Goldman Sachs | Asset Management

ING DIRECT

Société d'Investissement à Capital Variable
Registered office: 80, route d'Esch – L-1470 Luxembourg
R.C.S. Luxembourg – B 109.614
(the "**Company**")

NOTICE TO SHAREHOLDERS

Dear Shareholders,

The board of directors of the Company (the "**Board of Directors**") hereby informs the shareholders of the following:

Change to investment policy and name of ING Direct Convertibile Arancio (the "Sub-Fund")

Shareholders of the Sub-Fund are hereby informed that the Master Fund, Goldman Sachs Global Convertible Bond Opportunities, a sub-fund of Goldman Sachs Funds III, will be liquidated with a liquidation termination date of 15 March 2024.

To preserve the interest of shareholders, the Board of Directors has decided to submit to the approval of the *Commission de Surveillance du Secteur Financer* (the "**CSSF**"), the investment of at least 85% of the assets of the Sub-Fund into another UCITS master fund.

The CSSF approved the investment of the Sub-Fund in the IO share class (EUR-Hedged) of Goldman Sachs Global Multi-Asset Income Portfolio (the "**Master Fund**"). The Master Fund is a sub-fund of Goldman Sachs Funds SICAV, a Luxembourg UCITS fund.

The Master Fund is a "Flexible Portfolio", meaning that its investment objective is total returns consisting of capital appreciation and income generation.

The investments underlying the Master Fund do not take into account the EU criteria for environmentally sustainable economic activities. Hence, the SFDR qualification of the Sub-Fund will change its status from it being a fund promoting environmental and/or social characteristics within the meaning of article 8 of the SFDR to a fund being neither an article 8 SFDR nor an article 9 SFDR product.

The Sub-Fund will start to invest into the Master Fund from 15 March 2024 (the "**Effective Date**"). With effect from the same date, the name of the Sub-Fund will change from ING Direct Convertibile Arancio to ING Direct Rendita Arancio.

The shareholders not agreeing to the contemplated investment into the Master Fund have the right to request, within thirty days of the date of this letter, the redemption of their shares without any charges other than those retained by the Company to cover disinvestment costs.

Shareholders should note that their right to redeem expires on 5 March 2024, i.e. any orders that reach the Company after 15.30 CET on 5 March 2024 will only be dealt with after the Effective Date. Orders so placed after 15.30 CET on 5 March 2024 may be withdrawn. If they are not withdrawn, then they will be treated as if they were placed prior to 15.30 CET on the Effective Date.

The key investor information documents of the Sub-Fund and of the Master Fund are enclosed with this letter.

Shareholders should refer to Appendix I for more information about the Master Fund, as well as for a fee comparison.

Luxembourg, 2 February 2024

The Board of Directors

Appendix I

Information about the Master Fund

The information below is a copy of the most recent prospectus of the Master Fund and defined terms have the meaning ascribed to them in such prospectus. The prospectus of the Master Fund is available upon request at the registered office of the Company.

Investment Objective

The Goldman Sachs Global Multi-Asset Income Portfolio (the "Portfolio") seeks total returns consisting predominantly of income with the potential for capital appreciation by investing primarily in equity and fixed income securities, with a focus on higher income yielding securities.

Investment Policies

The Portfolio will, under normal circumstances, invest at least two thirds of its net assets in equity and/or equity related Transferable Securities and fixed income Transferable Securities of issuers located anywhere in the world. The Investment Adviser will generally seek to predominantly hedge the Portfolio's currency exposure back to the US Dollar.

The Portfolio may hold up to 80% of its assets in equity securities, and up to 80% of its assets in fixed income securities.

The Portfolio may also seek to generate a return through the sale of covered call options on equity securities or indices by obtaining up front premium but the Portfolio's gains from an increase in the market value of its underlying shares may be limited where sold call options are exercised. For further information on call options and the associated risks, please refer to Paragraph 4.6.6 "Call Options" of the Prospectus. For Distribution Shares, the payment of the proceeds of this strategy is intended to be part of the distribution, if any, of the relevant Share Class at the date on which such distribution is made.

The Portfolio may invest up to 25% of its net assets in convertible debt obligations and up to 20% of its net assets in debt instruments with loss-absorption features ("LAP") which may be subject to contingent write-down or contingent conversion to ordinary shares on the occurrence of trigger event(s). Convertible debt obligations include CoCos. LAP instruments include, but are not limited to, CoCos, Tier 1 and Tier 2 capital instruments and senior non-preferred debts. The Portfolio may invest up to 5% in CoCos.

For further information on LAP and the associated risks, please refer to Paragraph 4.4.8 "Debt instruments with loss-absorption features" of the Prospectus and for further information on CoCos and the associated risks, please refer to Paragraph 4.4.15 "Contingent Capital Securities (CoCos)" of the Prospectus.

Equity and equity related Transferable Securities may include common stock, preferred stock, warrants and other rights to acquire stock, ADRs, EDRs and GDRs. The Portfolio may also invest in MLP related securities.

Fixed income Transferable Securities may include (without limitation) fixed and floating rate, senior and subordinated corporate debt obligations (such as bonds, debentures, notes and commercial paper), mortgage and asset-backed securities, collateralised debt and loan obligations, Money Market Instruments, Brady bonds and other debt issued by governments, their agencies and instrumentalities, or by central banks, convertible debt obligations, and reverse repurchase agreements. The Portfolio may not invest in excess of 20% of its net assets in mortgage and asset-backed securities.

The Investment Adviser will seek to implement investment ideas that are generally derived from its short-term or medium-term market views, on a variety of asset classes and instruments ("Tactical Exposures"). The Investment Adviser will generally seek to implement its Tactical Exposures through the use of ETFs, financial derivative instruments, or active investment strategies.

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

The Portfolio may also use financial derivative instruments as part of its investment policy or for hedging purposes. These may include but are not limited to, foreign currency forward contracts, futures, options (on equity securities and markets, interest rates, credit and currencies), swaps (including equity swaps, interest rate swaps, credit default swaps and total return swaps) and credit linked instruments. For further information on the use of financial derivative instruments and the associated risks, please refer to Appendix C - "Derivatives and Efficient Portfolio Management Techniques" together with Section 4 "Risk Considerations" in the Prospectus.

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

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

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

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

Type of transaction	Under normal circumstances it is generally expected that the principal amount of such transactions would represent a proportion of the Portfolio's net asset value indicated below.*	Under normal circumstances it is generally expected that the principal amount of the Portfolio's assets that can be subject to the transaction may represent up to a maximum of the proportion of the Portfolio's net asset value indicated below.
Total return swaps	0%	50%
Repurchase, including reverse repurchase, transactions	0%	50%
Securities lending transactions	1%	15%

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

Calculation of Global Exposure and Expected Level of Leverage

The table below sets out for this Portfolio the information mentioned in Section 3 "Goldman Sachs Funds – Calculation of Global exposure and Expected Level of Leverage" of the Supplement.

Market Risk Calculation	**Limit**	**Reference Portfolio/Benchmark***	**Expected Level of Leverage** **Gross Sum of Notionals** **(Gross Exposure)**

Relative VaR	2 x	40% ICE BofA US High Yield BB-B Constrained Index (USD Hedged) (Total Return Gross) / 40% MSCI World Index (USD Hedged) (Total Return Net) / 20% Bloomberg Global Aggregate – Corporate Index (USD Hedged) (Total Return Gross)	0%-200%**

***The Portfolio is actively managed and is not designed to track its Reference Portfolio/Benchmark. Therefore the performance of the Portfolio and the Reference Portfolio/Benchmark may deviate. The Benchmark should not be relied on for comparison of the Portfolio's performance as the Portfolio is not designed to track the Benchmark. The Portfolio may offer Share Classes which are denominated in or hedged into currencies other than the Base Currency of the Portfolio. Accordingly, the Reference Portfolio/Benchmark noted above may be denominated in or hedged into the relevant currency of a particular Share Class.**

****This expected range of leverage is not a limit and may vary over time as described in the Section 3 "Goldman Sachs – Calculation of Global Exposure and Expected Level of Leverage" of the Supplement. The actual levels may deviate from the stated range.**

Principal Risks of the Portfolio

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

- 4.2 Investment risks
- 4.4 Investment in debt securities
- 4.6 Investment in derivatives and in particular 4.6.6 Call Options
- 4.7 Other investments
- 4.9 Leverage and hedging
- 4.10 Currency risks
- 4.11 Currency hedging

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

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

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

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

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

Comparative fee table

	Feeder Sub-Fund					Master Sub-Fund			
Current/New	**Share-Class**	**Management Fee**	**Service Fee**	**Tax dábonnement**	**Ongoing Charge***	**Share-Class Type**	**Service Fee/ Operational Expenses***	**Management Fee**	**Ongoing Charge/TER***
Current Master-Feeder	ING Direct Convertibile Arancio Class P Distribution (EUR)	1.40%	0.14%	0.05%	1.77%	Z (current)	0.14%	0.00%	0.19% (current level)
Proposed new Master-Feeder	ING Direct Rendita Arancio Class P Distribution (EUR)	1.45%	0.14%	0.05%	1.77%	IO (new)	0.13% (current level)	0.00%	0.13% (current level)

** Operational Expenses and therefore Ongoing Charge/TER may fluctuate*