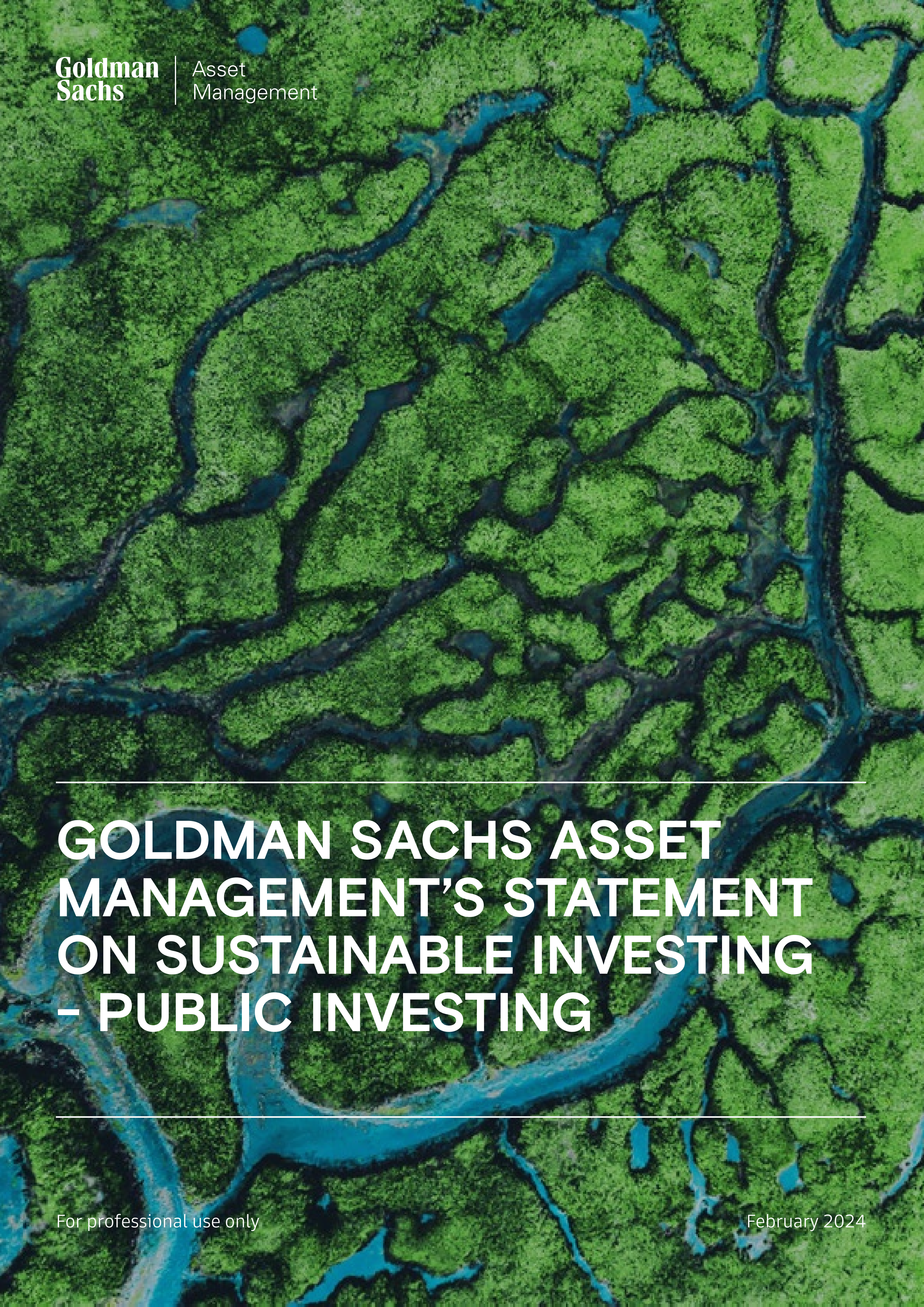
Goldman Sachs | Asset Management



GOLDMAN SACHS ASSET MANAGEMENT'S STATEMENT ON SUSTAINABLE INVESTING – PUBLIC INVESTING

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February 2024

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INTRODUCTION

At Goldman Sachs, our sustainability strategy is centered on how we can help our clients achieve their sustainability objectives. We believe environmental, social, and governance (ESG) factors can be important tools for identifying investment risk and capturing opportunities on behalf of our clients.

Our investment teams across equities, fixed income and multi-asset solutions may analyze ESG information in a manner consistent with their investment style and specific strategy guidelines. In certain strategies, ESG factors may be utilized to set exclusions, drive tilts, or seek to select securities with strong ESG ratings. In addition, for our clients who want sustainable and impact investing in their portfolios, we are committed to helping them deploy their capital in a manner that is impactful and financially sound.

We devote considerable resources to sustainable and impact investing and have investment professionals who spend the majority of their time on sustainability-related research, portfolio management, stewardship, engineering, and risk management. These professionals are generally embedded within our investment teams or part of a centralized platform of professionals whose efforts span asset classes. We have also made a substantial investment in a proprietary set of data platforms to provide our portfolio managers with access to ESG information and portfolio construction techniques. We seek to leverage our distinctive combination of breadth and depth to generate insights and fuel capabilities help us invest well and serve as a value-added partner for our clients.

This document sets out a summary of some of the elements of our approach to Sustainable Investing in Goldman Sachs Asset Management's public markets investment businesses.

SUSTAINABLE INVESTING PRIORITIES AND COMMITMENTS

Public Investing Sustainable Finance Framework

Grounded in over a decade of market research, client engagements and investing in sustainable solutions, our Sustainable Finance Framework is organized around two strategic priorities where we expect to have the greatest impact through our work with clients and strategic partners — advancing climate transition and driving inclusive growth. Underpinning these two strategic priorities are nine sub-themes.

Our $750 Billion Sustainable Finance Commitment[1]

Goldman Sachs has a firmwide 10-year, $750 billion commitment that places our sustainable finance strategy at the core of our financing, investing and advisory work with clients. Public Investing Sustainable Finance Framework is aligned with and contributes to realizing these objectives.

Climate Transition

Clean Energy
Enable renewable energy generation, energy efficiency and grid services.

Sustainable Transport
Shift modes of transit through electric vehicles, connected services, autonomous driving and public transportation development.

Sustainable Food and Argiculture
Enable green agricultural production, storage processing and distribution to feed the world.

Waste and Materials
Promote sustainable production and consumption along with responsible waste management.

Ecosystem Services
Contribute to the sustainable management of natural resources and monetize the value of forests, water and biodiversity.

Inclusive Growth

Accessible and Innovative Healthcare
Enable the use of digital technology, advanced devices and diagnostics for better outcomes.

Financial Inclusion
Advance financial inclusion for all, including underserved populations by promoting access to capital, financial technology and products that increase access, support financial health and drive more equitable economic growth.

Accessible and Affordable education
Enable greater access to education, improve learning outcomes and help close opportunity gaps for learners of all ages.

Communities
Enable infrastructure development, affordable housing and livelihood advancement.

1 Firmwide sustainability goals are not binding characteristics of specific products. There is no guarantee that any particular ESG objective will be pursued or met with respect to any particular product.

SUSTAINABLE INVESTING APPROACH FOR PUBLIC INVESTING

Our sustainable investing strategy requires a specific setup that brings together the various elements of our approach. Below visualization presents the key elements of our approach in a cohesive manner, detailing the scope of individual elements as well as the relationship with other elements[2].

Public Investing Global Stewardship Framework
Proxy Voting & Engagement Approach

Public Investing SI Governance
SI Oversight Group, SI Leadership Council, Proxy Voting Council, Asset Management Public Risk Work Group

Public Investing Sustainable Investment Strategies
Global Norms Approach, SI Strategies, SI Framework*

Public Investing Sustainable Investment Strategies
Equities, Fixed Income, Multi Asset Solutions, External Investments

Sustainable Investment Strategies differentiate from Traditional Investment Strategies in the way that sustainability factors can be considered in the investment process, and/or tailored towards sustainability related outcomes, and/or linked to specific sustainability themes. There are multiple strategies and instruments that may be deployed to cater for this as to realize desired client outcomes. This may vary across various investment strategies and asset classes.

These strategies may apply one or more of the following instruments, for example:
- Corporate or sovereign exclusions may be applied, based on product involvement or business conduct;
- ESG-integration techniques;
- Impact investing;
- Sustainability outcome tilting e.g., CO_2-emissions

Themes: Climate Transition & Inclusive Growth

Holistic & Theme-agnostic

Public Investing Traditional Investment Strategies

* This refers to the SI Framework for defining sustainable investments under the EU Sustainable Financial Disclosure Regulation.

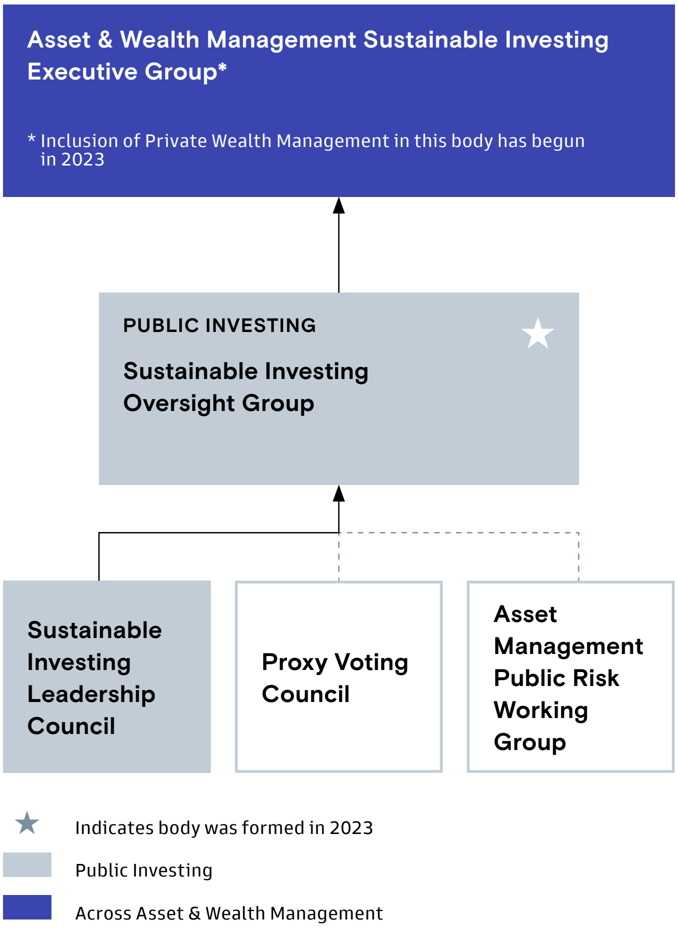
Source: Goldman Sachs Asset Management. As of December 2023. For illustrative purposes only. Goldman Sachs Asset Management in its sole discretion and without notice may periodically update or change the structure outlined above.

2 This overview is for illustrative purposes only and may change over time, it represents the approach as per December 2023.

SUSTAINABLE INVESTING GOVERNANCE

At Goldman Sachs Asset Management, the Asset & Wealth Management (AWM) Sustainable Investing (SI) Executive Group leverages the expertise of senior business leaders responsible for global business and investment functions and oversees the overall AWM sustainability strategy and seeks to ensure consistency between public markets, private markets and our wealth management business.

For our Public Investing Business specifically, the Sustainable Investing Oversight Group is responsible for providing oversight of SI methodologies and frameworks, various SI commitments and AWM public SI policies. In addition, the public markets Sustainable Investing Leadership Council brings together sustainable investing experts and practitioners to guide implementation of sustainable investing within the investment teams as relevant.



Source: Goldman Sachs Asset Management[3]

3 Goldman Sachs Asset Management in its sole discretion and without notice may periodically update or change the structure outlined above.

PUBLIC INVESTING MANAGEMENT OVERSIGHT BODIES

Governance Body	Overview	Escalation Path
Sustainable Investing Oversight Group	The Sustainable Investing Oversight Group is responsible for providing oversight of SI methodologies and frameworks, various SI commitments and AWM Public Investing SI policies. This multidisciplinary body comprises representatives from Risk, Legal, Compliance, ESG Product Groups, Investment Area Chief Operating Officers ("COO"), Sustainable Investing and Innovation Platform ("SIIP"), Client Relations, Imprint, and Marketing. This Group generally meets quarterly, or more frequently on an ad-hoc basis, as needed.	Sustainable investing issues are escalated to the AWM Sustainable Investing Executive Group, when deemed necessary.
Sustainable Investing Leadership Council	The Sustainable Investing Leadership Council discusses sustainable investing-related topics. This multidisciplinary body comprises ESG Product Group leads, Investment Area leaders, ESG/sustainable investing experts, and representatives from SIIP. This governance body is a forum for exchange of ideas and information rather than a decision-making body. This Council generally meets monthly.	Topics of discussion may be escalated to the Sustainable Investing Oversight Group.
Proxy Voting Council	The Proxy Voting Council oversees the Public Investing Global Proxy Voting Policy. This multidisciplinary body comprises representatives from the Global Stewardship Team, equity investment teams, Public Investing Management, Legal, and Compliance. This Council generally meets annually, or more frequently, as needed.	Informs the Sustainable Investing Oversight Group but does not escalate decisions.
Asset Management Public Risk Working Group	The Asset Management ("AM") Public Risk Working Group assesses and proposes mitigation measures for risks related to business activities in Public Investing. The AM Public Risk Working Group includes senior business leaders, risk management, and other key stakeholders. Where appropriate, the risk function may recommend escalation of climate-related risks to the AM Public Risk Working Group. Potential climate-related risks identified at a fund or investment level may be escalated to AM Risk Public Working Group with remedial actions discussed and agreed, as appropriate. The AM Public Risk Working Group generally meets monthly.	Sustainable Investing issues may be escalated to the applicable Portfolio Management team, and/or the Sustainability Leadership Council, when deemed necessary.

In Public Investing, sustainable investment professionals are supported by the centralized Sustainable Investing & Innovation Platform ("SIIP"). Some of the areas of focus of this group include enhancing and developing sustainable investing data and tools, sustainable investing internal education, providing sustainable investing strategic advice and analytics and enhancing ESG integration within investment strategies. Additionally, Public Investing Businesses have appointed ESG Leads who are embedded within each asset class, where relevant and appropriate.

COMMITMENT TO STEWARDSHIP

Within Public Investing, we are committed to promoting and exercising effective stewardship among the companies represented in the portfolios we manage on behalf of our investing clients. We may evaluate companies' corporate strategies, investment and financing activities, management incentives, resource use, regulatory policies, and environmental impact, as well as overall effect on and engagement with consumers, workers, and the communities in which they operate to assess and promote long-term value creation.

Our Global Stewardship Team drives the continued enhancement of our approach to stewardship and serves as a dedicated resource to our investment teams globally. The work of the Global Stewardship team is centered around three core activities:

- **Engagement** with company management of a subset of companies we are invested in on behalf of our clients
- **Proxy voting** at companies that we have voting authority on behalf of our clients
- **Industry leadership** to collaborate, share insights and build best practices across the stewardship space.

The Global Stewardship Team is supported by the broader Goldman Sachs Asset Management platform, which includes coordination among investment teams, Legal, Compliance, and Operations.

Engagement

Communication with companies and issuers is a key component of our approach to stewardship.
We classify and report on this activity using the definitions below:

- **Engagements:** Instances where active dialogue or the exchange of written communication with a company or issuer has occurred
- **Interactions:** Other types of interactions where we are not actively participating in an exchange of views

Our engagements with companies generally fall into one of the below four categories.

- **Thematic engagements:** Thematic engagements from our stewardship framework or portfolio specific engagement plans
- **Proxy Related discussions:** Intended to help inform our proxy voting decisions
- **Providing ESG Feedback:** Conducted generally at the request of issuers to provide feedback or views on reporting or other matters
- **Investment Research and Monitoring:** Undertaken primarily to seek information or inform our investments

Voting

Exercising our client's shareholder rights via proxy voting is an important element of the portfolio management service we provide to our advisory clients who have authorized us to address these matters on their behalf. As a fiduciary, our guiding principle in performing proxy voting is to seek to make decisions in the best interest of our clients by favoring proposals that in our view maximize a company's shareholder value. This reflects our belief that sound corporate governance can create a framework within which a company can be managed for the long-term benefit of shareholders.

For our Public Investing Business Goldman Sachs Asset Management has developed a customized Global Proxy Voting Policy (the Policy), to execute our voting responsibilities where clients have delegated proxy voting responsibility to us. We seek to update the Policy annually to incorporate current issues and evolving views about key governance topics. The Policy is tailored regionally and allows us to take a nuanced approach to voting that is region and country specific. Please refer to the Policy in full for more details on our approach. For separately managed account clients we are generally able to follow customized voting policies if requested.

To govern our proxy voting responsibilities, we have created an Asset Management Public Investing Proxy Voting Council, comprised of stakeholders from the Global Stewardship Team, equity investment teams, divisional management, legal and compliance. The purpose of the Proxy Voting Council is to bring together key stakeholders to annually review and recommend potential policy changes, discuss any potential changes to the voting process, and convene on voting topics that may arise during the year.

Industry Leadership

By leveraging resources and knowledge across Goldman Sachs, the Global Stewardship Team is able to be a thought leader for our clients. The team represents Goldman Sachs Asset Management at various conferences and industry forums and supports strategic industry initiatives. The team participates in numerous forums and media events annually to gain perspective on the evolving corporate governance and sustainability landscape across different regions. Goldman Sachs Asset Management seeks to build industry influence and promote best practices in stewardship through various memberships and affiliations. You can read about our current initiatives in our Stewardship Report.

Global Norms

The Global Stewardship Team has developed a process for evaluating companies that have been identified by third party data providers as in violation of Global Norms including the United Nations Global Compact and the Guidelines for Multinational Enterprises developed by the Organisation for Economic Co-operation and Development (OECD), as well as companies that, in our view, exhibit poor governance practices. We believe that the Global Norms align with related frameworks including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights. Certain investment teams across the Public Investing Business may seek to implement portfolio monitoring or construction actions based on the results of this process.

Additional Resources

Please visit the Goldman Sachs Asset Management website for more information, including Our Approach to Stewardship, Annual Stewardship Report, Global Proxy Voting Policy, Our Global Approach to Proxy Voting, and voting records.

IMPLEMENTATION

The following section outlines how our investment teams may integrate ESG factors across investment strategies, including dedicated sustainable and impact investing strategies:

A. **Public Equity**
B. **Fixed Income**
C. **External Investing Group ("XIG")**
D. **Multi-Asset Solutions ("MAS")**

A. Public Equity

1. Fundamental Equity

Fundamental Equity ("FE") comprises a range of strategies across market capitalizations, investment styles, and both developed and emerging public equity markets. The team seeks to invest in high quality companies over the long-term. To identify high quality businesses, research analysts may look for characteristics such as sustainable and competitive operating advantages, as well as strong balance sheets, cash flow generation and management teams who are excellent stewards of capital. We may engage with company management teams to gain a better understanding of a company's business, which we believe can be to the benefit of shareholders and stakeholders.

ESG Integration

Driven by Fundamental Equity's long-term investment horizon and focus on quality, material ESG factors may be integrated[4], where relevant, across certain portfolios which may improve risk-adjusted[5] returns by reducing sustainability risks and/or uncovering compelling potential investment opportunities. Beyond integrating ESG factors as part of company level assessments of quality, portfolio management teams may also consider material ESG factors within portfolio construction and risk management.

When integrating ESG considerations into our stock level due diligence, we may rely on the knowledge and analysis of investment teams, and engagement with company management. In addition, a web-based centralized investment data platform provides access to key ESG related information that analysts may deem relevant to the analysis of a company. This may include:

- Governance and compensation factors, including but not limited to those associated with board quality and minority shareholder rights.
- Environmental factors, including but not limited to water usage, waste generation, energy intensity, CO_2 emissions footprint and CO_2 intensity.
- Social factors, including but not limited to gender diversity of the company's workforce and UN Global Compact compliance.

This additional information might help inform, challenge, or validate the assumptions applied in quantitative valuation models.

4 As part of our investment process, we may integrate ESG factors alongside traditional factors. The identification of a risk related to an ESG factor will not necessarily exclude a particular investment that, in our view, is otherwise suitable and attractively priced for investment, and we may invest in an issuer without integrating ESG factors or considerations into our investment process. Moreover, ESG information, whether from an external and/or internal source, is, by nature and in many instances, based on a qualitative and subjective assessment. An element of subjectivity and discretion is therefore inherent to the interpretation and use of ESG data. The relevance and weightings of specific ESG factors to or within the investment process vary across asset classes, sectors and strategies and no one factor or consideration is determinative. Goldman Sachs Asset Management in its sole discretion and without notice may periodically update or change the process for conducting its ESG assessments and implementation of its ESG views in portfolios, including the format and content of such analysis and the tools and/or data used to perform such analysis. Accordingly, the type of assessments depicted here may not be performed for every portfolio holding. The process for conducting ESG assessments and implementation of ESG views in portfolios, including the format and content of such analysis and the tools and/or data used to perform such analysis, may also vary among portfolio management teams.

5 The portfolio risk management process includes an effort to monitor and manage risk, but does not imply low risk.

ESG Enhanced Strategies

ESG Enhanced Focused strategies are designed to offer a more dedicated approach to sustainable investing. Across our Enhanced solutions, the analysis of ESG characteristics is ingrained into our company assessment and flows through our portfolio construction discussions (i.e., sizing decisions and risk management framework at the stock and portfolio level). Investment decisions for our Enhanced portfolios may be further informed by Goldman Sachs Asset Management's proprietary ESG assessment framework. The ESG assessment, which is embedded in our in-house centralised investment platform, forms the basis for stock level due diligence and provides a standardized framework for conducting a baseline assessment of a company's ESG characteristics relative to peers. The ESG assessment framework pulls in material, time series data, based on materiality mapping, allowing us to focus on ESG factors that we believe are meaningful to a firm's growth, profitability, and risk management profile[6]. However, this is merely the starting point for a more holistic assessment whereby our analysts are encouraged to fill in data gaps, challenge third-party inputs and use their intimate company knowledge derived from direct engagements to enhance their fundamental analysis. Once the ESG assessment is completed, our analysts will generally capture their results in a qualitative rating which may have implications for a stock's inclusion in the final portfolio[7].

To give clients additional comfort that certain industries and activities will not be part of the investment universe for our ESG Enhanced solutions, we have generally implemented an exclusionary framework including but not limited to the following: tobacco, adult entertainment, gambling, arctic oil and gas, oil sands, thermal coal mining and power generation, civilian firearms, weapons, oil and gas exploration and production, nuclear and controversial weapons.

Impact Strategies

We believe that financial and impact returns do not represent an inherent trade-off but can be achieved in tandem. A focus on solution providers which enable the transition to a more inclusive growth model is a central component of this approach. As such, we have built a suite of public equity impact strategies, across both environmental and social themes, for clients looking to gain exposure to companies aligned with our key impact themes, in addition to targeting above market rates of return.

Investments will generally demonstrate alignment to at least one of the key impact themes targeted within the strategy. Material thematic alignment is determined through an assessment of company activities associated with solving the environmental and / or social problems targeted within the strategy. This may be measured by, but is not limited to, revenues, capital expenditure, future growth ambitions and corporate strategy.

To give clients additional comfort that certain industries and activities will not be part of the investment universe for our Impact Strategies, we have implemented an exclusionary framework including but not limited to the following: tobacco, adult entertainment, gambling, alcohol, arctic oil and gas, oil sands, thermal coal mining and power generation, civilian firearms, weapons, oil and gas exploration and production, nuclear and controversial weapons.

We seek to identify impact metrics for our investments and select strategies may commit to the publication of an Annual Impact Report, additional to regulatory reporting requirements. Amongst other information, this may include the aggregate contribution of companies held within the respective strategy to impact key performance indicators.

2 Quantitative Investment Strategies

The Quantitative Investment Strategies ("QIS") team uses data-driven techniques to systematically uncover sources of alpha, replicate hedge fund strategies/risk premia and deliver portfolios that target exposure to well established investment factors. For certain strategies, we believe ESG considerations can play an important role in identifying attractive investments.

Equity Alpha Strategies

The Equity Alpha team within QIS manages equity portfolios using data-driven investment models that aim to objectively evaluate public companies globally through fundamentally-based and economically-motivated investment themes. Our proprietary risk model seeks to ensure that risk is actively managed and allocated according to our investment criteria.

ESG considerations can be expressed through multiple primary and complementary mechanisms:

1. We have incorporated a Climate Transition Framework across our actively managed Equity Alpha portfolios in an effort to manage exposure to climate transition risk relative to the benchmark[8].
2. Amongst the various short to medium-term alpha drivers in the Alpha Model; factors related to a company's reputational risk, employee reviews and environmental damage may be included. Strong governance is also a key component in identifying attractive companies from an alpha perspective.
3. Through engagement conducted via the Global Stewardship Team, we seek to engage a subset of companies with a focus on positive outcomes and the promotion of best practices. For all Equity Alpha portfolios, we also collaborate with the Global Stewardship Team on the Global Norms process, to

6 The portfolio risk management process includes an effort to monitor and manage risk, but does not imply low risk.

7 "Goldman Sachs Asset Management may invest in a security prior to completion of an ESG assessment. Instances in which ESG assessments may not be completed for a specific security prior to investment include but are not limited to IPOs, in-kind transfers, corporate actions, and/or certain short-term holdings. Goldman Sachs Asset Management in its sole discretion and without notice may periodically update or change the process for conducting its ESG assessment and implementation of its ESG views in portfolios, including the format and content of such analysis and the tools and/or data used to perform such analysis. Accordingly, the type of assessment depicted here may not be performed for every portfolio holding. No one factor or consideration is determinative in the fundamental research and asset selection process."

8 The portfolio risk management process includes an effort to monitor and manage risk, but does not imply low risk.

implement norms-based exclusions on companies which we believe to be considered to be in violation of the United Nations Global Compact Principles and the OECD Guidelines for Multinational Enterprises and/or companies which are applying poor governance practices.

Additionally, for select Equity Alpha portfolios, we implement ESG-related product or revenue-based exclusions, which include but are not limited to companies involved in controversial weapons, tobacco, thermal coal extraction, tar/oil sands.

For separately managed accounts (SMAs), the Equity Alpha team partners with our clients to customize the investible universe reflecting clients' ESG preferences. The team also offers to manage portfolios for SMAs against customized ESG benchmarks (or ESG benchmarks from third-party providers if they allow for sufficient breadth) as per clients' ESG requirements.

Smart Beta Strategies

QIS Paris-Aligned: These strategies seek to provide exposure to a set of well-established common equity factors (Value, Momentum, Quality, and Low Volatility) while satisfying the EU's requirements for Paris-Aligned Benchmarks. These strategies offer the potential for outperformance relative to their underlying index while supporting the transition towards net-zero emissions.

QIS Custom: The QIS team offers customized global and regional Smart Beta strategies managed with a range of thematic, sector, industry, and client specific ESG screens and/or climate approaches for segregated mandates.

Enhanced Index Sustainable ("EIS") Equity Strategies

These strategies aim to provide enhanced sustainability characteristics while matching the risk and return profile of a given equity index. The strategies exclude stocks involved in a wide range of controversial and unsustainable activities, coupled with positive selection based on forward looking metrics. Additionally, the strategies target a lower carbon intensity (scope 1, 2 & 3 emission intensity) than the underlying index while managing tracking error and turnover.

3. Quantitative Equity Solutions

Our Quantitative Equity Solutions ("QES") business employs quantitative methods to design and build investment solutions for customized investment objectives. QES manages personalized SMAs and solutions-based funds including Exchange-Traded Funds ("ETFs") and mutual funds. We offer two avenues to achieve values-alignment: thematic screens and values-aligned market exposure.

Thematic Screens:

We offer the ability for investors to apply personalized themes and screens on SMAs. The portfolios are designed to deliver broad market exposure while meeting individual needs and objectives. We offer a variety of themes that can achieve alignment across environmental, social, and religious values of our clients. We welcome the opportunity to work with clients to design and implement customized strategies to meet their objectives.

Values-Aligned Market Exposure:

We collaborated with S&P Dow Jones Indices to create and launch the S&P Environmental & Socially Responsible indices, designed to offer investors enhanced exposure to securities meeting sustainability investing criteria while maintaining a risk and performance profile similar to the broad market. The indices exclude companies deriving revenue from weapons, tobacco and select parts of the fossil fuels supply chain and are re-weighted according to Environmental and Social scores within sectors. Investors can select these market exposures for their SMAs. We also manage ETFs that seek to track an index with certain ESG characteristics.

Climate Aware Strategy:

QES offers investors the ability to reduce carbon emissions or climate transition risk by a targeted amount (50% reduction or client-directed) relative to its benchmark. Carbon emissions or climate transition risk metrics may be proprietary or client-directed.

B. Fixed Income

Goldman Sachs Asset Management Fixed Income ("FI") portfolios are managed by the Global Fixed Income and Liquidity Solutions Team. The team consists of top-down and bottom-up strategy teams. We believe that the strength of our investment research lies in our ability to delegate decision making to small teams of experts who are responsible and accountable for their investment views. We consider this team approach vital to the long-term success of any active management strategy.

Our portfolio management process allows us to customize ESG investment solutions to our clients' investment preferences and guidelines. From a top-down perspective, our portfolio managers may consider the value-add from the incorporation of environmental, social and governance (ESG) factors in portfolio construction and risk management[9]. ESG may be a significant component of our bottom-up fundamental research process where we have developed and may utilise ESG ratings across sectors including corporate credit and sovereign debt. Our ESG investing philosophy is founded on the belief that ESG factors can affect the risk profile and performance of fixed income investments. We seek to understand how ESG related factors are reflected in valuations, and actively engage with policymakers and corporate management teams on topics that impact credit risk, including ESG related factors.

Our Fixed Income Responsible Investing (RI) team is responsible for advancing sustainability offerings and supporting ESG integration & engagement across relevant fixed income strategies. The FI RI team works closely with SI Ambassadors, in investment teams, to drive enhanced

9 The portfolio risk management process includes an effort to monitor and manage risk, but does not imply low risk.

identification of material ESG and sustainability-related issues across our coverage universe. This structure enables ESG and sustainability themes to be incorporated across the FI platform strategically and efficiently, although all investors are responsible for ESG integration, not just those with 'ESG' within their titles.

For certain investment strategies, ESG integration is a key consideration and input into investment decision making. Within these strategies there is a focus on ESG materiality, across E, S and G pillars. To the extent conducted, the majority of Fixed Income's ESG assessments are conducted in-house. Our Fixed Income research analysts apply ESG ratings across the majority of our corporate credit and sovereign coverage[10]. These ESG ratings are applied by and the responsibility of the analysts and economists. Our ESG ratings provide differentiated insights that enhance our assessment of credit risk in several ways and we engage with bond holders.

Bondholder engagement activities serve a number of important roles in ESG integration. Given the recurring nature of debt issuance, we seek to communicate regularly with management teams and this ongoing dialogue provides us with an opportunity to encourage issuers to strengthen their ESG performance on factors that may present as credit risks. We also seek to influence positive outcomes through these engagements. As a component of our ESG integration, engagements focused on material ESG issues may help to strengthen the investment team's convictions. Engagements are tracked, recorded and made available to all investment professionals[11]. For additional information see also the section on Stewardship (see page 5).

In our approach to investing in Securitized Credit and US Municipal Bonds, consideration of ESG factors may be integrated into our research and investment approach where relevant and material. In both of these asset classes, we have identified third party ESG scores that can be utilised for analysis. For Agency Mortgage Backed Securities we may utilise a 'Social Score' which helps us score pools based on the underlying demographics and census metrics of the unpaid loan balance of the given pools. For Municipal bonds we may utilise physical risk[12] and social impact scores to evaluate 'E' and 'S' attributes, which cover the majority of the municipal universe encompassing over 50,000 issuers.

Our dedicated Green, Social and Impact Bond team is part of the Fixed Income Credit team. ESG factors may be considered in the selection process of Green, Social and Sustainability bonds. We seek to apply eligibility criteria in order to mitigate the risk of exposure to issuers and bonds without sufficient green and social ambitions. Engagement both pre- and post-issuance with issuers enhances the level of impact that can be achieved.

In addition to the above mentioned ESG Integration process, we also offer a range of ESG solutions focused on advancing the climate transition and driving Inclusive Growth as well as bespoke solutions that are tailored to the globally diverse nature of our client's needs.

C External Investing Group

The Goldman Sachs Asset Management External Investing Group ("XIG") provides investors with investment and advisory solutions across leading hedge fund managers, private equity managers, real estate managers, and traditional long-only managers. XIG manages globally diversified programs, targeted sector-specific strategies, customized portfolios, and a range of advisory services.

ESG Integration

As a matter of standard practice, XIG generally seeks to evaluate the approach to ESG integration in its investments. As XIG primarily invests through third party funds, it is important that XIG engages with fund managers to discuss the implementation of responsible business practices as well as environmental, social, and governance-related considerations connected to a managers' underlying investments. This framework may reflect asset class-specific nuances across the XIG platform but will be largely focused on the following factors:

- **Firm Ethos:** The extent to which the firm is committed to ESG and incorporates sustainable practices into the management of its business.
- **Investment Philosophy:** The degree to which ESG is viewed as a material driver of risk and returns.
- **Investment Process:** The degree to which ESG-related factors are formally incorporated into the investment process with the objective of enhancing risk-adjusted returns.
- **Team & Resources:** The depth, breadth, and organization of the team incorporating ESG; the level and use of other / external resources.
- **Engagement:** The level and type of engagement with portfolio companies on ESG; ability to add value post investment and degree to which this is reflected in outcomes.

Sustainability and Impact Investing Solutions

XIG Imprint is the impact investment group in XIG with a mandate to build and manage client portfolios that generate market rate returns together with tangible environmental and/or social impact. XIG Imprint invests across public and private markets through third party managers and co-investments alongside managers. In general, for its

10 Goldman Sachs Asset Management may invest in an asset prior to completion of the proprietary ESG rating. Instances in which proprietary ESG ratings may not be completed for a specific asset prior to investment include but are not limited to new issuance, in-kind transfers, corporate actions, and/or certain short-term holdings. Goldman Sachs Asset Management in its sole discretion and without notice may periodically update or change the process for conducting its ESG assessment and implementation of its ESG views in portfolios, including the format and content of such analysis and the tools and/or data used to perform such analysis. Accordingly, the type of assessment depicted here may not be performed for every portfolio holding. No one factor or consideration is determinative in the fundamental research and asset selection process.

11 The engagement/proxy voting highlights presented here outline examples of Goldman Sachs Asset Management initiatives, there is no assurance that Goldman Sachs' engagement/proxy voting directly caused the outcome described herein.

12 The portfolio risk management process includes an effort to monitor and manage risk, but does not imply low risk

investments in third party funds, XIG Imprint evaluates relevant impact characteristics alongside the ESG factors mentioned above. Impact characteristics vary by theme and are generally evaluated at the underlying company level. XIG Imprint typically produces annual impact reports containing qualitative and quantitative information based on this information for the portfolios that it manages or advises upon.

D Multi-Asset Solutions

Multi-Asset Solutions ("MAS") offers investment capabilities across equity, fixed income, real assets, and alternatives through transparent and customizable investment solutions. The team operates across multiple regions, leveraging the broader Goldman Sachs Asset Management resources[13] to engage with clients across three distinct business offerings:

- **Outsourced CIO ("OCIO") / Fiduciary Management ("FM"):** A total portfolio solution which offers the full breadth of investment services including asset allocation, portfolio construction, risk management, asset-liability analysis via customized mandates.
- **Funds and Model Portfolios:** Products & models utilizing asset allocation, portfolio construction, dynamic views and security selection through our broader asset management business to offer a range of different risk-profiled portfolios across a range of objectives in either pooled funds or customized mandates.
- **Partnerships:** A collaborative relationship where MAS manages a portion of a client's total portfolio through a customized investment solution.

ESG Integration

From an investment perspective, sustainability considerations, environmental, social and governance, can be integrated into the MAS investment process and approach to risk management[14] to achieve client objectives. Our approach to ESG integration is multi-dimensional and may apply differently across portfolios depending on client objectives.

Outsourced Chief Investment Officer (OCIO) / Fiduciary Management (FM)

Within our global OCIO/FM business our approach to ESG integration can be conducted holistically throughout our investment process based on client preferences and objectives.

- **Strategic & Dynamic Asset Allocation:** MAS utilizes proprietary capital market assumptions when setting strategic asset allocation for clients. We are in the process of exploring how potential outcomes of the global transition to a low carbon economy may result in re-calibrated macroeconomic factors, to enable evaluation across various climate scenarios. MAS is able to partner with clients to meet specific ESG objectives through their asset allocation by investing in certain thematic or sustainable investments.
- **Portfolio Construction & Risk Management:** Our investment framework allows for full customization and incorporation of client-driven objectives, convictions and exclusions, where applicable. This can be implemented by investing in specific investment strategies, applying screens, or implementing optimizations focused on enhancing certain ESG factors within a client's portfolio. Additionally, ESG factors can be integrated into our risk management process through climate scenario analysis and/or customized holdings-based reporting. This can be used by portfolio managers to monitor and identify exposures in the context of potential ESG-related risks in order to align to client objectives.
- **Implementation:** The MAS OCIO/FM business implements portfolios through a combination of externally managed strategies and GS AWM-managed products, dependent on client objectives and constraints. Externally managed strategies implemented in MAS portfolio are selected in partnership with the External Investing Group (XIG) group. As part of the traditional due diligence conducted by XIG, the majority of firms and strategies are evaluated for ESG integration through a multi-step approach. For clients with specific sustainability objectives, customized solutions can be developed across asset classes.
- **Reporting/Monitoring:** We are able to offer clients reporting on the ESG characteristics, progress, and evolution of their portfolios. Monitoring is carried out through Investment Dashboard, a tool that allows portfolio managers to analyze a range of ESG metrics for portfolios. We offer clients holdings based ESG analytics reports which include assessments of certain ESG factors. Our reporting can be broken down into modules focused on specific themes, such as climate transition or inclusive growth, or to meet regulatory requirements.

Funds, Model Portfolios and Partnerships

Funds, Model Portfolios and Partnerships run by the Multi-Asset Solutions team target three main drivers of return:

1. top-down strategic asset allocation,
2. dynamic views which modify the strategic asset allocation depending on current economic and market views,
3. bottom-up security selection from underlying Goldman Sachs Asset Management and/or external managers, in addition to risk management and oversight.

The top-down strategic/dynamic asset allocation and risk management[15] processes are owned by MAS, while the bottom-up security selection leverages the expertise across the various investment teams (Fundamental Equity, Fixed Income, and Quantitative Investment Solutions) and/or external managers.

From a top-down perspective, where applicable and relevant to the strategy, MAS may incorporate ESG objectives into the strategic asset allocation. MAS funds typically implement bottom-up security selection through the broader investment teams.

13 Goldman Sachs Asset Management leverages the resources of Goldman Sachs & Co. LLC subject to legal, internal and regulatory restrictions.
14 The portfolio risk management process includes an effort to monitor and manage risk, but does not imply low risk.
15 The portfolio risk management process includes an effort to monitor and manage risk, but does not imply low risk.

Focused strategies
MAS offers funds and strategies with specific ESG objectives, catered to investors preferring an additional layer of sustainability considerations. For these funds and strategies, we may commit to allocate a minimum percentage to sustainable investments as defined by Goldman Sachs Asset Management[16]. Additionally, these funds may limit the exposure to companies that derive a significant proportion of their revenue from certain activities, with examples being tobacco production, controversial weapons, thermal coal mining, oil sands production, civilian firearms, gambling, adult entertainment, and Arctic oil and gas. The revenue threshold set for these activities may differ depending on the strategy.

Stewardship
Our investment solutions may contain investment strategies that are either internally or externally managed. For internally managed strategies where relevant the Goldman Sachs Asset Management Stewardship approach is applicable. This means that the Global Proxy Voting Policy as well as our engagement approach as described in the Stewardship section of this document are largely applied. For external managed strategies where relevant the External Investing Group's evaluation framework as described in the XIG section of this document will generally include the evaluation of the external manager's stewardship efforts, as relevant and applicable to the strategy.

CONCLUSION

Sustainable investing is becoming increasingly important to our clients who are seeking to build portfolios that integrate sustainability considerations while maintaining the rigor and risk return standards of investment management. We continue to build the team, structure, process, and capabilities to deliver for our clients on their sustainable investing priorities.

16 The Sustainable Investments adhere to the definition of 'Sustainable Investment' as per article 2 (17) SFDR (EU Regulation), which requires issuers to contribute to an environmental or social objective, to do no significant harm and follow good governance practices.

DISCLOSURES

Risk Considerations

Environmental, Social and Governance ("ESG") strategies may take risks or eliminate exposures found in other strategies or broad market benchmarks that may cause performance to diverge from the performance of these other strategies or market benchmarks. ESG strategies will be subject to the risks associated with their underlying investments' asset classes. Further, the demand within certain markets or sectors that an ESG strategy targets may not develop as forecasted or may develop more slowly than anticipated. Investments in fixed income securities are subject to the risks associated with debt securities generally, including credit, liquidity, interest rate, prepayment and extension risk. Bond prices fluctuate inversely to changes in interest rates. Therefore, a general rise in interest rates can result in the decline in the bond's price. The value of securities with variable and floating interest rates are generally less sensitive to interest rate changes than securities with fixed interest rates. Variable and floating rate securities may decline in value if interest rates do not move as expected. Conversely, variable and floating rate securities will not generally rise in value if market interest rates decline. Credit risk is the risk that an issuer will default on payments of interest and principal. Credit risk is higher when investing in high yield bonds, also known as junk bonds. Prepayment risk is the risk that the issuer of a security may pay off principal more quickly than originally anticipated. Extension risk is the risk that the issuer of a security may pay off principal more slowly than originally anticipated. All fixed income investments may be worth less than their original cost upon redemption or maturity. Equity investments are subject to market risk, which means that the value of the securities in which it invests may go up or down in response to the prospects of individual companies, particular sectors and/or general economic conditions. Different investment styles (e.g., "growth" and "value") tend to shift in and out of favor, and, at times, the strategy may underperform other strategies that invest in similar asset classes. The market capitalization of a company may also involve greater risks (e.g. "small" or "mid" cap companies) than those associated with larger, more established companies and may be subject to more abrupt or erratic price movements, in addition to lower liquidity. Private equity investments, are speculative and illiquid, involve a high degree of risk and have high fees and expenses that could reduce returns; they are, therefore, intended for long-term investors who can accept such risks. Real estate investments involve a high degree of risk including, but not limited to, changes in the real estate markets, the financial conditions of tenants, zoning and other laws, tax rates, terms of debt financing, and unforecastable factors, such as substantial national or international events. Different "factor" investment styles (e.g., "momentum", "value" or "low volatility") tend to shift in and out of favor depending upon market and economic conditions as well as investor sentiment. There is no guarantee that the use of these quantitative models will result in outperformance of an investment relative to the market or relevant benchmark. The value of investments and the income derived from investments will fluctuate (can go down as well as up), and a loss of principal may occur. An investment in Real Estate Investment Trusts ("REITs") involves certain unique risks in addition to those risks associated with investing in the real estate industry in general. REITs whose underlying properties are focused in a particular industry or geographic region are also subject to risks affecting such industries and regions. The securities of REITs involve greater risks than those associated with larger, more established companies and may be subject to more abrupt or erratic price movements because of interest rate changes, economic conditions, tax code adjustments, and other factors. Mortgage-related and other asset-backed securities are subject to credit/default, interest rate and certain additional risks, including extension risk (i.e., in periods of rising interest rates, issuers may pay principal later than expected) and prepayment risk (i.e., in periods of declining interest rates, issuers may pay principal more quickly than expected, causing the strategy to reinvest proceeds at lower prevailing interest rates). Municipal securities are subject to credit/default risk and interest rate risk and may be more sensitive to adverse economic, business, political, environmental, or other developments if it invests a substantial portion of its assets in the bonds of similar projects or in particular types of municipal securities. While interest earned on municipal securities is generally not subject to federal tax, any interest earned on taxable municipal securities is fully taxable at the federal level and may be subject to tax at the state level. Exchange-Traded Funds are subject to risks similar to those of stocks. Investment returns may fluctuate and are subject to market volatility, so that an investor's shares, when redeemed, or sold, may be worth more or less than their original cost. ETFs may yield investment results that, before expenses, generally correspond to the price and yield of a particular index. There is no assurance that the price and yield performance of the index can be fully matched. Mutual funds are subject to various risks, as described fully in each Fund's prospectus. There can be no assurance that the Funds will achieve their investment objectives. The Funds may be subject to style risk, which is the risk that the particular investing style of the Fund (i.e., growth or value) may be out of favor in the marketplace for various periods of time.

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