternative investment market in the United Kingdom regulated and operated by the London Stock Exchange;
- the French market for "Titres de Creance Negotiable" (over-the-counter market in negotiable instruments);

- the over-the-counter market in Canadian Government Bonds, regulated by the Investment Dealers Association of Canada;
- any organised exchange or market in the EEA on which futures or options contracts are regularly traded; and
- any stock exchange approved in a member state of the EEA.

**DERIVATIVES MARKETS**

In the case of an investment in financial derivative instruments, in any derivative market approved in a member state of the European Economic Area (except Malta) and the United Kingdom, any country outlined above in (i), and the following exchanges or markets:

-	America	American Stock Exchange Chicago Mercantile Exchange Chicago Board of Options Exchange Chicago Board of Trade Kansas City Board of Trade Mid-American Commodity Exchange Minneapolis Grain Exchange New York Board of Trade New York Mercantile Exchange
-	Australia	Sydney Futures Exchange
-	Bermuda	International Futures Exchange (Bermuda) Ltd
-	Brazil	Bolsa de Valores, Mercadorias & Futuros de São Paulo
-	Canada	Montreal Derivatives Exchange (XMOD)
-	Cayman Islands	Cayman Islands Stock Exchange
-	China	Shanghai Futures Exchange
-	Egypt	Egyptian Exchange
-	Hong Kong	Hong Kong Futures Exchange The Stock Exchange of Hong Kong Growth Enterprise Market
-	India	The Bombay Stock Exchange (The Stock Exchange, Mumbai) The National Stock Exchange of India, Limited
-	Indonesia	Jakarta Futures Exchange
-	Japan	Tokyo Derivatives Exchange
-	South Korea	Korea Exchange, Inc. (Futures Market Division)
-	Malaysia	Bursa Malaysia Derivatives Berhad Kuala Lumpur Options and Financial Futures Exchange
-	Mexico	Bursa Malaysia Bhd Mexican Derivatives Exchange
-	Taiwan	Taiwan Stock Exchange Taiwan Futures Exchange
-	Thailand	Thailand Futures Exchange Plc
-	Turkey	Turkdex (Istanbul)
-	Singapore	Singapore Exchange Singapore Exchange Derivatives Trading Limited (formerly SIMEX, the Singapore International Exchange)
-	Monetary	
-	South Africa	JSE Securities Exchange South Africa South Africa Futures Exchange Johannesburg Stock Exchange

These exchanges and markets are listed above in accordance with the regulatory criteria as defined in the Central Bank UCITS Regulations. The Central Bank does not issue a list of approved markets. With the exception of permitted investments in unlisted securities the Company will only invest in securities traded on a stock exchange or market which meets with the regulatory criteria (regulated, operated regularly, recognised and open to the public) and which is listed in this Prospectus.

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**APPENDIX E**

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The Depositary, as global sub-custodian, has appointed local sub-custodians within the State Street Global Custody Network as listed below, as at the date of this Prospectus. The latest version of this list can be consulted on the website [www.mystatestreet.com](http://www.mystatestreet.com).

<b>MARKET</b>	<b>SUBCUSTODIAN</b>
<b>Albania</b>	<b>Raiffeisen Bank sh.a.</b> Blv. "Bajram Curri" ETC – Kati 14 Tirana, Albania
<b>Argentina</b>	<b>Citibank, N.A.</b> Bartolome Mitre 530 1036 Buenos Aires, Argentina
<b>Australia</b>	<b>The Hongkong and Shanghai Banking Corporation Limited</b> HSBC Securities Services Level 3, 10 Smith St., Parramatta, NSW 2150, Australia
<b>Austria</b>	<b>Deutsche Bank AG</b> (operating through its Frankfurt branch with support from its Vienna branch) Fleischmarkt 1 A-1010 Vienna, Austria
	<b>UniCredit Bank Austria AG</b> Global Securities Services Austria Rothschildplatz 1 A-1020 Vienna, Austria
<b>Bahrain</b>	<b>HSBC Bank Middle East Limited (as delegate of The Hongkong and Shanghai Banking Corporation Limited)</b> 1st Floor, Bldg. #2505 Road # 2832, Al Seef 428 Kingdom of Bahrain
<b>Bangladesh</b>	<b>Standard Chartered Bank</b> Silver Tower, Level 7 52 South Gulshan Commercial Area Gulshan 1, Dhaka 1212, Bangladesh
<b>Belgium</b>	<b>Deutsche Bank AG, Netherlands</b> (operating through its Amsterdam branch with support from its Brussels branch) De Entree 195 1101 HE Amsterdam, Netherlands
<b>Benin</b>	<b>via Standard Chartered Bank Côte d'Ivoire S.A., Abidjan, Ivory Coast</b> 23, Bld de la République 17 BP 1141 Abidjan 17 Côte d'Ivoire
<b>Bermuda</b>	<b>HSBC Bank Bermuda Limited</b> 6 Front Street Hamilton, HM06, Bermuda
<b>Federation of Bosnia and Herzegovina</b>	<b>UniCredit Bank d.d.</b> Zelenih beretki 24 71 000 Sarajevo Federation of Bosnia and Herzegovina

<b>Botswana</b>	<b>Standard Chartered Bank Botswana Limited</b> 4th Floor, Standard Chartered House Queens Road The Mall Gaborone, Botswana
<b>Brazil</b>	<b>Citibank, N.A.</b> AV Paulista 1111 São Paulo, SP 01311-920 Brazil
<b>Bulgaria</b>	<b>Citibank Europe plc, Bulgaria Branch</b> Serdika Offices, 10th floor 48 Sitnyakovo Blvd. 1505 Sofia, Bulgaria
	<b>UniCredit Bulbank AD</b> 7 Sveta Nedelya Square 1000 Sofia, Bulgaria
<b>Burkina Faso</b>	<b>via Standard Chartered Bank Côte d'Ivoire S.A., Abidjan, Ivory Coast</b> 23, Bld de la République 17 BP 1141 Abidjan 17 Côte d'Ivoire
<b>Canada</b>	<b>State Street Trust Company Canada</b> 30 Adelaide Street East, Suite 800 Toronto, ON Canada M5C 3G6
<b>Chile</b>	<b>Itaú CorpBanca S.A.</b> Presidente Riesco Street # 5537 Floor 18 Las Condes, Santiago de Chile
<b>People's Republic of China</b>	<b>HSBC Bank (China) Company Limited</b> (as delegate of The Hongkong and Shanghai Banking Corporation Limited) 33rd Floor, HSBC Building, Shanghai IFC 8 Century Avenue Pudong, Shanghai, People's Republic of China (200120)
	<b>China Construction Bank Corporation</b> No.1 Naoshikou Street Chang An Xing Rong Plaza Beijing 100032-33, People's Republic of China
<b>China Connect</b>	<b>Citibank N.A.</b> 39/F., Champion Tower 3 Garden Road Central, Hong Kong
	<b>The Hongkong and Shanghai Banking Corporation Limited</b> Level 30, HSBC Main Building 1 Queen's Road Central, Hong Kong
	<b>Standard Chartered Bank (Hong Kong) Limited</b> 15th Floor Standard Chartered Tower 388 Kwun Tong Road Kwun Tong, Hong Kong
<b>Colombia</b>	<b>Cititrust Colombia S.A. Sociedad Fiduciaria</b> Carrera 9A, No. 99-02 Bogotá DC, Colombia
<b>Costa Rica</b>	<b>Banco BCT S.A.</b> 160 Calle Central Edificio BCT San José, Costa Rica
<b>Croatia</b>	<b>Privredna Banka Zagreb d.d.</b> Custody Department Radnička cesta 50 10000 Zagreb, Croatia
	<b>Zagrebacka Banka d.d.</b> Savska 60 10000 Zagreb, Croatia

<b>Cyprus</b>	<b>BNP Paribas Securities Services, S.C.A., Greece</b> (operating through its Athens branch) 2 Lampsakou Str. 115 28 Athens, Greece
<b>Czech Republic</b>	<b>Československá obchodní banka, a.s.</b> Radlická 333/150 150 57 Prague 5, Czech Republic
	<b>UniCredit Bank Czech Republic and Slovakia, a.s.</b> BB Centrum – FILADELFIE Želetavská 1525/1 140 92 Praha 4 - Michle, Czech Republic
<b>Denmark</b>	<b>Skandinaviska Enskilda Banken AB (publ), Sweden</b> (operating through its Copenhagen branch) Bernstorffsgade 50 1577 Copenhagen, Denmark
<b>Egypt</b>	<b>Citibank, N.A.</b> Boomerang Building – Plot 48 – AISalam Axis Street First District – 5th Settlement 11835 Cairo, Egypt
<b>Estonia</b>	<b>AS SEB Pank</b> Tornimäe 2 15010 Tallinn, Estonia
<b>Eswatini</b>	<b>Standard Bank Eswatini Limited</b> Standard House, Swazi Plaza Mbabane, Eswatini H101
<b>Finland</b>	<b>Skandinaviska Enskilda Banken AB (publ), Sweden</b> (operating through its Helsinki branch) Securities Services Box 630 SF-00101 Helsinki, Finland
<b>France</b>	<b>Deutsche Bank AG, Netherlands</b> (operating through its Amsterdam branch with support from its Paris branch) De Entree 195 1101 HE Amsterdam, Netherlands
<b>Republic of Georgia</b>	<b>JSC Bank of Georgia</b> 29a Gagarini Str. Tbilisi 0160, Georgia
<b>Germany</b>	<b>State Street Bank International GmbH</b> Brienner Strasse 59 80333 Munich, Germany
	<b>Deutsche Bank AG</b> Alfred-Herrhausen-Allee 16-24 D-65760 Eschborn, Germany
<b>Ghana</b>	<b>Standard Chartered Bank Ghana Limited</b> P. O. Box 768 1st Floor High Street Building Accra, Ghana
<b>Greece</b>	<b>BNP Paribas Securities Services, S.C.A.</b> 2 Lampsakou Str. 115 28 Athens, Greece

<b>Guinea-Bissau</b>	<b>via Standard Chartered Bank Côte d'Ivoire S.A., Abidjan, Ivory Coast</b> 23, Bld de la République 17 BP 1141 Abidjan 17 Côte d'Ivoire
<b>Hong Kong</b>	<b>Standard Chartered Bank (Hong Kong) Limited</b> 15th Floor Standard Chartered Tower 388 Kwun Tong Road Kwun Tong, Hong Kong
<b>Hungary</b>	<b>Citibank Europe plc Magyarországi Fióktelepe</b> 7 Szabadság tér, Bank Center Budapest, H-1051 Hungary
	<b>UniCredit Bank Hungary Zrt.</b> 6th Floor Szabadság tér 5-6 H-1054 Budapest, Hungary
<b>Iceland</b>	<b>Landsbankinn hf.</b> Austurstræti 11 155 Reykjavik, Iceland
<b>India</b>	<b>Deutsche Bank AG</b> Block B1, 4th Floor, Nirlon Knowledge Park Off Western Express Highway Goregaon (E) Mumbai 400 063, India
	<b>Citibank, N.A.</b> FIFC, 11th Floor C-54/55, G Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 098, India
<b>Indonesia</b>	<b>Deutsche Bank AG</b> Deutsche Bank Building, 4th floor Jl. Imam Bonjol, No. 80 Jakarta 10310, Indonesia
<b>Ireland</b>	<b>State Street Bank and Trust Company, United Kingdom branch</b> Quartermile 3 10 Nightingale Way Edinburgh EH3 9EG, Scotland
<b>Israel</b>	<b>Bank Hapoalim B.M.</b> 50 Rothschild Boulevard Tel Aviv, Israel 61000
<b>Italy</b>	<b>Deutsche Bank AG</b> (operating through its Frankfurt branch with support from Deutsche Bank S.p.A., Milan) Investor Services Via Turati 27 – 3rd Floor 20121 Milan, Italy
	<b>Intesa Sanpaolo S.p.A.</b> Financial Institutions – Transactions Services Piazza della Scala, 6 20121 Milan, Italy
<b>Ivory Coast</b>	<b>Standard Chartered Bank Côte d'Ivoire S.A.</b> 23, Bld de la République 17 BP 1141 Abidjan 17 Côte d'Ivoire
<b>Japan</b>	<b>Mizuho Bank, Limited</b> Shinagawa Intercity Tower A 2-15-14, Konan, Minato-ku Tokyo 108-

	6009, Japan
	<b>The Hongkong and Shanghai Banking Corporation Limited</b> HSBC Building 11-1 Nihonbashi 3-chome, Chuo-ku Tokyo 1030027, Japan
<b>Jordan</b>	<b>Standard Chartered Bank</b> Shmeissani Branch Al-Thaqafa Street, Building # 2 P.O. Box 926190 Amman 11110, Jordan
<b>Kazakhstan</b>	<b>JSC Citibank Kazakhstan</b> Park Palace, Building A, 41 Kazibek Bi street, Almaty A25T0A1, Kazakhstan
<b>Kenya</b>	<b>Standard Chartered Bank Kenya Limited</b> Custody Services Standard Chartered @ Chiromo, Level 5 48 Westlands Road P.O. Box 40984 – 00100 GPO Nairobi, Kenya
<b>Republic of Korea</b>	<b>Deutsche Bank AG</b> 18th Fl., Young-Poong Building 41 Cheonggyecheon-ro Jongro-ku, Seoul 03188, Korea
	<b>The Hongkong and Shanghai Banking Corporation Limited</b> 5F HSBC Building #37 Chilpae-ro Jung-gu, Seoul 04511, Korea
<b>Kuwait</b>	<b>HSBC Bank Middle East Limited</b> (as delegate of The Hongkong and Shanghai Banking Corporation Limited) Kuwait City, Sharq Area Abdulaziz Al Sager Street Al Hamra Tower, 37F P. O. Box 1683, Safat 13017, Kuwait
<b>Latvia</b>	<b>AS SEB banka</b> Unicentrs, Valdlauči LV-1076 Kekavas pag., Rigas raj., Latvia
<b>Lithuania</b>	<b>AB SEB bankas</b> Gedimino av. 12 LT 2600 Vilnius, Lithuania
<b>Malawi</b>	<b>Standard Bank PLC</b> Kaomba Centre Cnr. Victoria Avenue & Sir Glyn Jones Road Blantyre, Malawi
<b>Malaysia</b>	<b>Deutsche Bank (Malaysia) Berhad</b> Domestic Custody Services Level 20, Menara IMC 8 Jalan Sultan Ismail 50250 Kuala Lumpur, Malaysia
	<b>Standard Chartered Bank Malaysia Berhad</b> Menara Standard Chartered 30 Jalan Sultan Ismail 50250 Kuala Lumpur, Malaysia

<b>Mali</b>	<b>via Standard Chartered Bank Côte d'Ivoire S.A., Abidjan, Ivory Coast</b> 23, Bld de la République 17 BP 1141 Abidjan 17 Côte d'Ivoire
<b>Mauritius</b>	<b>The Hongkong and Shanghai Banking Corporation Limited</b> 6F HSBC Centre 18 CyberCity Ebene, Mauritius
<b>Mexico</b>	<b>Banco Nacional de México, S.A.</b> 3er piso, Torre Norte Act. Roberto Medellín No. 800 Col. Santa Fe Mexico, DF 01219
<b>Morocco</b>	<b>Citibank Maghreb S.A.</b> Zénith Millénium Immeuble1 Sidi Maârouf – B.P. 40 Casablanca 20190, Morocco
<b>Namibia</b>	<b>Standard Bank Namibia Limited</b> Standard Bank Center Cnr. Werner List St. and Post St. Mall 2nd Floor Windhoek, Namibia
<b>Netherlands</b>	<b>Deutsche Bank AG</b> De Entree 195 1101 HE Amsterdam, Netherlands
<b>New Zealand</b>	<b>The Hongkong and Shanghai Banking Corporation Limited</b> HSBC House Level 7, 1 Queen St. Auckland 1010, New Zealand
<b>Niger</b>	<b>via Standard Chartered Bank Côte d'Ivoire S.A., Abidjan, Ivory Coast</b> 23, Bld de la République 17 BP 1141 Abidjan 17 Côte d'Ivoire
<b>Nigeria</b>	<b>Stanbic IBTC Bank Plc.</b> Plot 1712 Idejo St Victoria Island, Lagos 101007, Nigeria
<b>Norway</b>	<b>Skandinaviska Enskilda Banken AB (publ), Sweden</b> (operating through its Oslo branch) P.O. Box 1843 Vika Filipstad Brygge 1 N-0123 Oslo, Norway
<b>Oman</b>	<b>HSBC Bank Oman S.A.O.G.</b> (as delegate of The Hongkong and Shanghai Banking Corporation Limited) 2nd Floor Al Khuwair PO Box 1727 PC 111 Seeb, Oman
<b>Pakistan</b>	<b>Deutsche Bank AG</b> Unicentre – Unitowers I.I. Chundrigar Road P.O. Box 4925 Karachi - 74000, Pakistan
<b>Panama</b>	<b>Citibank, N.A.</b> Boulevard Punta Pacifica Torre de las Americas Apartado Panama City, Panama 0834-00555

<b>Peru</b>	<b>Citibank del Perú, S.A.</b> Canaval y Moreyra 480 3rd Floor, San Isidro, Lima 27, Peru
<b>Philippines</b>	<b>Deutsche Bank AG</b> 19th Floor, Net Quad Center 31st Street corner 4th Avenue E-Square Zone, Crescent Park West Bonifacio Global City 1634 Taguig City, Philippines
<b>Poland</b>	<b>Bank Handlowy w Warszawie S.A.</b> ul. Senatorska 16 00-293 Warsaw, Poland
<b>Portugal</b>	<b>Deutsche Bank AG, Netherlands</b> (operating through its Amsterdam branch with support from its Lisbon branch) De Entree 195 1101 HE Amsterdam, Netherlands
<b>Qatar</b>	<b>HSBC Bank Middle East Limited</b> (as delegate of The Hongkong and Shanghai Banking Corporation Limited) 2 FI Ali Bin Ali Tower Building no.: 150 Airport Road Doha, Qatar
<b>Romania</b>	<b>Citibank Europe plc, Dublin – Romania Branch</b> 8, Iancu de Hunedoara Boulevard 712042, Bucharest Sector 1, Romania
<b>Russia</b>	<b>AO Citibank</b> 8-10 Gasheka Street, Building 1 125047 Moscow, Russia
<b>Saudi Arabia</b>	<b>HSBC Saudi Arabia</b> (as delegate of The Hongkong and Shanghai Banking Corporation Limited) HSBC Head Office 7267 Olaya - Al Murooj Riyadh 12283-2255 Kingdom of Saudi Arabia
	<b>Saudi British Bank</b> (as delegate of The Hongkong and Shanghai Banking Corporation Limited) Prince Abdulaziz Bin Mossaad Bin Jalawi Street (Dabaab) Riyadh 11413 Kingdom of Saudi Arabia
<b>Senegal</b>	<b>via Standard Chartered Bank Côte d'Ivoire S.A., Abidjan, Ivory Coast</b> 23, Bld de la République 17 BP 1141 Abidjan 17 Côte d'Ivoire
<b>Serbia</b>	<b>UniCredit Bank Serbia JSC</b> Jurija Gagarina 12 11070 Belgrade, Serbia
<b>Singapore</b>	<b>Citibank N.A.</b> 3 Changi Business Park Crescent #07-00, Singapore 486026

<b>Slovak Republic</b>	<b>UniCredit Bank Czech Republic and Slovakia, a.s.</b> Šancová 1/A 813 33 Bratislava, Slovak Republic
<b>Slovenia</b>	<b>UniCredit Banka Slovenija d.d.</b> Šmartinska 140 SI-1000 Ljubljana, Slovenia
<b>South Africa</b>	<b>FirstRand Bank Limited</b> <b>Mezzanine Floor</b> 3 First Place Bank City Corner Simmonds & Jeppe Sts. Johannesburg 2001 Republic of South Africa
	<b>Standard Bank of South Africa Limited</b> Standard Bank Centre 6 Simmonds Street Johannesburg 2000 Republic of South Africa
<b>Spain</b>	<b>Deutsche Bank S.A.E.</b> Calle de Rosario Pino 14-16, Planta 1 28020 Madrid, Spain
<b>Sri Lanka</b>	<b>The Hongkong and Shanghai Banking Corporation Limited</b> 24, Sir Baron Jayatilake Mawatha Colombo 01, Sri Lanka
<b>Republic of Srpska</b>	<b>UniCredit Bank d.d.</b> Zelenih beretki 24 71 000 Sarajevo Federation of Bosnia and Herzegovina
<b>Sweden</b>	<b>Skandinaviska Enskilda Banken AB (publ)</b> Sergels Torg 2 SE-106 40 Stockholm, Sweden
<b>Switzerland</b>	<b>Credit Suisse (Switzerland) Limited</b> Uetlibergstrasse 231 8070 Zurich, Switzerland
	<b>UBS Switzerland AG</b> Max-Högger-Strasse 80-82 CH-8048 Zurich-Alstetten, Switzerland
<b>Taiwan - R.O.C.</b>	<b>Deutsche Bank AG</b> 296 Ren-Ai Road Taipei 106 Taiwan, Republic of China
	<b>Standard Chartered Bank (Taiwan) Limited</b> 168 Tun Hwa North Road Taipei 105, Taiwan, Republic of China
<b>Tanzania</b>	<b>Standard Chartered Bank (Tanzania) Limited</b> 1 Floor, International House Corner Shaaban Robert St and Garden Ave PO Box 9011 Dar es Salaam, Tanzania

<b>Thailand</b>	<b>Standard Chartered Bank (Thai) Public Company Limited</b> Sathorn Nakorn Tower 14th Floor, Zone B 90 North Sathorn Road Silom, Bangkok 10500, Thailand
<b>Togo</b>	<b>via Standard Chartered Bank Côte d'Ivoire S.A., Abidjan, Ivory Coast</b> 23, Bld de la République 17 BP 1141 Abidjan 17 Côte d'Ivoire
<b>Tunisia</b>	<b>Union Internationale de Banques</b> 65 Avenue Bourguiba 1000 Tunis, Tunisia
<b>Turkey</b>	<b>Citibank, A.Ş.</b> Tekfen Tower Eski Buyukdere Caddesi 209 Kat 3 Levent 34394 Istanbul, Turkey
	<b>Deutsche Bank A.Ş.</b> Eski Buyukdere Caddesi Tekfen Tower No. 209 Kat: 17 4 Levent 34394 Istanbul, Turkey
<b>Uganda</b>	<b>Standard Chartered Bank Uganda Limited</b> 5 Speke Road P.O. Box 7111 Kampala, Uganda
<b>Ukraine</b>	<b>JSC Citibank</b> 16-g Dilova St. Kyiv 03150, Ukraine
<b>United Arab Emirates Dubai Financial Market</b>	<b>HSBC Bank Middle East Limited</b> (as delegate of The Hongkong and Shanghai Banking Corporation Limited) HSBC Securities Services HSBC Tower Downtown Dubai, Level 16 P O Box 66 Dubai, United Arab Emirates
<b>United Arab Emirates Dubai International Financial Center</b>	<b>HSBC Bank Middle East Limited</b> (as delegate of The Hongkong and Shanghai Banking Corporation Limited) HSBC Securities Services HSBC Tower Downtown Dubai, Level 16 P O Box 66 Dubai, United Arab Emirates
<b>United Arab Emirates Abu Dhabi</b>	<b>HSBC Bank Middle East Limited</b> (as delegate of The Hongkong and Shanghai Banking Corporation Limited) HSBC Securities Services HSBC Tower Downtown Dubai, Level 16 P O Box 66 Dubai, United Arab Emirates
<b>United Kingdom</b>	<b>State Street Bank and Trust Company, United Kingdom branch</b> Quartermile 3

	10 Nightingale Way Edinburgh EH3 9EG, Scotland
<b>United States</b>	<b>State Street Bank and Trust Company</b> One Lincoln Street Boston, MA 02111 United States
<b>Uruguay</b>	<b>Banco Itaú Uruguay S.A.</b> Zabala 1463 11000 Montevideo, Uruguay
<b>Vietnam</b>	<b>HSBC Bank (Vietnam) Limited</b> (as delegate of The Hongkong and Shanghai Banking Corporation Limited) Centre Point 106 Nguyen Van Troi Street Phu Nhuan District Ho Chi Minh City, Vietnam
<b>Zambia</b>	<b>Standard Chartered Bank Zambia Plc.</b> Standard Chartered House Cairo Road P.O. Box 32238 10101, Lusaka, Zambia
<b>Zimbabwe</b>	<b>Stanbic Bank Zimbabwe Limited</b> (as delegate of Standard Bank of South Africa Limited) 3rd Floor Stanbic Centre 59 Samora Machel Avenue Harare, Zimbabwe

## Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name:  
Goldman Sachs China A-Share Equity Portfolio

Legal entity identifier:  
549300MPI7SI012D0T08

### Environmental and/or social characteristics

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Does this financial product have a sustainable investment objective ?	
<input type="checkbox"/> <input type="checkbox"/> Yes	<input type="checkbox"/> <input checked="" type="checkbox"/> No
<input type="checkbox"/> It will make a minimum of <b>sustainable investments with an environmental objective:___%</b> <ul style="list-style-type: none"> <li><input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> </ul> <input type="checkbox"/> It will make a minimum of sustainable <b>investments with a social objective:___%</b>	<input checked="" type="checkbox"/> It <b>promotes Environmental/Social (E/S) characteristics</b> and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 10% of sustainable investments <ul style="list-style-type: none"> <li><input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> with a social objective</li> </ul> <input type="checkbox"/> It promotes E/S characteristics, <b>but will not make any sustainable investments</b>



## What environmental and/or social characteristics are promoted by this financial product?

**Sustainability indicators** measure how the environmental or social characteristics promoted by the financial product are attained.

The Investment Adviser implements an approach to Environmental, Social and Governance (ESG) considerations into its fundamental investment process which consists of exclusionary screens as set forth below (the "ESG Criteria").

As part of the ESG investment process, the Investment Adviser will avoid investing in companies that are, in the opinion of the Investment Adviser, directly engaged in, and/or deriving significant revenues from the following activities, which, as at the date of the Prospectus, include but are not limited to:

- controversial weapons (including nuclear weapons);
- extraction and/or production of certain fossil fuels (including thermal coal, oil sands, arctic oil and gas);
- tobacco;
- adult entertainment;
- for-profit prisons;
- civilian firearms

The Portfolio will also seek to exclude from its investment universe companies the Investment Adviser believes to be violating the United Nations Global Compact's ten principles (which are widely recognised corporate sustainability principles that meet fundamental responsibilities in the areas of human rights, labour, environment and anti-corruption). Please refer to the summary of the policy to assess good governance practices below for further detail.

Adherence to these ESG Criteria will be based on thresholds pre-determined by the Investment Adviser in its sole discretion and will be applied to proprietary data and/or data provided by one or more third party vendor(s). The Investment Adviser will rely on third-party data that it believes to be reliable, but it does not guarantee the accuracy of such third-party data. The Investment Adviser, in its sole discretion, retains the right to disapply data provided by third party vendors where it deems the data to be inaccurate or inappropriate. In some cases, data on specific companies may not be available or may be estimated by the Investment Adviser using internal processes or reasonable estimates. Potential omissions from the ESG Criteria may include but are not limited to newly listed companies to which a third party vendor may not yet have data mapped. In the course of gathering data, vendors may make certain value judgements. The Investment Adviser does not verify those judgements, nor quantify their impact upon its analysis. The Investment Adviser in its sole discretion may periodically update its screening process, amend the type of activities that are excluded for investment or revise the thresholds applicable to any such activities.

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the Portfolio.

***What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?***

The following indicators are used to measure the attainment of the environmental and/or social characteristics promoted by the Portfolio:

- % of companies in the Portfolio deriving significant revenues from:
  - controversial weapons (including nuclear weapons);
  - extraction and/or production of certain fossil fuels (including thermal coal, oil sands, arctic oil and gas);
  - tobacco;
  - adult entertainment;
  - for-profit prisons;
  - civilian firearms
  
- % of companies in the Portfolio the Investment Adviser believes to be violating the United Nations Global Compact ten principles.

***What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?***

The consideration of investments made by the Portfolio as sustainable investments is determined by reference to the Investment Adviser's Sustainable Investment Framework, which includes an assessment as to whether the investment contributes to an environmental and/or social objective. Under this framework, an investment is considered to be contributing to an environmental and/or social objective via either a product or operational contribution.

Product contribution considers either i) the proportion of an issuer's revenue dedicated to an environmentally and/or socially sustainable impact category, ii) the alignment of a product to an environmental and/or social Sustainable Development Goal (SDG), iii) best-in-class scoring of an issue(r) as against environmental and/or social opportunities themes defined by an external data provider, or iv) the percentage of taxonomy aligned revenue of the issuer. Due to availability of reliable data, the taxonomy aligned revenue route will only be used as data improves.

Operational contribution takes a thematic approach, looking at the promotion of climate transition (environmental) within the operational framework of the issuer, inclusive growth (social) within the operational framework of the issuer, operational alignment to an environmental or social SDG, or the application of a best-in-class proprietary environmental and social score.

This Portfolio does not target a specific category of sustainable investments but assesses all investments made pursuant to its overall investment strategy using the Sustainable Investment Framework. Hence, the sustainable investments made by this Portfolio may contribute to a variety of environmental and/or social objectives of the sustainable investments.

***How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?***

Issuers that are classified as contributing to a sustainable investment are also required to meet the do no significant harm (DNSH) criteria of the Investment Adviser's Sustainable Investment Framework. Any issuers that do not meet the DNSH test will not qualify as a sustainable investment. A proprietary quantitative or qualitative threshold for significant harm has been set for all 14 mandatory indicators relating to investee companies for adverse impacts on sustainability factors ("PAIs") set out in the regulatory technical standards supplementing SFDR.

Additionally, all issuers with a very severe controversy are considered to be causing significant harm and excluded from qualifying as a sustainable investment.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

**- How have the indicators for adverse impacts on sustainability factors been taken into account?**

This Portfolio considers principal adverse impacts on sustainability factors across environmental and social pillars. The PAIs are taken into account through the application of the DNSH principle outlined above for the determination of sustainable investments as well as qualitatively through the Portfolio's investment approach.

In regard to the consideration of the PAIs as part of the DNSH assessment of an issuer, as noted above a proprietary quantitative or qualitative threshold for significant harm has been set for all 14 mandatory PAIs relating to investee companies, and is assessed using information from an external data provider. These thresholds for significant harm have been set on a relative or absolute basis against each PAI depending on the Investment Adviser's assessment of the worst performing investments with respect to those PAIs. Where data is not available for a specific PAI a suitable proxy metric has been identified. If both PAI and proxy PAI data (where relevant) is not available and/or applicable to complete the DNSH assessment on an issuer, such issuer is generally excluded from qualifying as a sustainable investment.

Information on how the product considered principal adverse impacts on sustainability factors will be available in the Portfolio's Annual report.

**- How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:**

The Portfolio leverages Goldman Sachs Asset Management's proprietary approach to identifying and evaluating companies which, amongst other factors, are not considered to be aligned with global norms as further described below. Following this assessment, any companies which are considered to be in violation of these global norms (including the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights) will be excluded from qualifying as a sustainable investment.

The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.



Does this financial product consider principal adverse impacts on sustainability factors?

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Yes

No

Yes, this Portfolio considers principal adverse impacts on sustainability factors (PAIs) across the environmental and/or social pillars through the DNSH assessment, as outlined above. PAIs are also taken into account qualitatively through the application of the binding ESG Criteria and on a non-binding and materiality basis they are also considered through firm-wide and investment team specific engagement. Additional information on which PAIs are taken into account are available on our website and will also be available in the Portfolio's annual report pursuant to SFDR Article 11.



### What investment strategy does this financial product follow?

The investment strategy guides investment decisions based on factors such as investments objectives and risk tolerance.

The Investment Adviser implements the ESG Criteria on a binding basis into its investment process, as described above.

In addition to applying the ESG Criteria as set forth above, the Investment Adviser may integrate ESG factors with traditional fundamental factors as part of its fundamental research process to seek to assess overall business quality and valuation, as well as potential risks. Traditional fundamental factors that the Investment Adviser may consider include, but are not limited to, cash flows, balance sheet leverage, return on invested capital, industry dynamics, earnings quality and profitability. ESG factors that the Investment Adviser may consider include, but are not limited to, carbon intensity and emissions profiles, workplace health and safety, community impact, governance practices and stakeholder relations, employee relations, board structure, transparency and management incentives. The identification of a risk related to an ESG factor will not necessarily exclude a particular security and/or sector that, in the Investment Adviser's view, is otherwise suitable for investment. The relevance of specific traditional fundamental factors and ESG factors to the fundamental investment process varies across asset classes, sectors and strategies. The Investment Adviser may utilise data sources provided by third party vendors and/or engage directly with companies when assessing the above factors. The Investment Adviser employs a dynamic fundamental investment process that considers a wide range of factors, and no one factor or consideration is determinative.

Additionally, this Portfolio leverages the Goldman Sachs Asset Management Global Stewardship Team's engagement initiatives. The Goldman Sachs Asset Management Global Stewardship Team focuses on proactive, outcomes-based engagement, in an attempt to promote best practices. Engagement initiatives are continually reviewed, enhanced and monitored to ensure they incorporate current issues and evolving views about key environmental, social, and governance topics. To guide engagement efforts, the Goldman Sachs Asset Management Global Stewardship Team creates an annual Focus List, which reflects the Goldman Sachs Asset Management Global Stewardship Team's thematic priorities and guides voting and engagement efforts.

### ***What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?***

- The Portfolio implements the exclusionary screens as set forth in the ESG Criteria, further described above.

### ***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

The ESG Criteria is not designed to reduce investments considered prior to the application of this strategy by a committed minimum amount. The exclusionary screens are intended to ensure that issuers engaged in certain activities are entirely excluded from the Portfolio and is expected to remove between 0-5% of the Reference Portfolio/Benchmark.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

### ***What is the policy to assess good governance practices of the investee companies?***

The Portfolio leverages Goldman Sachs Asset Management's proprietary approach to identifying and evaluating global norms violators and issuers that may be engaged in poor governance practices, in particular with respect to sound management structures, employee relations, remuneration of staff and tax compliance.

This proprietary approach seeks to identify, review, evaluate and monitor companies that are flagged by external data providers as being in violation of, or otherwise not aligned with, the United Nation Global Compact (UNGC) principles, the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights as well as companies that have received high controversy scores (including significant governance controversies, severe labour rights controversies and severe tax compliance controversies). Following review of these external data inputs, companies that the Investment Adviser believes to have an ongoing and serious violation and/or are considered to not be following good governance practices with insufficient remediation will be excluded from the Portfolio. This list of companies will be reviewed on at least a semi-annual basis. The Investment Adviser may not be able to readily sell securities that are intended for exclusion from the Portfolio based on this review (for example, due to liquidity issues or for other reasons outside of the Investment Manager's control), however, will seek to divest as soon as possible in an orderly manner and in the best interests of Shareholders.



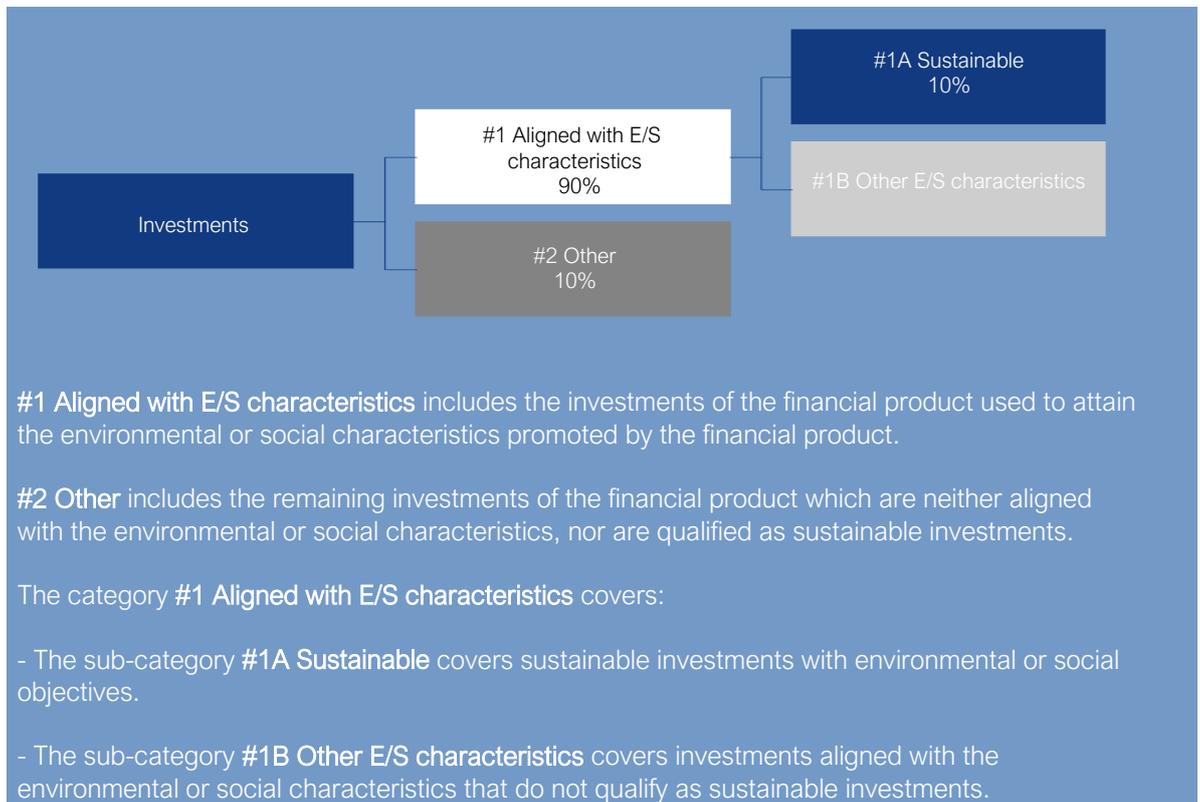
**What is the asset allocation planned for this financial product?**

**Asset allocation** describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

At least 90% of investments will be aligned to the environmental and/or social characteristics promoted by this Portfolio, as noted above. Up to 10% may be held in cash, cash equivalents and derivatives (including but not limited to index futures). This Portfolio also commits to holding a minimum of 10% in sustainable investments.



**How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?**

This question is not applicable



**To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?**

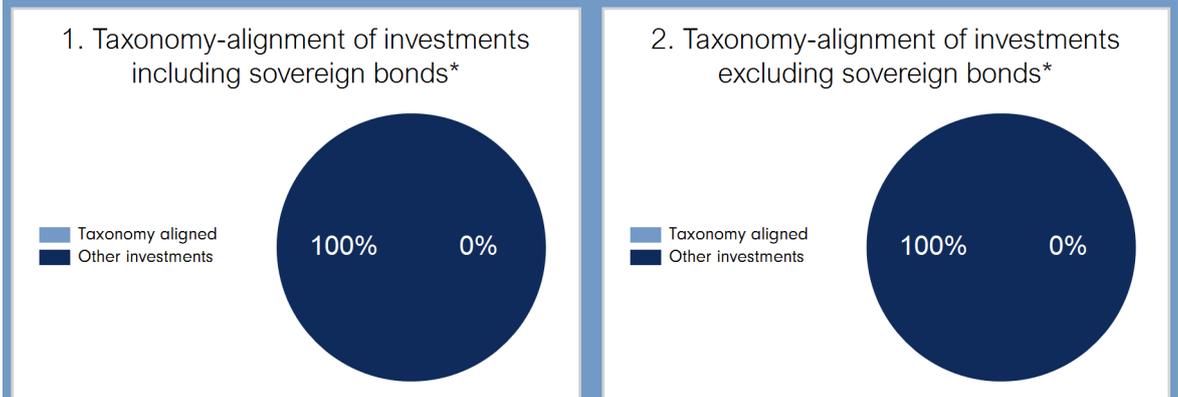
**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

Whilst this Portfolio intends to make sustainable investments, it does not take into account the EU criteria for environmentally sustainable economic activities within the meaning of the EU Taxonomy and therefore its portfolio alignment with such EU Taxonomy is 0%. However, the position will be kept under review as the underlying rules are finalised and the availability of reliable data increases over time.

As noted above, whether investments made by this product are sustainable investments is determined by reference to the Investment Adviser’s Sustainable Investment Framework for assessing the contribution of investments to environmental and/or social objectives. This product does not target one specific category of sustainable investments, but instead assesses all investments made pursuant to its overall investment strategy using the framework.

The two graphs below show in light blue the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



\* For the purpose of these graphs, ‘sovereign bonds’ consist of all sovereign exposures

**What is the minimum share of investments in transitional and enabling activities?**

Whilst this Portfolio intends to make sustainable investments, it does not take into account the EU criteria for environmentally sustainable economic activities within the meaning of the EU Taxonomy.



are sustainable investments with an environmental objective that do not take into account the criteria for environmentally sustainable economic activities under the EU Taxonomy.



**What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

Whilst this Sub-Fund intends to make sustainable investments, it does not specifically commit to a minimum proportion of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy. Hence, the minimum commitment is 0%.



**What is the minimum share of socially sustainable investments?**

Whilst this product intends to make sustainable investments, it does not specifically commit to a minimum proportion of socially sustainable investments. Hence, the minimum commitment is 0%.

As noted above, whether investments made by this product are sustainable investments is determined by reference to the Investment Adviser's Sustainable Investment Framework for assessing the contribution of investments to environmental and/or social objectives. This product does not target one specific category of sustainable investments, but instead assesses all investments made pursuant to its overall investment strategy using the framework.



**What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?**

Investments included under “#2 Other” include cash and cash equivalents for liquidity purposes and derivatives (including but not limited to index futures) for efficient portfolio management. These may be used to achieve the investment objective of the Portfolio but neither promote the environmental or social characteristics of the Portfolio, nor qualify as sustainable investments. The percentage shown is expected to be the maximum which may be held in these instruments but the actual percentage may vary from time to time.

These financial instruments are not subject to any minimum environmental or social safeguards.



**Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?**

Not applicable



**Where can I find more product specific information online?**

More product-specific information can be found on the website:

[https://www.gsam.com/content/dam/gsam/pdfs/common/en/public/stewardship/Disclosure\\_Policy\\_Document.pdf?sa=n&rd=n](https://www.gsam.com/content/dam/gsam/pdfs/common/en/public/stewardship/Disclosure_Policy_Document.pdf?sa=n&rd=n)