

GOLDMAN SACHS FUNDS III

Société d'Investissement à Capital Variable
Registered office: 80, route d'Esch – L-1470 Luxembourg
R.C.S. Luxembourg – B 44.873
(the “Company”)

NOTICE TO SHAREHOLDERS

The board of directors of the Company (the “**Board of Directors**”) hereby informs the shareholders of the Company (the “**Shareholders**”) of the amendments to be made to the prospectus of the Company (the “**Prospectus**”) mainly consisting of the following:

1. Amendments to the sub-fund “Goldman Sachs Asia Equity Growth & Income” (the “Sub-Fund”)

The Investment Objective and Policy (“**IOP**”) of the Sub-Fund is to provide investors with capital growth and an attractive level of income by investing in shares and equity related securities combined with a derivative overlay strategy. The Board of Directors would like to reposition the IOP to provide for a high dividend strategy while benefitting from capital appreciation by investing in companies in the Asian region (except Japan and Australia) with a focus on securities expected to offer higher dividend yields. The overlay strategy will be discontinued.

The Board of Directors has therefore decided to amend the IOP and denomination of the Sub-Fund as follows:

- The sub-fund will be renamed “Goldman Sachs Asia Equity Income”;
- The investment objective and policy will be amended as follows:

(Deletion(s) in strikethrough and addition(s) in bold):

*“The Sub-Fund’s objective is to provide investors with capital ~~growth~~ **appreciation** and ~~an attractive level of~~ income by **investing** predominantly ~~allocating its assets to~~ **in** a diversified portfolio of shares and other equity related securities **of companies in the Asian region (except Japan and Australia)** with a focus on securities expected to offer higher dividend yields. Combined with a derivative overlay strategy.*

The Sub-Fund uses active management and seeks to achieve its investment objectives by investing its assets under management predominantly in a diversified portfolio comprised of equities and/or other Transferable Securities (warrants on Transferable Securities – up to a maximum of 10% of the Sub-Fund’s net assets – and convertible bonds) issued by companies established, listed or traded in the Asian region (except Japan and Australia) based on fundamental analysis, with deviation limits maintained relative to the Index. Its investments will therefore materially deviate from the Index. ~~The Sub-Fund seeks to generate gains from dividends on the ordinary shares held in the portfolio and from premiums generated by selling options on equities and indices, especially, but not limited to the HSI Index and the Kospi 200 Index.~~

Measured over a period of several years this ~~The Sub-Fund is expected to behave vis-à-vis the Index, as listed in the Appendix II of the Company’s Prospectus, as follows:~~

~~The equity part of the Sub-Fund’s portfolio aims to outperform the Index as listed in the Appendix II of the Company’s Prospectus. Over a period of several years. The Index is a broad representation of the Sub-Fund’s investment universe. The Sub-Fund may also include investments into securities that are not part of the Index universe.~~

- *~~As a part of the overlay derivatives strategy, the Sub-Fund will sell call options (“call overwriting”) and receive in exchange option premium, which can be distributed. The derivatives overlay is expected to reduce the volatility of the total returns (including dividends) of the Sub-Fund compared with the Index as listed in the Appendix II of the Company’s Prospectus and it is expected to provide some risk mitigation in negative markets. The Sub-Fund is expected to deliver better returns, adjusted for risk, than the Index as listed in the Appendix II of the Company’s Prospectus over a period of several years. This strategy will typically underperform a similar~~*

~~portfolio without derivatives in periods when the underlying stock prices are rising, and outperform when the underlying stock prices are falling.~~

[...]"

2. Clarification regarding the sub-fund "Goldman Sachs Europe Equity" and the sub-fund "Goldman Sachs Eurozone Equity" (together the "Sub-Funds")

The investment process of the Sub-Funds will be aligned with fundamental equity strategies of the Goldman Sachs group, without this having any material impact on the actual investment process. Therefore, the Investment Objective and Policy ("IOP") of the Sub-Funds will be aligned to emphasise a fundamental bottom-up research-based approach, as follows (deletion(s) in strikethrough and addition(s) in bold):

- Goldman Sachs Europe Equity

"The Sub-Fund invests predominantly in a diversified portfolio comprised of equities and/or other Transferable Securities (warrants on Transferable Securities – up to a maximum of 10% of the Sub-Fund's net assets – and convertible bonds) issued by companies established, listed or traded in any European country. ~~The Sub-Fund uses both fundamental and quantitative research inputs to select stocks that offer an attractive return profile.~~

*The Sub-Fund ~~invests in~~ **uses active management to target** companies that offer an attractive **expected** return profile based on fundamental analysis ~~and the input of a factor model~~, **and is actively managed** with deviation limits ~~maintained~~ relative to the Index.*

***The Sub-Fund's** ~~its~~ investments will therefore materially deviate from the Index. Measured over a period of several years this Sub-Fund aims to beat the performance of the Index as listed in the Appendix II of the Company's Prospectus. The Index is a broad representation of the Sub-Fund's investment universe. The Sub-Fund may also include investments into securities that are not part of the Index ~~universe~~. This Sub-Fund ~~also~~ integrates ESG factors into its fundamental analysis.*

[...]"

- Goldman Sachs Eurozone Equity

"The Sub-Fund essentially invests (minimum 2/3) in a diversified portfolio of equities and/or other Transferable Securities (warrants on Transferable Securities – up to a maximum of 10% of the Sub-Fund's net assets – and convertible bonds) issued by companies listed on stock exchanges in the Euro zone. ~~The Sub-Fund uses both fundamental and quantitative research inputs to select stocks that offer an attractive return profile.~~

*The Sub-Fund ~~invests in~~ **uses active management to target** companies that offer an attractive **expected** return profile based on fundamental ~~analysis and the input of a factor model~~ **analysis and is actively managed** with deviation limits ~~maintained~~ relative to the Index. **The Sub-fund's** ~~its~~ investments will therefore materially deviate from the Index. Measured over a period of several years this Sub-Fund aims to beat the performance of the Index as listed in the Appendix II of the Company's Prospectus. The Index is a broad representation of the Sub-Fund's investment universe. The Sub-Fund may also include investments into securities that are not part of the Index ~~universe~~. This Sub-Fund ~~also~~ integrates ESG factors into its fundamental analysis.*

[...]"

The clarification is for informational purposes only.

3. Amendments to the sub-fund "Goldman Sachs Global Real Estate Equity (Former NN)"

3.1 As part of ongoing efforts to optimize businesses and operations of Goldman Sachs Asset Management B.V. and The Goldman Sachs Group, Inc., the Board of Directors has decided to align the investment process of the Sub-Fund with fundamental equity strategies of The Goldman Sachs Group, Inc.

The investment objective and policy will be aligned as follows (deletion(s) in strikethrough and addition(s) in bold):

[...]

*The Sub-Fund uses active management to target companies that score well according to our ~~systematic~~ **fundamental** investment process, with deviation limits maintained relative to the Index.*

[...]

*The Sub-Fund's stock selection process is driven by the analysis of fundamental ~~and behavioural~~ data and includes the ~~consideration~~ **integration** of ESG factors.*

[...]"

The "Environmental and Social characteristics" Section will be amended as follows (deletion(s) in strikethrough and addition(s) in bold):

"The Sub-Fund promotes environmental and/or social characteristics, as described in Article 8 of the SFDR. The Sub-Fund applies ~~engagementStewardship as well as the Management Company's ESG integration approach~~ and the norms-based responsible investing criteria.

[...]"

The "Principal Adverse Impacts on Sustainability Factors" Section will be amended as follows:

"The Sub-Fund considers Principle Adverse Impacts on Sustainability Factors notably via ~~engagementStewardship~~.
[...]"

90% (as opposed to 95% currently) of the investments of the Sub-fund are aligned with the E/S characteristics. 10% (as opposed to 5% currently) of the investments of the Sub-fund is estimated to be not used to promote E/S characteristics.

This alignment will not entail any material change in the approach to E/S characteristics, but will entail several linguistic alignments throughout the Prospectus, including the pre-contractual disclosures (the "PCDs") in relation to products disclosing requirements of Article 8 of the Sustainable Finance Disclosure Regulation.

This alignment will not lead to any SFDR reclassification nor is it the intention to actively increase the investment into investments not aligned with E/S characteristics.

3.2 Further, the table in "Appendix I: Assets subject to TRS and SFT" will be amended with respect to the Sub-Fund to change the "Expected TRS (sum of notionals)" from 5% to 0% and the "Max. Sec. Lending (Market value)" from 10% to 15%

3.3 The benchmark of the Sub-Fund in the table in "Appendix II: Overview of Indices of the Company's Sub-Funds" changes from "GPR 250 Global 10/40 (NR)" to "FTSE EPRA Nareit Developed Index" and the administrator of the benchmark from "Global Property Research" to "FTSE International Limited".

With the transfer to the global team utilising more commonly recognised global benchmark, the Board of Directors deem this benchmark most appropriate. It shows little deviations in terms of country or sub-sector exposures compared to the current benchmark.

The new benchmark is in scope of the Benchmark Regulation and registered with the competent authority.

4. Amendments to the sub-fund "Goldman Sachs Emerging Markets Equity Income"

To further advance the integration of the NN Investment Partners group with the Goldman Sachs Group, the Board of Directors has decided to align the investment process of the Sub-Fund with fundamental equity strategies of the Goldman Sachs group. The investment objective and policy will be aligned as follows (deletion(s) in strikethrough and addition(s) in bold):

[...]

The Sub-Fund uses active management to target companies that score well according to our ~~systematic~~ **fundamental** investment process, with deviation limits maintained relative to the Index.

[...]

The Sub-Fund's stock selection process is driven by the analysis of fundamental ~~and behavioural~~ data and includes the ~~consideration~~**integration** of ESG factors.

[...]"

The "Environmental and Social characteristics" Section will be amended as follows (deletion(s) in strikethrough):

"The Sub-Fund promotes environmental and/or social characteristics, as described in Article 8 of the SFDR. The Sub-Fund applies Stewardship ~~as well as the Management Company's ESG integration approach~~ and the norms-based responsible investing criteria.

[...]"

90% (as opposed to 95% currently) of the investments of the Sub-fund are aligned with the E/S characteristics. 10% (as opposed to 5% currently) of the investments of the Sub-fund is estimated to be not used to promote E/S characteristics.

This alignment will not entail any material change in the approach to E/S characteristics but will entail several linguistic alignments throughout the Prospectus, including the pre-contractual disclosures (the "PCDs") in relation to products disclosing requirements of Article 8 of the Sustainable Finance Disclosure Regulation.

This alignment will not lead to any SFDR reclassification nor is it the intention to actively increase the investment into investments not aligned with E/S characteristics.

5. Amendments to the sub-fund "Goldman Sachs Global Energy Equity" (the "Sub-Fund")

The Investment Objective and Policy ("IOP") of the Sub-Fund is to invest in companies in the energy sector, in particular companies carrying out their business activity in the oil and gas industry as well as energy equipment and services.

The Board of Directors has decided to reposition the IOP to focusing on environmental transition by seeking to capture opportunities in companies, with, currently, a heavy environmental footprint, that are transitioning their business model to having a lower environmental footprint. To support the objectives of the Sub-Fund, the Investment Manager seeks to engage with investee companies. Through these engagements, the Investment Manager seeks to gather information to make informed investment decisions and understand the company's alignment to the environmental and/or social characteristics promoted by the Sub-Fund. Through their investment into the Sub-Fund shareholders are expected to contribute to financing the transition to a more sustainable environment and benefit from a wider investment universe than the traditional MSCI energy sector.

The Sub-Fund will diversify across a range of industries, in particular, but not limited to extraction, power generation, manufacturing, transportation and consumption. Because of the enlarged scope of investment universe, the benchmark will change from the MSCI World Energy 10/40 (NR) to the MSCI AC World (NR). The Sub-Fund will remain actively managed and use fundamental analysis, including the consideration of ESG factors, to select companies that are expected to support the environmental transition.

The Board of Directors has therefore decided to amend the IOP and denomination of the Sub-Fund as follows:

- The sub-fund will be renamed "Goldman Sachs Global Environmental Transition Equity";
- The investment objective and policy will be amended as follows:

(Deletion(s) in strikethrough and addition(s) in bold):

~~"The Sub-Fund seeks long-term capital appreciation by pre-dominantly essentially invests (minimum 2/3) investing in a diversified portfolio of equities and/or other Transferable Securities (warrants on Transferable Securities – up to a maximum of 10% of the Sub-Fund's net assets – and convertible bonds) issued by companies worldwide. The Sub-Fund seeks to invest in the energy sector companies with a heavy environmental footprint that are transitioning to a lower environmental footprint – in particular, but not limited to, companies carrying out their business activity in the following industries are included areas: extraction, power generation, manufacturing, transportation and consumption. oil and gas (exploration, production, refining and/or transportation of oil and gas); energy equipment and services (manufacture and supply of oil drilling equipment and other energy related equipment and services).~~

~~The portfolio is diversified across countries.~~

~~The Sub-Fund uses actively managementd to target companies that score well according to our systematic investment process, with deviation limits maintained relative to the Index and uses fundamental analyses, including the consideration of ESG factors, to select companies that support the environmental transition. Measured over a period of several years this Sub-Fund aims to beat the performance of the Index as listed in the Appendix II of the Company's Prospectus. The Index is a broad representation of the Sub-Fund's investment universe. The Sub-Fund may also include investments into securities that are not part of the Index universe. The Sub-Fund's stock selection process is driven by the analysis of fundamental and behavioural data and includes the integration of ESG factors.~~

~~[...]~~

~~The Sub-Fund adopts an active management approach by among others taking overweight and underweight positions versus the Index. Investors should be aware that the Index's investment universe is concentrated and, as a result, the Sub-Fund is concentrated. This will typically result in a comparable composition and return profile of the Sub-Fund and its Index. "~~

6. Update of the sustainable investment disclosures in the Prospectus

As part of ongoing efforts to optimize businesses and operations of Goldman Sachs Asset Management B.V. and The Goldman Sachs Group, Inc., the approach to taking ESG considerations into account in the investment decision-making process will be aligned with The Goldman Sachs Group, Inc.

This alignment will not entail any material change in the approach to sustainable investing, but will entail several linguistic alignments throughout the Prospectus, including the pre-contractual disclosures ("the PCDs") in relation to products disclosing requirements of Article 8 and Article 9 of the Sustainable Finance Disclosure Regulation.

This alignment will not lead to any SFDR reclassification of the Sub-Funds concerned and all Sub-Funds will continue to be managed as they currently are.

7. Adjustment of percentage of investments aligned with E/S characteristics of the Goldman Sachs Sustainable Yield Opportunities, the Goldman Sachs Global Yield Opportunities (Former NN) and the Goldman Sachs Global Flexible Multi-Asset (the "Sub-Funds")

The percentage of investments aligned with E/S characteristics indicated in the asset allocation question in the PCDs of the Sub-Funds below is adjusted to permit flexibility in case of incidental and unintended fluctuations between the sleeve #1 of the portfolio aligned with E/S characteristics and the sleeve #2 of remaining assets which is to be anticipated in the context of multi-asset strategies.

It is not the intention to actively increase the investment into investments not aligned with E/S characteristics, the flexibility is required to manage multi-asset strategies in the best interest of investors.

	Previous %		Rectified %	
	#1 Aligned with E/S characteristics	#2 Other	#1 Aligned with E/S characteristics	#2 Other

Goldman Sachs Sustainable Yield Opportunities	90	10	80	20
Goldman Sachs Global Yield Opportunities (Former NN)	95	5	80	20
Goldman Sachs Global Flexible Multi-Asset	90	10	80	20

The changes described in this notice come into effect on 6 November 2023.

Shareholders affected by the changes described in sections 1, 3 and 5 may redeem their shares free of charge for a period of 30 calendar days following the date of this notice, by submitting a redemption request in accordance with the procedures set out in the Prospectus.

The above changes will be reflected in the new version of the Prospectus to be dated 6 November 2023. The Prospectus will be available upon request free of charge at the registered office of the Company.

More information can be requested at the registered office of the Management Company.

Luxembourg, 29 September 2023

The Board of Directors

Information for investors in Switzerland:

The Representative and Paying Agent in Switzerland is State Street Bank International GmbH, Munich, Zurich branch, Beethovenstrasse 19, 8002 Zurich. The prospectus, the key investor information, the articles of association and the annual and semi-annual reports of the company can be obtained free of charge from the representative in Switzerland.