Goldman Sachs | Asset Management

GOLDMAN SACHS DUTCH RESIDENTIAL MORTGAGE FUND (NL)

Annual Report 2024

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1. GENERAL INFORMATION

Manager

Goldman Sachs Asset Management B.V.
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Members of the Management Board of Goldman Sachs Asset Management B.V.

P. den Besten
M.C.M. Canisius
G.E.M. Cartigny
B.G.J. van Overbeek
E.J. Siermann

Depositary

The Bank of New York Mellon SA/NV, Amsterdam Branch
Claude Debussylaan 7
1082 MC Amsterdam
The Netherlands

Legal owner

Goldman Sachs Bewaarstichting I

Members of the Management Board of Goldman Sachs Bewaarstichting I

V. Bik
S.H. van Dijk
T. Katgerman
A.F. Yska

Independent auditor

PricewaterhouseCoopers Accountants N.V.
Thomas R. Malthusstraat 5
1066 JR Amsterdam
The Netherlands

Banker

The Bank of New York Mellon SA/NV
Boulevard Anspachlaan 1
1000 B-Brussels
Belgium

Transfer Agent

The Bank of New York Mellon SA/NV, Amsterdam Branch
Claude Debussylaan 7
1082 MC Amsterdam
The Netherlands

2. MANAGEMENT BOARD REPORT

2.1 Key figures Participation Class I

		2024	2023	2022	2021	2020
Net asset value (x 1,000)	€	4,418,704	4,340,206	4,117,606	4,732,731	3,681,143
Participations outstanding (number)		44,721,455	45,803,967	44,304,940	41,504,139	32,262,071
Net asset value per participation	€	98.81	94.76	92.94	114.03	114.10
Dividend per participation	€	2.04	1.73	1.71	2.19	2.27
Net performance Participation Class	%	6.52	3.87	-17.04	1.87	2.44

Summary of investment result

Amounts x € 1,000	2024	2023	2022	2021	2020
Investment income and other results	113,300	109,716	133,371	74,390	67,209
Revaluation of investments	182,160	72,663	-942,915	27,639	29,811
Operating expenses	-21,360	-21,120	-22,037	-23,196	-15,670
Total investment result	**274,100**	**161,259**	**-831,581**	**78,833**	**81,350**

Summary of investment result per participation

Amounts x € 1	2024	2023	2022	2021	2020
Investment income and other results	2.52	2.42	3.09	1.90	2.41
Revaluation of investments	4.05	1.61	-21.81	0.70	1.07
Operating expenses	-0.47	-0.47	-0.51	-0.59	-0.56
Total investment result	**6.10**	**3.56**	**-19.23**	**2.01**	**2.92**

2.2 Key figures Participation Class Z

		2024	2023	2022	2021	2020
Net asset value (x 1,000)	€	276,612	264,685	279,893	212,182	180,705
Participations outstanding (number)		2,742,844	2,742,844	2,963,822	1,835,514	1,565,879
Net asset value per participation	€	100.85	96.50	94.44	115.60	115.40
Dividend per participation	€	2.08	1.76	1.73	2.22	2.29
Net performance Participation Class	%	6.76	4.10	-16.85	2.11	2.66

Summary of investment result

Amounts x € 1,000	2024	2023	2022	2021	2020
Investment income and other results	7,037	6,899	7,756	3,403	3,667
Revaluation of investments	11,316	4,571	-52,474	1,179	1,627
Operating expenses	-721	-762	-729	-559	-570
Total investment result	**17,632**	**10,708**	**-45,447**	**4,023**	**4,724**

Summary of investment result per participation

Amounts x € 1	2024	2023	2022	2021	2020
Investment income and other results	2.57	2.37	3.07	1.99	2.09
Revaluation of investments	4.13	1.57	-20.76	0.69	0.93
Operating expenses	-0.26	-0.26	-0.29	-0.33	-0.32
Investment income	**6.44**	**3.68**	**-17.98**	**2.35**	**2.70**

2.3 Notes to the key figures

2.3.1 Reporting period

The key figures relate to the positions at 31 December and the period from 1 January through 31 December.

2.3.2 Net asset value per participation

The net asset value of each participation class of the Fund will be determined by the manager. The manager calculates the net asset value per participation class on a monthly basis. The net asset value per participation is determined by dividing the net asset value of the participation class by the number of outstanding participations of that participation class at the calculation date.

2.3.3 Net performance

The net performance of each participation class of the Fund is based on the net asset value per participation, taking into account any dividend distributions to holders of participations.

2.3.4 Average number participations outstanding

The average number of outstanding participations, used for the calculation of the investment result per participation, is based on the weighted average of the outstanding participations on a monthly basis. This is in line with the number of times the calculation of the net asset value takes place during the reporting period.

2.3.5 Key figures per participation

Due to the timing and volume of subscriptions and redemptions in combination with the volatility of the results during the reporting period, the calculation of the key figures per participation can provide a different outcome compared to the development of the net asset value per participation during the reporting period.

2.4 General information

Goldman Sachs Dutch Residential Mortgage Fund (NL) (‘the Fund’) has no employees. Goldman Sachs Asset Management B.V. ('GSAM BV' or ‘the manager’), located in The Hague is the manager of the Fund and is licensed by the Dutch Authority for the Financial Markets (‘Stichting Autoriteit Financiële Markten’, also referred to as ‘AFM’) under the Dutch Financial Supervision Act (‘Wet op het financieel toezicht’, also referred to as ‘Wft’). All shares in GSAM BV are held by Goldman Sachs Asset Management International Holdings B.V. Both entities are part of The Goldman Sachs Group, Inc. (hereinafter referred to as 'Goldman Sachs').

Goldman Sachs is listed on the New York Stock Exchange and qualifies as a bank holding company under US law. Goldman Sachs is a globally operating financial institution which – by means of a substantial variety of leading companies and subsidiaries – offers (integrated) financial services to private individuals, companies and institutions.

The AFM and the central bank of the Netherlands (De Nederlandsche Bank N.V. also referred to as ‘DNB‘) act as supervisors. The AFM is charged with conduct supervision on the grounds of the Wft. Prudential supervision is performed by DNB.

2.5 Objective

The Fund offers participants the opportunity to invest in an actively managed portfolio of mortgage debt arising under mortgage loans after 1 January 2014, granted in The Netherlands by NN Bank N.V (‘NN Bank'). The Fund's investment policy is to achieve the highest possible total return in the long term based on spread of investments within the framework of the set risk profile.

2.6 Investment policy

The Fund invests the equity for the account and risk of the participants mainly in Dutch mortgage debt / mortgages that are granted by NN Bank after 1 January 2014. These mortgages all comply with the Code of Conduct for Mortgage Finance (‘Gedragscode Hypothecaire Financieringen’), the Dutch Financial Supervision Act (‘WfT’) and the temporary mortgage loan scheme (‘de Tijdelijke regeling hypothecair krediet’).

In this context, Goldman Sachs Asset Management B.V. and Goldman Sachs Bewaarstichting I have entered into an agreement with NN Bank ('Master Mortgage Receivables Purchase Agreement') under which mortgage receivables are purchased for the benefit of the Fund from time to time. At the time that there are new committed amounts for the Fund or available cash can be reinvested, the Fund will – possibly in advance - reserve and purchase new mortgage production by NN Bank.

The mortgage receivables arising from offers issued by NN Bank after 1 May 2020 are purchased at their nominal value. Legal transfer takes place on the Entry date (the transfer date of the mortgage receivables by NN Bank to the Fund being the first business day of the month), and the subscribing participant(s) or, in the event of reinvestment, the Fund is entitled to all income (proceeds) of the mortgage receivables from the time that the mortgage offer for NN Bank is provided.

The purchased mortgage receivables will be held by Goldman Sachs Bewaarstichting I on behalf of the Fund. The transfer of the mortgage receivables is by way of silent assignment on the delivery date. The Fund acquires the right of action and the mortgage customers are unaware that these loans have been transferred. NN Bank remains the point of contact for mortgage customers.

Every mortgage allocated to the Fund from the production of mortgage loans of NN Bank by means of the allocation mechanism (the method to allocate underlying mortgage offers as agreed between NN Bank, Goldman Sachs Bewaarstichting I and the manager) must meet the Mortgage Loan Criteria as described in the prospectus of the Fund. The Mortgage Loan Criteria are stipulated in the Master Mortgage Receivables Purchase Agreement. These criteria are included as an appendix to the prospectus. The allocation is audited by an independent auditor.

In principle, NN Group entities participate for at least 25% in the Fund production. If NN Group entities have no possibility to participate in a particular risk class (NHG/non-NHG and fixed interest period), the Fund can receive the full production of the risk class when, at the discretion of the AIFM/manager, this serves the interests of the participants and when the quotation rates of NN Bank are in line with the market quotation rates at that time.

Liquid assets, ensuing from interest income or repayments on the mortgages, will also be present in the Fund. The liquid assets may be invested in Money Market Funds (‘MMF') like Liquid Euro, which is also managed by the manager, or in another fund with a similar investment policy to be designated by the manager.

The Fund promotes environmental and/or social characteristics as described in Article 8 of Regulation (EU) 2019/2088 (on sustainability disclosures in the financial services sector, which may be amended or supplemented from time to time).

The manager aims, where legally possible, not to invest in issuers involved in activities including, but not limited to, the development, production, maintenance, or trade of controversial weapons, tobacco production, coal mining for electricity generation, and oil extraction from oil sands. Additionally, additional restrictions may apply to the Fund with sustainable investment objectives.

Regarding investments in UCITS and/or third-party investment institutions (including ETFs and index funds), the aforementioned investment restrictions cannot be imposed on these UCITS and/or investment institutions.

2.7 Investment restrictions

The Fund will invest in mortgages that meet the Mortgage Loan Criteria as stipulated in the Master Mortgage Receivables Purchase Agreement as described in the prospectus of the Fund.

The Fund will invest a maximum of 50% of its equity in mortgage debt with NHG (National Mortgage Guarantee). The Fund may contract loans up to a maximum equal to 5% of the Fund's equity. If the limits described above are exceeded, the manager will strive to bring the Fund's equity within the limits as soon as possible. The manager is not obliged to dispose of the Fund's assets in this case. The Fund does not make use of securities lending techniques or repurchase agreements to generate additional income for the Fund. The Fund does not make use of derivatives.

Transactions with related parties will be conducted at arms’ length.

2.8 Target group and risk profile

The Fund is aimed exclusively at qualified investors within the meaning of the Wft. Due to the illiquid nature of the assets in which the Fund invests, the Fund is only suitable for investors with a long-term investment horizon. The Fund offers investors the opportunity to invest in residential mortgages granted by NN Bank after 1 January 2014. The Fund has a conservative character as it invests in new mortgages that comply with recent regulations, which are directed towards repayments being made on the mortgages. Since 2018, the Fund applies a Loan to Value (LTV) maximum of 100% on the mortgages in which the fund invests. For 2017, 2016 and 2015 this was 101%, 102% and 103%, respectively. In the case of energy-saving measures, the Fund may invest in mortgages with an LTV of up to 106% if the portion above 100% is used in full for energy-saving measures.

2.9 Index

None.

2.10 Outsourcing

Outsourcing of fund accounting

The manager of the Fund has outsourced the accounting function to The Bank of New York Mellon SA/NV. This outsourcing relates to, among others, the calculation of the net asset value, maintaining accounting records and processing of and executing payments. The manager remains ultimately responsible for the quality and continuity of these services.

Outsourcing of mortgage loan services
As described in the investment policy, the services of NN Bank are utilised in the acquisition, servicing, and administration of the mortgage loans on behalf of the Fund. The manager remains ultimately responsible for the quality and continuity of these services.

Outsourcing of financial reporting

The Fund's manager has outsourced the preparation of multiple financial reports, including the (semi-)annual reports of the Dutch GSAM BV funds, to DM Financial Netherlands B.V. The manager remains ultimately responsible for the quality and continuity of all financial reports.

2.11 Structure

The Fund is a closed mutual fund for Dutch tax purposes and thus fiscally transparent for corporation tax and dividend tax.

The Fund has an open-ended character, except that there is no maximum number of participations. The extent to which participants can enter or exit depends upon the mortgage production at NN Bank and the liquid assets in the Fund. Participations in the Fund cannot be transferred to third parties. Transfer can only take place by having the Fund purchase participations. If and as long as one or more participations are offered to the Fund for purchase, the manager will make no further investments until all of these participations have been purchased. Admittance and purchase of participations generally takes place on a monthly basis.

The Fund is a mutual fund for joint account and therefore it is not a separate legal entity.

The Fund is an investment institution as defined in Article 1:1 of the Wft and as referred to in Article 4, paragraph 1, subparagraph a of the Alternative Investment Fund Managers Directive ("AIFMD") in the form of an open-ended investment company. GSAM BV acts as manager of the Fund. In this capacity GSAM BV has a license, as defined in Section 2:65(1), preamble and (a) of the Wft from the AFM.

Goldman Sachs Bewaarstichting I ("the Custodian Foundation") is the legal owner of or is legally entitled to the assets of the Fund that are invested by the manager. All assets that are or become part of the Fund are or will be acquired for the purpose of their management by the relevant Custodian Foundation for the benefit of the participants in the Fund. Obligations that are or become part of the Fund are or will be entered into in the name of the Custodian Foundation. The assets are held by the Custodian Foundation for the account of the participants.

The Fund has two Participation Classes. For each class, the participation provide entitlement to a proportionate share of the assets attributable to the relevant Participation Class. Participation Classes within the Fund may differ in terms of cost and fee structure, the minimum amount of initial deposit, demands on the quality of the investors, the currency in which the net asset value is expressed, etc.

Summary of the main characteristics per Participation Class at 31-12-2024

Participation Class I	
Investor type	This Participation Class is intended for qualified investors as defined in the Wft or another legal concept taking its place at any time, for which a minimum initial deposit of € 1,000,000 applies, such that the deposited amounts, excluding decreases in value, will never be less than the stated amount.
Legal name	Goldman Sachs Dutch Residential Mortgage Fund (NL) - I
Commercial name	Goldman Sachs Dutch Residential Mortgage Fund (NL) - I
ISIN code	NL0010937074
Management fee	0.225%
Fixed service fee	0.275%

Participation Class Z	
Investor type	This Participation Class is intended for other investment institutions and UCITS managed by the manager or professional investors which (in another manner) pay a fee to the manager itself or to a party affiliated with the manager for the management of their assets.
Legal name	Goldman Sachs Dutch Residential Mortgage Fund (NL) - Z
Commercial name	Goldman Sachs Dutch Residential Mortgage Fund (NL) - Z
ISIN code	NL0010937082
Fixed service fee	0.275%

Fees

Management fee

An annual management fee is charged to Participation Class I, which is calculated pro-rata on a monthly basis by using the total net asset value of the participation class at the end of the month. Participation Class Z does not incur any management fee.

Fixed service fee

The manager charges an annual Fixed service fee to each Participation Class. This fee is calculated pro-rata on a monthly basis using the total net asset value of the Participation Class at the end of each month.

Other costs

Other costs may be charged at the expense of the Participation Class. These costs are, where applicable, further explained in the notes to the relevant Participation Class as included in the financial statements.

2.12 Depositary of the Fund

The assets of the Fund are in the safe-keeping of The Bank of New York Mellon SA/NV, Amsterdam branch, as the depositary of the Fund (the 'depositary').

The depositary's equity amounts to at least € 730,000.

The manager and depositary of the Fund have entered into a written agreement relating to management and depositary services. The main elements of this agreement are the following:

- The depositary ensures that the cash flows of the Fund are properly controlled and in particular that all payments by or on behalf of investors during the subscription for participations have been received and that all cash of the Fund has been entered on cash accounts in the name of the Custodian Foundation acting on behalf of the Fund or in the name of the depositary acting on behalf of the Fund, opened with, in principle, an entity as described in Article 18(1)(a), (b) and (c) of European Directive 2006/73/EC (a credit institution or a bank authorised in a third country).
- The assets of the Fund consisting of financial instruments, are entrusted to the depositary. The depositary holds in safe-keeping all financial instruments that can be registered on a financial instruments account in the books of the depositary, on separate accounts in the name of the Custodian Foundation for the benefit of the Fund. In addition, the depositary holds in safe-keeping all financial instruments that can be physically delivered to the depositary.
- The depositary ensures that the sale, issue, redemption and repayment of participations take place in accordance with Dutch law and the regulations of the Fund.
- The depositary ensures that the value of the participations in the Fund is calculated in accordance with Dutch law, the regulations of the Fund and the relevant procedures.
- The depositary carries out the instructions of the manager, unless they conflict with Dutch law or the regulations of the Fund.
- The depositary ensures that the equivalent value of the transactions involving the assets of the Fund is transferred to the Fund by the usual deadlines.
- The depositary ensures that the income of the Fund is allocated in accordance with Dutch law and the regulations of the Fund.

In the context of depositary services, the depositary acts in the interests of the investors in the Fund.

2.13 Principal risks and uncertainties

Investments in the Fund provide financial opportunities, but also bring financial risks. The value of investments can fluctuate and participants of the Fund may possibly experience a pay-out that is lower than their initial investment.

An overview of the risks of the Fund, categorised to 'large, medium and small' is included in the prospectus. The prospectus will be updated when new regulation on risk management is effective. The main risks which the Fund encounters are:

Repayment risk

Mortgages may be repaid early. If a mortgage is repaid early, the receipts are, in principle, reinvested according to prevailing market conditions.

A 'constant prepayment rate' (CPR) is taken into account in the valuation of the mortgages. The CPR is an estimate of the repayment on the underlying loans. As part of their continuous monitoring, NN Bank delivers information to GSAM BV on the actual repayments on the mortgage portfolio. Based on the realised early repayments in the Fund and reports from brokers and rating agencies, GSAM BV assesses to what extent the information corresponds with the market information for Dutch Residential Mortgage Backed Securities. GSAM BV may adjust the CPR if this is deemed necessary and reasonable. During the reporting period, the CPR changed from 4.5% to 4.0%.

Concentration risk

The Fund invests in Dutch mortgage debt. The Fund will therefore be sensitive to developments in the Dutch economy and the mortgage market in particular. Non-economic factors, such as the political climate, tax regulations and culture, also play a role.

An overview with information on the geographical spread and the distribution of the mortgage per type is included in the notes to the balance sheet under Market risk.

Liquidity risk

Mortgages and mortgage debt are considered illiquid assets. Consequently, there is a risk that the Fund is unable to release the financial resources that may be required to comply with certain obligations. For the purpose of liquidity management, the manager is allowed to temporarily enter into loan agreements or acquire funding in another manner up to a maximum of 5% of the Fund's net asset value.

Redemption of participations can only take place if, at the discretion of the manager, there is sufficient liquidity available in the Fund. When determining the available liquidity for redemptions, the manager will disregard the liquidity that is required for operational matters and the liquidity intended for distributions. As soon as the manager is aware of a request for redemption, the manager will make no more reinvestments when the liquidity is insufficient to fund the redemption request. The manager may not enter into loans in order to finance redemptions. Investors will therefore be dependent on the liquidity of the Fund when requesting for redemption. The manager may, if he expects a significant inflow of liquidity as a result of subscription by new participants in the Fund, take these amounts into account when determining the available liquidity. Limited liquidity in the Fund can lead to a situation that redemption from the Fund is also limited and may take longer.

Participations in the Fund cannot be transferred to a third party, but can only be redeemed back to the Fund.

Interest rate risk

The valuation of mortgage debt may fluctuate due to changes in interest rates. If interest rates rise, the value of mortgage debt will generally decrease and vice versa.

The Fund buys mortgages issued by NN Bank and is dependent on the rates to be applied by NN Bank in accordance with its policy to mortgage customers. In addition, NN Bank can make (product) changes to existing and new mortgages, which may influence the (future) return on the Fund.

The duration of the mortgage portfolio at the end of the reporting period is 7.33 (2023: 7.18). This is calculated according to the modified duration method. The duration measures the sensitivity of the portfolio to changes in market interest rates.

Information on the breakdown of the mortgage portfolio by interest maturity is included in the notes to the balance sheet under Interest risk.

Credit risk

Investors must be aware that investing in fixed income securities involves credit risk. When a debtor/borrower is unable to fulfil its mortgage obligations, this will have a negative effect on the performance of the Fund. This risk of the Fund is generally unlimited.

Information on credit losses in the portfolio and/or overdue payments of 90 days or longer and the ‘loan to value’ ratio are included in the notes to the balance sheet under Market risk. The allocation of the mortgages to outstanding principal in relation to the market value of the collateral is included in the notes to the balance sheet under Credit risk.

Offer risk

Upon receipt and acceptance of the Application Form by the Transfer Agent, the manager reserves mortgage debt at NN Bank in accordance with the Master Mortgage Receivables Purchase Agreement between the manager and NN Bank. The reservation is approximately equal to the Committed Amount of the subscribing participant, taking into account any reinvestment amounts and requests to redeem Participations.

Mortgage receivables are initially recognised at cost (100% of nominal value), which is their fair value. After delivery by NN Bank, the purchased mortgages are valued by the Fund at market value (fair value).This value can be different from the par value of the mortgages. The difference between the par value and the fair value at the time of the delivery to the Fund is considered to be the offer risk. In the context of the Fund, the term ‘offer risk’ therefore has a broader meaning than how it is usually understood in the mortgage market.

The result of the offer risk is for the risk and account of subscribing participant(s)/reinvestments. This is done to neutralise the effect on the net asset value of existing participants in the Fund. In addition to the offer risk, subscribing participants and reinvestments are entitled to the net income during the period between the granting of the mortgage to the mortgage lender and the delivery of the mortgage to the Fund. Previously these revenues were for the account of NN Bank because mortgages were then delivered at fair value. Because of the fact that the mortgages are now delivered at par value, the net income on the mortgages until the moment they are actually delivered to the Fund are for the account of the subscribing participant(s)/reinvestments. This includes net mortgage interest, but also the NN Bank financing costs.

Waiting risk

A long period may lie between the time that the Application Form is accepted and a Payment Request. The length of this period will depend on the number and size of the outstanding committed amounts of other subscribing Participants (prospective Participants) and the number of available mortgage loans that become available monthly for the Fund.

During this period, which may be subject to various changes in market and other circumstances, the subscribing Participant has committed himself for the committed amount. There is a risk that, during this period, the circumstances could change such that a subscribing Participant would wish to withdraw or leave even before it has been fully admitted to the Fund.

An exit request may be submitted in accordance with the Conditions for the part in respect of which it has been admitted. For the outstanding committed amount, the manager will have already reserved the mortgage debt at NN Bank and cannot reverse that. This risk is for the account and risk of the subscribing Participant(s).

Solvency and financing needs

Due to the nature and activities of the Fund, there are no solvency issues or financing needs. This is due to the fact that the Fund will only pay investors for redemptions based on the net asset value. In addition, no external funding will be attracted. The provisions in the prospectus allow the Fund to withhold redemption payments in situation where the Fund is unable to convert investments into readily available cash.

Operational and compliance risk

The Fund operates based on a control framework that complies with the Dutch Financial Supervision Act and the related regulatory requirements. The control framework is designed in line with the size of the organization and legal requirements. The control framework has been functioning effectively during the reporting period.

An assessment of the effectiveness and functioning of the control framework is performed annually. No relevant findings have emerged from this assessment, which means that no significant operational or compliance risks have occurred during the reporting period which have impaired GSAM BV’s license.

Fraud risks and corruption

Fraud is any intentional act or omission to mislead others, causing loss to the victim and/or profit to the perpetrator. Corruption is the misuse of entrusted power for personal gain, including bribery. A lack of controls in the payment process for example increases the likelihood and therefore creates the opportunity for fraud.

The asset management industry is characterised by the management of third party assets. Having access to these assets increases GSAM BV's inherent fraud and corruption risk profile. To manage this risk, GSAM BV conducts an annual fraud and corruption risk assessment to determine the identification, exposure to and management of these risks. GSAM BV concludes in its annual risk assessment that there are no high residual risks in the context of fraud and corruption. The main inherent risks identified by GSAM BV in the annual risk assessment are the following:

- Cyber risks;
- Unauthorised withdrawal of funds;
- Fraudulent invoices;
- Insider trading risk;
- Bribery.

The following measures have been taken to mitigate these inherent risks:

Cyber risks, cyber risk is recognised as a collective term which, knowingly (e.g. ransomware) or unknowingly (e.g. hack), can lead to a withdrawal of assets. The range of techniques that a malicious person can use is extensive. That is why it is important for GSAM BV to be aware of these techniques and to test its own environment accordingly.

Unauthorised withdrawal of funds, is prevented by having authorization limits and a four (or more) eyes principles, whereby modern techniques such as 2 factor authentication are required.

Fraudulent invoices, the payment of invoices at the expense of an investment fund is only permitted if this corresponds with the prospectus. The beneficiary as well as the correctness of the amounts charged are often verifiable, through a link with the assets. Invoices must be assessed and approved in advance by budget holders, in accordance with the procuration policy. Within this process, a separation of functions has been made between ordering, entering and approval.

Insider trading risk, involves misusing information for personal gain, or having orders executed in such a way that self-enrichment can be achieved at the expense of the Fund. The measures taken to prevent this are diverse, including best execution review, mandatory periodic reporting on personal investment portfolios, education in the form of mandatory training and pre-employment screening.

Bribery involves having a tender being influenced by, for example, bribes, dinners, travel and gifts. To mitigate this, GSAM BV has a strict policy, whereby anything with a value of more than fifty euros may not be accepted. Furthermore, in the context of broker execution, price and quality assessments are carried out periodically, the outcome of which is indicative of the extent to which orders are allocated to these brokers.

The residual risk, subsequent the implementation of the controls, is determined by GSAM BV as ‘medium’ and accepted through a formal risk acceptance procedure at GSAM BV.

Furthermore, there is a clear legal and operational separation between the asset manager, the external administrator, the Fund and the custodian. This segregation of duties has an important preventive effect on the risk of fraud and corruption.

The aforementioned control measures are part of a larger control framework, of which various parts are periodically assessed by an external auditor via the GSAM BV ISAE 3402 report. Furthermore, GSAM BV applies the 3-lines of defense mechanism, in which risk management and internal audit continuously test and monitor the effectiveness of the administrative organization and internal control. GSAM BV also implemented various soft controls, such as tone at the top, e-learnings, code of ethics and a whisteblower policy.

Goldman Sachs Group maintains a Code of Business Conduct and Ethics, supplemented by 14 Business Principles, and a compendium of internal policies to inform and guide employees in their roles. The company endorses Goldman Sachs Group’s Code of Business Conduct and Ethics set out on the Goldman Sachs public website and looks to conduct its business in accordance with the highest ethical standards and in compliance with all applicable laws, rules and regulations.

Sustainability risks

Sustainability risk is defined in Article 3 of Regulation (EU) 2019/2088 (the “Sustainable Finance Disclosure Regulation”) as an environmental, social or governance event or condition, that if it occurs, could cause an actual or a potential material negative impact on the value of the investment. Additional details of risks not disclosed in the financial statements can be found in the prospectus.

Risk perception

The annual report, among other things, serves to provide insight into the prevailing risks at the end of the reporting period.

Insights into relevant risks during the reporting period are obtained as follows:

- In the section ‘risk appetite and risk policy within the investment policy’ which is part of the disclosure on the investment policy during the reporting period, the main developments, trade-offs and decisions regarding the risk policy are explained.

Additionally, in the notes to the financial statements more insights are provided into the mortgage portfolio with respect to:

- Market risk, by disclosing the number of loans and loan parts, the part that is overdue for more than 90 days, credit losses and distribution of mortgage portfolio by type and province.
- Interest rate risk, through explanatory notes on the mortgage portfolio including the remaining interest maturity and weighted average interest rate.
- Explanatory note on currency risk.
- Credit risk allocation, by comparing the mortgages relative to the market value of the collateral and the average Loan to Value.
- Explanatory note on counterparty risk.
- Information on the leverage is presented in the management board reports. Leverage is a method by which the manager enhances the position of the Fund with borrowed money, with leverage in the form of additional mortgages.

2.14 Risk management

The manager applies the GSAM BV Control Framework concerning the design of the administrative organization and internal control. The GSAM BV Control Framework includes all core processes, along with the key risks associated with each process. For each of these risks, the critical controls are defined, which are regularly monitored and tested reviewed to ensure compliance with internal and external regulations. Significant risks are systematically identified periodically. The existing system of internal control measures mitigates these risks.

The manager's operations, insofar as they apply to the activities of the investment fund, are also focused on managing financial and operational risks. The section 'In control statement' provides further details on how the manager's operations are structured.

GSAM BV, the fund manager, uses a system of risk management measures to ensure that the Fund, in general, and the investment portfolio, in particular, continually comply with the conditions set forth in the prospectus, the legal frameworks, and the more fund-specific internal execution guidelines. These guidelines cover aspects such as portfolio diversification, the creditworthiness of debtors, the quality of counterparties, and the liquidity of investments.

For the activities for which the Fund relies on NN Bank, the significant risks and control measures have been systematically determined together with NN Bank. These measures are evaluated and included in an ISAE3402 report provided to GSAM BV which includes this in its own control framework. In the ISAE3402 report of NN Bank the following areas are included:

- Application for mortgages
- Management of mortgages
- Management of overdue amounts
- Financial transactions
- Supply chain integration (including slicing)
- IT Controls

2.15 Leverage

Leveraged financing is the method with which the manager increases the position of the Fund by using borrowed cash to acquire extra mortgages thus creating leverage. The Fund generally does not use leverage, although leverage can arise to a limited extent when entering into loans or in the situation of a negative cash balance.

The manager may enter into loans on behalf of the Fund up to a maximum equal to 5% of the Fund's net assets, not counting undrawn home construction or improvement accounts as referred to in the Master Mortgage Receivables Purchase Agreement. The loans referred to may only be concluded on condition that the lender undertakes never to seek recourse outside the net assets of the Fund. To the extent necessary for the payment obligations arising from these loans, the manager may pledge the net assets of the Fund as security up to a maximum equal to 5% of the Fund's net asset value. The percentages referred to will in each case be calculated on the value of the net assets of the Fund at the time that such a loan is entered into or such security is provided. All the above loans will be entered into on the basis of conditions and rates that are in line with generally accepted market practice.

The table below gives information on the level of leverage.

	31-12-2024	31-12-2023
Net leverage restriction	105.0%	105.0%
Average level of net leverage*	100.0%	100.0%
Gross leverage restriction	105.0%	105.0%
Average level of gross leverage**	102.3%	102.9%

* The level of net leverage is determined using the commitment method taking netting and/or hedging into account.

** The level of gross leverage is determined based on the sum of the nominal value of the derivatives without taking into account netting and/or hedging.

2.16 Developments during the reporting period

2.16.1 General financial and economic developments in 2024

Macro

Risk assets ended 2023 with strong performance as the goldilocks macro backdrop of resilient growth in the US alongside continued disinflation across major economies continued, as well as a more dovish shift from the US Federal Reserve (Fed) towards potential rate cuts. In the first half of 2024, continued signs of improvement in global manufacturing data, robust labour markets, a resilient US economy, and expectations of policy easing by major central banks further supported investor risk appetite. Early in the first half of 2024, while the growth outlook remained benign, inflation, especially in the US, raised some concerns due to a few downside surprises in key inflation prints. However, the US began to see disinflationary progress once again in the second quarter of 2024, providing both the Fed and investors with renewed confidence in the path ahead following the string of higher-than-expected prints to start of the year. US Core PCE (Personal Consumption Expenditures Price Index, Excluding Food and Energy) averaged 0.17% in April and May versus an average reading of 0.37% in the first quarter of 2024.This progress, combined with strong earnings growth, and expectations of policy easing by major central banks supported momentum in risk assets.

In July, the macro backdrop remained fluid with slight moderation in global manufacturing/services activity, but continued disinflation progress in the US. Then, in August, financial markets were jolted by a weaker than expected US jobs print in August. The print, headlined by the US national unemployment rate (U3) rising from 4.1% to 4.3%, triggered the Sahm Rule, which indicates that the US economy has moved into recession territory whenever the 3-month moving average of the U3 unemployment rate rises by more than 0.5% from its 12-month low. As a result, panic ensued among market participants, leading to sell-off in equities and rally in safe-haven assets like US treasuries and the Japanese Yen. However, the shock proved to be short-lived as a string of data releases over the next few days and weeks provided better comfort around the strength of the US economy and labour market. September was an eventful month, as two of the biggest central banks, the Fed and People’s Bank of China (PBoC), helped ease monetary policy by lowering interest rates to support domestic economies. The Fed cut its policy rate by 50bps, marking the first US rate cut since March 2020.

October was characterised by strong growth, moderating inflation, and a cooling labour market in the US. In November, the key market driver was the outcome of the US Presidential Elections, which saw Donald Trump and the Republican party register a clean sweep by winning the White House, Senate, and House of Representatives. Tariffs on exports to the US, clampdown on illegal immigration, extension of Tax Cuts and Jobs Act (TCJA), boosts to US gas and oil drilling, and deregulation were the key pillars of Trump’s economic and foreign policy throughout the US election campaign. This policy mix, if implemented, could potentially lead to the US growth outperformance vs. the rest of the world as higher trade uncertainty could weigh on Asian and European economies, which are more trade dependent than the US economy.

In December, global PMIs continued to point to two key themes – i) activity remains resilient as global composite PMI inched up modestly from 52.3 to 52.4, and ii) US growth relative outperformance vs. the rest of the world, largely due to the weakness in Euro Area. While the US labour market data remained mixed, it continued to show incremental signs of stabilization. The unemployment rate ticked up to 4.2% from 4.1% but other labour market indicators improved sequentially. Upside risks to inflation from any potential tariffs on exports to the US were enough for some Federal Open Market Committee (FOMC) members to revise up their inflation and policy rate expectations.

Monetary Policy

2023 ended with a noticeable slowdown in global inflation, leading to a somewhat dovish stance from major central banks. Strong disinflation progress and continued resilience in the labour market led many to gain further confidence in the possibility of a soft landing. Despite many investors coming into the year with expectations for an earlier and swifter start to central bank easing cycles, many of these central banks, including the Fed, tilted hawkish at the start of 2024 as inflation surprised to the upside and the strong economy gave policymakers the option to be patient around the onset of their policy easing cycle. Elsewhere, the Swiss National Bank surprised markets in March and cut policy rates by 25bps, becoming the first G10 central bank to start easing. In Asia, the Bank of Japan (BoJ) paved its own path and decided to end its negative interest rate policy at its March meeting.

In June of 2024, the European Central Bank (ECB) and the Bank of Canada started their respective easing cycles, both cutting their respective policy rates by 25bps. Continued moderation in the US inflation over the summer, paired with added stress around the sustainability of the US labour market, meant that the Fed could start its much-awaited easing cycle in September. The post-meeting statement indicated that the FOMC was “strongly committed to supporting maximum employment” alongside the 2% inflation target and that the risks to the Committee’s dual-mandate goals were roughly in balance.

In Europe, the ECB continued its rate cutting cycle in September and October. Elsewhere, in China, the PBoC announced a slew of policy measures in September to boost activity in general and property market in particular. Activity data in November offered early signs of green shoots following China’s recent policy pivot and subsequent stimulus programs. Amid all the easing, the BoJ, which had been gradually tightening monetary policy, decided to leave policy rate unchanged in September and October.

The FOMC lowered its policy rate further by 25bps in November. The Committee did not provide any strong forward guidance and refrained to comment on the implications of the new US government policies on potential monetary policy path going forward. However, Chair Powell did highlight that as the FOMC approaches levels that are close to neutral, it may be appropriate to slow down the pace of easing. In December, Powell highlighted that while the policy is still restrictive, it is getting closer to short-term neutral estimates. As a result, the FOMC is likely to be very cautious and gradual going forward in terms of pace of easing. This gradual approach was similar to the Bank of Canada, which cut rates by 50bps in December as expected but removed explicit easing bias and signalled a data dependent approach going forward.

Elsewhere in Europe, the European Central Bank lowered its growth and inflation projections at its December meeting. The policy rate was reduced by 25bps as widely expected by the markets. On the other hand, after cutting in November, the Bank of England held rates in December and reiterated that a "gradual approach" to removing policy restriction remains appropriate.

Bond Markets

Bond yields climbed higher at the start of 2024 as recession fears continued to ease and US inflation surprised to the upside. The US 10Y yield rose by 35bps to 4.2% in 1Q 2024, following a decline of 70bps in 4Q 2023. Yields were modestly higher in the second quarter of 2024, with the yield on the US 10Y up by 15bps. This increase was largely concentrated in April in response to strong labour market and inflation data. Subsequently, as inflation and activity data moderated, the yield on the 10Y declined in May and June. In France, the 10Y yield was 55bps in the second quarter of 2024 as the market priced in a higher term premium given increased political uncertainty.

In rates, yields declined in July on the back of weaker US inflation data and a softening labour market. The US 10Y yield was down by 25bps whereas German and UK 10Y yields were down 20bps each. The US 10Y yield went as low as 3.65% in September following the weak jobs numbers leading the market to price in a greater probability of a 50bps cut in September and more than 100bps of cuts in 2024. Nonetheless, the US 10Y yield rebounded following the Fed’s September meeting on the back of a string of more optimistic economic prints.

Fixed Income markets across major economies sold-off in October with the US underperforming, alongside election-related uncertainties remaining elevated. In November, developed market yields declined with US 10Y down from 4.28% to 4.19%, a decline of ~10bps. UK and German 10Y yields declined by 20bps and 30bps respectively. However, the Japanese 10Y yield went up by 10bps. In summary, bond markets witnessed some dispersion. Interestingly, US 10Y yield had risen from 4.28% to 4.44% by November 21 as the market baked in expectations of less easing from the FOMC on the back of potentially higher fiscal deficits under a Republican sweep. However, the trend reversed on the nomination of Scott Bessent as the next potential US Treasury Secretary under the incoming Trump administration.

In December, developed market bond yields went up with the US and the UK 10y yield rising by 35bps each. German 10Y yield was up 25bps whereas Japanese 10Y yield was up a modest 6bps. The main driver of higher US 10Y nominal yield was the 30bps rise in real yield whereas the breakeven inflation rose by a modest 5bps. Overall, the key driver sell-off in December was the FOMC’s pivot towards higher inflation expectation and fewer cuts in 2025 than previously thought.

2.16.2 Fund-specific developments in 2024

Market

According to the DNB Autumn projections, December 2024, the Dutch economy picked up in the second half of 2024, and is forecasted to faster than previously expected in 2025 and 2026. During 2024, Gross domestic product grew by 0.9 percent, compared to a stagnation of 0.1 percent over 2023. For 2025 and 2026, DNB forecasts 1.5 percent growth in both years. The two most important growth drivers for 2025 and 2026 are household consumption and government expenditures.

Statistics Netherlands ("CBS") reported that the Consumer Price Index ("CPI") rose in the Netherlands by 3.3 percent on average in 2024 relative to 2023. In 2024, housing and tobacco prices had a material contribution to inflation in 2024. CPI in the Netherlands was significantly higher than in the Euro area. The Harmonised Index of Consumer Prices ("HICP") in the Netherlands fell from 4.1 percent in 2023 to 3.2 percent in 2024. In the euro area it fell from 3.4 percent in 2023 to 2.4 percent in 2024. The higher inflation level in the Netherlands during 2024 has domestic causes, excess demand in the economy, high wage growth and higher indirect taxes.

The European Central Bank ("ECB"), lowered the main policy interest rates four times during 2024, with the objective to boost the Eurozone's lagging economy, curb inflation, facilitate lower rates to encourage borrowing and extra spending.

Dutch Wage growth has outpaced inflation during 2024, and households' real disposable income is rising. Since the second half of 2023, collectively ("CAO") negotiated wages have risen more than 6.2 percent every quarter Year-on-Year, with the highest increase in the third quarter of 2024, 6.8 percent. For the whole of 2024, negotiated wage growth was the highest since 1982 (6.6 percent). The Dutch labour market is tight. Going forward, growth in the labour market is expected to exceed the weak employment growth, and this is set to result in a marginal pick up in unemployment from 3.7 percent in 2024 to 3.9 percent in 2025 and 4.0 percent in 2026. As a result, borrowing capacity may increase and house prices may continue to rise.

House prices may continue to rise in 2025 and 2026. Important drivers of the increase in house prices are household income growth and lower mortgage rates. Furthermore, the shortage in Dutch housing market has a structural upward pressure on house prices. According to the Dutch Ministry of Public Housing and Spatial planning, the shortage in the Dutch housing market exceeds 400k at the end of 2024, that is 4.9 percent of the total residential housing park in the Netherlands. The Schoof government's government program therefore states that 100,000 homes will be built per year over the next ten years.

The recovery in housing investment is helping to ease the tightness, but more building permits are needed. Housing affordability has declined over the past decade, as households' borrowing capacity has risen less than house prices. This must be addressed not only through increased housebuilding but also by reducing the upward pressure on house prices. This can be done by limiting the demand stimulus and letting the rental market act as a pressure valve for the housing market.

The number of housing transactions has reached the level of 206,0000, compared to 182,000 in 2023 and 193,000 in 2022. The market for apartments (affordable for starters) is particularly dynamic. Demand pressures are intensified by urbanization, and population growth, especially in urban areas where the supply of new units is constrained by construction delays. Especially, first-time buyers benefitted from investors bringing their apartment to the market, due to less favorable fiscal treatment.

During 2024, the number of mortgages increased to 381,000, compared to 332,000 in 2023. The total mortgage amount increased from EUR 107 billion in 2023 to EUR 139 billion in 2024, still far away from the record level of EUR 163 billion in 2021.

During 2024, Dutch households continue to make their homes more sustainable. According to Hypotheek data Netwerk ("HDN"), energy-saving measures were included in the mortgage application request in 14.9 percent of the cases. This is a slight increase compared to 14.1 percent in 2023. In 90.7 percent in the number of the mortgage requests, the Energy Performance Certificate ("EPC") label was included, and this is an important increase compared to 58.6 percent in 2023.

As per January 2024, the mortgage lending standards have been altered, in such a way that there is from now on a link between the EPC label of the house and the mortgage amount that can be borrower. A higher amount can be borrowed for a home that is or will become more energy efficient.

At the end of 2023, the Dutch Metrology Institute ("KNMI") has developed new climate scenarios for the Netherlands. These scenarios are a translation of the global climate projections of the Intergovernmental Panel on Climate Change of the United Nations. The new scenarios outline what the future climate in the Netherlands could look like. They form the basis for research into the effects of climate change mitigation and adaptation to that change. Financial institutions use these climate scenarios as input for their capital requirement calculations, the stress tests for the ECB and for the determining whether a mortgage loan is sustainable in line with the EU Taxonomy.

According to CBS, the mood among consumers is slightly more negative in December 2024 than in November 2024. Consumer confidence stood at -26 in December, -28 in January 2024. Opinions on both the economic climate and willingness to buy are not favorable. Consumer confidence is assessed using five questions, where the balance of positive and negative responses is taken from each question. If all consumers are positive, the balance is 100. If all consumers are negative, the balance is -100. The component questions can be split into i) Consumer Confidence, ii) Economic Climate and iii) Willingness to buy. The indicator reached an all-time high (36) in January 2000, while the all-time low (-59) was reached in September and October 2022.

As of 1 January 2025, the limit of the Dutch National Mortgage Guarantee ("NHG") has been increased from EUR 435,000 to EUR 450,000. If borrowers take energy-saving measures, they will be allowed to borrow up to EUR 477,000. This means that homes up to this price can be purchased with NHG, offering security to first-time buyers. The commission payable when taking out a mortgage with NHG falls from 0.6 percent to 0.4 percent over the mortgage amount in 2025. Per 31 December 2024, the Fund had 15.25 percent of Net Principal Balance invested into NHG mortgages, compared to 15.62 percent at the end of 2023.

Investment Policy

The total net return of the Fund on 31 December 2024 was 6.52 percent for the Participation Class I and 6.76 percent for the Participation Class Z. The total net return is presented after taking into consideration the total costs of the Fund. The biggest contribution to net return comes from price changes and other of 4.34 percent and 4.35 percent for respectively Participation Class I and Participation Class Z. Net interest contributed for 2.68 percent for both share-classes. In June 2024, the Fund declared a dividend of 2.11 percent per participation for both participation classes, calculated over the Net Asset Value of 31 May 2024. The ex-dividend date of the Fund was 26 June 2024. The Annual Participation Meeting took place on 21 November 2024.

The Fund invests in Dutch mortgage loan receivables, originated by NN bank after 1 January 2014. The maximum loan to value of the mortgages in which the Fund invests is 100 percent. In case the mortgage finances energy-saving measures as well, the Fund can invest in mortgages with a maximum loan to value of 106 percent. On 31 December 2024, the duration of the Fund was 7.33 years. The weighted average loan to indexed market value decreased from 62.54 percent at the end of December 2023 to 56.20 percent, at the end of December 2024. The decrease is mainly due to the increase in house prices during 2024.

During 2024 the Fund did not realize any credit losses.

The total AUM of the Fund on 31 December 2024 was EUR 4.695 million. The Fund is now registered in 15 countries, namely the Netherlands, the United Kingdom, Belgium, France, Denmark, Sweden, Finland, Germany, Spain, Italy, Ireland, the Czech Republic, Greece, Slovakia and Austria.

The Fund is classified as an article 8 Fund under the Sustainable Finance Disclosure Regulation ("SFDR"). The binding element of the Fund is that the Fund has a minimum of 30 percent of "A" labels of the Fund's AUM. The effective percentage of "A" label in the Fund is per 31 December approximately 50 percent.

Risk appetite and risk policy within the investment policy

The investors in the Fund are exposed to various risks as described in the prospectus. Key risks include liquidity-, redemption-, concentration-, interest rate-, offer-, and waiting risks.

The credit risk on the new mortgage loan receivables decreases over the tenor of the loan because 69 percent of the mortgages are amortizing at the end of December 2024. As per 31 December 2024, 31 percent of the mortgage loan receivables, as percentage of Net Principal Balance, has an interest-only repayment profile.

Additionally, house price developments have an impact on the credit risk of the mortgage loan receivables. According to DNB, house prices of existing homes have increased by 8.9 percent. As a result, the weighted average loan to indexed market value of the portfolio decreased from 62.54 percent at the end of December 2023 to 56.20 percent at the end of December 2024.

Derivatives

During the reporting period, the fund did not use any derivatives.

Outlook

Geopolitical tensions, such as the development in the Middle East and Russia’s war in Ukraine, continue to cloud the economic outlook. Dependence on other countries, through trade and investment, makes the Dutch economy vulnerable to global shocks, and this may also have an impact on Dutch consumer confidence.

Dutch wage growth has outpaced inflation during the second half of 2024. The recovery in purchasing power of households may increase consumer spending during the next two years. Also the Dutch government will boost investments in a.o. defense, and both tendencies could contribute positively to the expected increase in Dutch GDP of 1.5 percent for both 2025 and 2026.

The interest rate environment remains uncertain. The ECB lowered the main policy interest rates four times during 2024, and the ECB stated that “it is determined to ensure that inflation stabilises sustainably at its 2 percent medium-target”. The euro area Harmonised Index of Consumer Prices (“HICP”) was 2.4 percent in December 2024 (Y-o-Y), down from 3.4 percent in December 2023.

An important challenge for the Dutch government remains to tackle the tight Dutch housing market. According to the Dutch Ministry of Public Housing and Spatial Planning, the Dutch housing shortage stood at 401,000 homes in 2024 and is expected to peak at 411,000 in 2025 before gradually declining. The government has a goal of building 100,000 new homes per year. Moreover, the government aims to allocate EUR 5bn a year towards housing construction. During 2024, 69k new-build Dutch homes were completed and for 2025 it is the expectation that the number will be slightly higher. Another positive point is that the introduction of the Omgevingswet, reduces the application for a building or renovation permit from 26 weeks to 8 weeks. An additional challenge is to deal with the tight labour market, as from “technology to public transport, from education to healthcare and from hospitality to horticulture, severe staff shortages can be felt everywhere”, said the Dutch king in his speech.

According to DNB, house prices continue to rise by respectively 7.5 percent and 4 percent during 2025 and 2026. This is partly due to strong wage growth in the Netherlands, and a (slight) fall in mortgage rates, combined with positive sentiment and low unemployment levels.

The average percentage op 90+ arrears in 2024 was 0.04 percent of the aggregate outstanding amount of the Fund. During 2023, the average 90+ arrears percentage was 0.03 percent. Since unemployment levels are expected to remain low, and Dutch households will continue to benefit from higher collectively negotiated wages, we do not expect arrears levels to increase materially in the short term. We expect that the solid credit performance of the Fund will continue to be supported by a growth in house prices and the fact that NN Bank as mortgage originator and servicer applies a strict mortgage lending policy.

Since year-end, global markets have experienced a significant increase in volatility across all financial instruments as a result of a range of trade tariffs imposed by the Trump administration. The situation has not led to any significant impact on liquidity, nor on the operations of the Fund. The market volatility has been deemed a non-adjusting event, and as such its post year end impact has not been taken into account in the recognition and measurement of the Fund's assets and liabilities at 31 December 2024.

2.16.3 Other aspects

There have been no events that are required to be disclosed as a subsequent event.

2.17 Remuneration during the reporting period

Introduction

The following disclosures are made in accordance with the AIFMD (2011/61/EU) and UCITS Directive (2014/91/EU) and further guidance included in the ESMA Guidelines on sound remuneration policies under the AIFMD (3 July 2013/ESMA/2013/232) and UCITS Directive (14 October 2016/ESMA/2016/575). The full and detailed remuneration disclosure can be found on the website (https://am.gs.com/en-nl/individual/creating-impact/policies-and-governance).

2.17.1 Remuneration Programme Philosophy

Retention of talented employees is critical to executing the firm's business strategy successfully. Remuneration is, therefore, a key component of the costs the firm incurs to generate revenues, similar to the cost of goods sold or manufacturing costs in other industries.

The remuneration philosophy and the objectives of the remuneration programme for the firm are reflected in the Compensation Principles for The Goldman Sachs Group, Inc. ("GS Group"), as posted on the Goldman Sachs public website (http://www.goldmansachs.com/investor-relations/corporate-governance/corporate-governance-documents/compensation-principles.pdf/).

2.17.2 Firmwide Compensation Frameworks

The Firmwide Performance Management and Incentive Compensation Framework, as amended from time to time ("Firmwide PM-IC Framework"), formalises the variable remuneration practices of the firm.

The primary purpose of this Firmwide PM-IC Framework is to assist The Goldman Sachs Group, Inc. ("the firm" or "Goldman Sachs Group") in assuring that its variable compensation programme does not provide "covered employees" (i.e., senior executives as well as other employees of the firm, who, either individually or as part of a group, have the ability to expose the firm to material amounts of risk) with incentives to take imprudent risks and is consistent with the safety and soundness of the firm.

In addition, the Goldman Sachs Asset Management BV Compensation Policy supplements the firm's remuneration programmes and frameworks in alignment with applicable local laws, rules and regulations.
No material changes were made to GSAM BV compensation policies during the year.

2.17.3 Remuneration Governance

The Board of Directors of Goldman Sachs Group (the "Group Board") oversees the development, implementation and effectiveness of the firm's global remuneration practices, and it generally exercises this responsibility directly or through delegation to the Compensation Committee of the Group Board (the "Board Compensation Committee").

The Board Compensation Committee recognises the importance of using a remuneration consultant that is appropriately qualified and is determined to be independent. The independence of the remuneration consultant is reviewed and confirmed annually by the Board Compensation Committee. For 2024, the Board Compensation Committee received the advice of a remuneration consultant from Frederic W. Cook & Co. ("FW Cook").

The GSAM BV Compensation Committee (the "GSAM BV Compensation Committee") operates in line with GS Group policies and practices. The GSAM BV Compensation Committee held 8 meetings in 2024 in fulfilment of these responsibilities.

The GSAM BV Supervisory Compensation Committee oversees the development and implementation of those remuneration policies and practices of GSAM BV that are required to supplement the global Compensation Policy of Goldman Sachs Group in accordance with applicable law and regulations.

The GSAM BV Supervisory Compensation Committee works alongside the GSAM BV Compensation Committee. The GSAM BV Supervisory Compensation Committee held 6 meetings in 2024 in fulfilment of these responsibilities. Further information with regards to Remuneration Governance, the Board Compensation Committee, the GSAM BV Compensation Committee and the GSAM BV Supervisory Compensation Committee, can be found on the website (https://am.gs.com/en-nl/individual/creating-impact/policies-and-governance).

2.17.4 Link between Pay and Performance

In 2024, annual remuneration for employees comprised fixed remuneration (including base salary) and variable remuneration. The firm's remuneration practices provide for variable remuneration determinations to be made on a discretionary basis. Variable remuneration is based on multiple factors and is not set as a fixed percentage of revenue or by reference to any other formula, consistent with the process outlined in the Firmwide PM-IC Framework. Firmwide performance is a key factor in determining variable remuneration.

The firm is committed to aligning variable remuneration with performance, across several financial and non-financial factors. These factors include business-specific performance (as applicable), along with the performance of the firm and the individual, over the past year, as well as over prior years.

Further information with regards to the Link between Pay and Performance can be found on the website (https://am.gs.com/en-nl/individual/creating-impact/policies-and-governance).

2.17.5 Selection and remuneration of Identified Staff

GSAM BV selects Identified Staff (staff whose professional activities have material impact on the risk profile of Goldman Sachs Asset Management) on the basis of both AIFMD and UCITS (being staff whose professional activities have a material impact on the Dutch licensed AIF(s), and/or the UCITS and/or GSAM BV, as applicable). AIFMD and UCITS Identified Staff are selected in accordance with ESMA guidelines 2013/232 and 2016/575. Under its selection methodology, GSAM BV considers the categories as detailed in the ESMA guidelines and conducts a review of employees who have a material impact and whose total remuneration takes them into the same remuneration bracket as senior managers and risk takers.

The applied selection methodology and selection criteria for GSAM BV Identified Staff were approved by the GSAM BV Compensation Committee.

2.17.6 Performance Measurement

Performance is measured at the firmwide, business, business unit, desk and individual level as applicable. Employees are evaluated annually as part of the performance review feedback process. The process reflects evaluation of employee objectives and performance focusing on matters including but not limited to teamwork and collaboration. Further information with regards to the Performance Measurement can be found on the website (https://am.gs.com/en-nl/individual/creating-impact/policies-and-governance).

2.17.7 Risk Adjustment

Prudent risk management is a hallmark of the firm's culture and sensitivity to risk and risk management are key elements in assessing employee performance and variable remuneration, including as part of the performance review feedback process noted above.

The firm takes risk, including conduct risk, into account both on an ex-ante and ex-post basis when setting the amount and form of variable remuneration for employees. As indicated in the Firmwide PM-IC Framework, different lines of business have different risk profiles that inform remuneration decisions. These include credit, market, liquidity, operational, reputational, legal, compliance and conduct risks.

Guidelines are provided to assist remuneration managers when exercising discretion during the remuneration process to promote appropriate consideration of the different risks presented by the firm's businesses. Further, to ensure the independence of control function employees, remuneration for those employees is not determined by individuals in revenue-producing positions but rather by the management of the relevant control function.

Consistent with prior years, for 2024 certain employees received a portion of their variable remuneration as an equity-based award that is subject to a number of terms and conditions that could result in forfeiture or recapture.

The GSAM BV Compensation Committee also reviewed the annual compensation-related risk assessment with respect to GSAM BV. Further information with regards to Risk Adjustment can be found on the website (https://am.gs.com/en-nl/individual/creating-impact/policies-and-governance).

2.17.8 Structure of Remuneration

Fixed Remuneration

The firm has a global salary approach to ensure consistency in salary levels and to achieve an appropriate balance between fixed and variable remuneration.

Variable Remuneration

For employees with total remuneration and variable remuneration above specific thresholds, variable remuneration is generally paid in a combination of cash and equity-based remuneration. In general, the portion paid in the form of an equity-based award increases as variable remuneration increases and, for Identified Staff, is set to ensure compliance with the applicable rules of the AIFMD and UCITS Directive.

The variable remuneration programme is flexible to allow the firm to respond to changes in market conditions and to maintain its pay-for-performance approach. Variable remuneration is discretionary (even if paid consistently over a period of years).

Equity-based Remuneration

The firm believes that remuneration should encourage a long-term, firmwide approach to performance and discourage imprudent risk-taking. One way the firm achieves this approach is to pay a significant portion of variable remuneration in the form of equity-based remuneration that delivers over time, changes in value according to the price of GS Group shares of common stock and/or the performance of GSAM BV funds, and is subject to forfeiture or recapture. This approach encourages a long-term, firmwide focus because the value of the equity-based remuneration is realised with a dependency on long-term responsible behaviour and the financial performance of the firm.

To ensure continued alignment to the investment activities of GSAM BV, staff eligible for equity-based remuneration (including GSAM BV Identified Staff) are generally awarded both GS Group Restricted Stock Units ("RSUs") and Phantom Units under the Goldman Sachs Phantom Investment Plan ("GSAM BV Phantom Unit Plan"). "). Further information with regards to the Equity-based remuneration can be found on the website (https://am.gs.com/en-nl/individual/creating-impact/policies-and-governance).

2.17.9 Remuneration over 2024

Over 2024, GSAM BV has awarded a total amount of € 117.21 million to all employees. This amount consists of fixed remuneration of € 86.96 million. and variable remuneration of € 30.25 million. Per 31 December 2024 this concerned 709 employees and 5 board members of GSAM BV. The majority of employees spend their time on activities that are directly or indirectly related to the management of the funds. In total GSAM BV awarded remuneration exceeding € 1 million to 2 employees.

From the above mentioned amounts, total remuneration for the board members is € 3.77 million, of which fixed remuneration is € 1.79 million and variable remuneration is € 1.98 million.

Remuneration paid or awarded for the financial year ended 31 December 2024 comprised fixed remuneration (salaries, allowances and director fees) and variable remuneration. Information of fixed remuneration and variable remuneration is not administered on fund level, resulting in the costs above to be disclosed on aggregated total management company level.

Aggregated fixed and variable remuneration over 2024 and 2023

The following tables show aggregate quantitative remuneration information for all GSAM BV Identified Staff selected on the basis of AIFMD and/or UCITs for the performance year 2024.

Table 1: Fixed and variable remuneration awarded in relation to the performance year 2024

Amounts in € 1,000 and gross	Identified Staff qualified as Executives	Other Identified Staff
Number of employees (#)	5	26
Fixed remuneration (1)	1,786	7,736
Variable remuneration (2)	1,980	7,936
Aggregate of fixed and variable remuneration	**3,766**	**15,672**

Table 2: Fixed and variable remuneration awarded in relation to the performance year 2023

Amounts in € 1,000 and gross	Identified Staff qualified as Executives	Other Identified Staff
Number of employees (#)	5	28
Fixed remuneration (1)	1,582	7,981
Variable remuneration (2)	1,430	7,014
Aggregate of fixed and variable remuneration	**3,012**	**14,995**

1) Fixed remuneration per the fiscal year-end for contractual working hours. Fixed remuneration includes allowances, which includes elements such as holiday pay, and pension allowance and excludes benefits.
2) Variable remuneration includes all payments processed through payroll per respectively January 2025 (performance year 2024) or January 2024 (performance year 2023) and all conditional and unconditional awards in relation to the respective performance year, including RSUs, GSAM BV Phantom Units (a reference to the allocated Funds is not available) and carried interest.

Remuneration information third parties

GSAM BV has (partly) outsourced its portfolio management activities to third parties. For each of these parties a Portfolio Management Agreement (PMA) has been arranged. The PMA guarantees efficient and effective services in accordance with the set agreements with these third parties. The services offered by these third parties based on the PMA are evaluated annually by GSAM BV.

The transparency that GSAM BV maintains with regard to the applied remuneration policy also includes transparency regarding the remuneration policy of third parties who carry out portfolio management activities for GSAM BV. By doing this GSAM BV is aligned with the guidance from the European regulator (ESMA). GSAM BV annually requests information from third parties in order to be able to evaluate the services and information about the applied remuneration policy by the third party is included in this request.

The overview below provides information on the remuneration policy from the parties to whom Goldman Sachs Asset Management BV has (partly) delegated portfolio management activities for AIFs and UCITs.

This includes delegated portfolio management services provided by Goldman Sachs Asset Management International and Goldman Sachs Asset Management (Singapore) Pte. Ltd., for which the services have been considered on an AIF/UCITS by AIF/UCITS basis and an estimated split for each AIF/UCITS has been incorporated into the calculations below. The pro rata remuneration is calculated by dividing the assets managed by the delegated portfolio manager on behalf of the AIF(s)/UCITS managed by GSAM BV by the total (strategy) assets managed by the delegated portfolio manager.

Delegated portfolio management (3)	Number of beneficiaries	Fixed pay (USD)	Variable pay (USD)	Total pay (USD)
Pro rata remuneration	376.6 – 381.6	1,342,112.89	359,033.68	1,701,146.57

3) The delegated portfolio management services have been provided by Danske Bank A/S, Nomura Asset Management Co. Ltd, J.P. Morgan Asset Management, Irish Life Investment Management Limited, State Street Global Advisors UK, Triodos Investment Management B.V., Goldman Sachs Asset Management International and Goldman Sachs Asset Management (Singapore) Pte. Ltd. Where information for FY2024 was not available, FY2023 figures have been included.

2.18 In control statement

As manager of Goldman Sachs Dutch Residential Mortgage Fund (NL) it is, in accordance with Section 115y Paragraph 5 of the Decree on the Supervision of the Conduct of Financial Enterprises pursuant to the Act on Financial Supervision (‘Besluit gedragstoezicht financiële ondernemingen’ or ‘Bgfo’), our responsibility to declare that for the Goldman Sachs Dutch Residential Mortgage Fund (NL) we have a description of the control framework that complies with the Dutch Financial Supervision Act and the related regulatory requirements and that the control framework has been functioning effectively during the reporting period from 1 January until 31 December 2024 and in accordance with the description.

Below we present our view on the design of the business operations of the manager related to the activities of the Fund. The control framework is setup in line with the size of the organization and legal requirements. The setup is unable to provide absolute certainty that deviations will never occur, but is designed to provide reasonable assurance on the effectiveness of internal controls and the risks related to the activities of the manager. The assessment of the effectiveness of the control framework is the responsibility of the manager.

With regard to the design of the administrative organisation and internal control environment (overall named 'control framework'), the manager applies the GSAM BV Control Framework. The significant risks are determined periodically in a systematic manner. The existing system of internal controls mitigates these risks.

The description of the control framework has been evaluated and is in line with legal requirements. This means that the significant risks and controls of the relevant processes have been reviewed and updated.

The assessment of the effectiveness and functioning of the control framework is performed in different ways in practice. Management is periodically informed by means of performance indicators, which are based on process descriptions and their control measures. In addition, there is an incidents and complaints procedure. In the reporting period, the effective functioning of the control framework is reviewed and tested for the setup, existence and operation of internal controls. This concerns generic testing, which has been implemented in a process-oriented manner for the different investment funds managed by Goldman Sachs Asset Management B.V. Therefore, the executed test work can be different at the level of the individual funds. Controls are self-assessed by management for those controls in scope of the assurance report. The tests are carried out by the independent auditor. In the context of this annual report, no relevant findings have emerged.

Reporting on the business operations

During the reporting period, we have reviewed the various aspects of the control framework. During our review work, we have no observations based on which it should be concluded that the description of the design of the control framework, as referred to in Section 115y Paragraph 5 of the Bgfo, does not meet the requirements as stated in the Bgfo and related regulations. We have not found internal control measures that were not effective or were not operating in accordance with their description. Based on this we, as manager for Goldman Sachs Dutch Residential Mortgage Fund (NL), declare to have a description of the control framework as referred to in Section 115y, paragraph 5 in Bgfo, which meets the requirements of the Bgfo and we declare with a reasonable degree of certainty that the business operations during the reporting period have operated effectively and in accordance with the description.

The Hague, 23 April 2025

Goldman Sachs Asset Management B.V.

3. FINANCIAL STATEMENTS 2024

(For the period 1 January through 31 December 2024)

3.1 Balance sheet

Before appropriation of the result

Amounts x € 1,000	Reference	31-12-2024	31-12-2023
Investments			
Mortgages	3.5.1	4,526,447	4,473,166
Investment funds	3.5.2	206,703	206,537
Total investments		**4,733,150**	**4,679,703**
Receivables	3.5.4		
Interest receivable		10,084	10,252
Other receivables		2,888	10,709
Total receivables		**12,972**	**20,961**
Other assets	3.5.5		
Cash and cash equivalents		103	124
Total other assets		**103**	**124**
Total assets		**4,746,225**	**4,700,788**
Net asset value	3.5.6		
Net asset value participants		4,403,584	4,432,924
Net result		291,732	171,967
Net asset value		**4,695,316**	**4,604,891**
Short term liabilities	3.5.7		
Construction depots		46,204	89,578
Interest payable		125	259
Other liabilities		4,580	6,060
Total short term liabilities		**50,909**	**95,897**
Total liabilities		**4,746,225**	**4,700,788**

3.2 Profit and loss statement

For the period 1 January through 31 December

Amounts x € 1,000	Reference	2024	2023
OPERATING INCOME			
Investment income	3.6.1		
Interest from mortgages		122,317	119,916
Revaluation of investments	3.6.2		
Realised changes in the value of investments		1,674	1,145
Unrealised changes in the value of investments		191,802	76,089
Other results	3.6.3		
Offer risk		-	447
Interest on construction depots		-1,998	-4,038
Interest other		336	264
Other operating income		18	26
Total operating income		**314,149**	**193,849**
OPERATING EXPENSES	3.6.4		
Operating costs		22,417	21,882
Total operating expenses		**22,417**	**21,882**
Net result		**291,732**	**171,967**

3.3 Cash flow statement

For the period 1 January through 31 December

Amounts x € 1,000	Reference	2024	2023
CASH FLOW FROM INVESTMENT ACTIVITIES			
Purchases of investments		-548,378	-928,599
Sales of investments		688,407	869,315
Interest received		122,485	118,874
Other results		7,839	7,850
Net transactions in construction depots		-43,374	-78,122
Interest other paid		-1,796	-4,086
Operating costs paid		-23,897	-20,753
Total cash flow from investment activities		**201,286**	**-35,521**
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from subscriptions to participations		28,012	139,474
Payments for redemptions of participations		-131,963	-20,739
Dividend paid		-97,356	-83,310
Total cash flow from financing activities		**-201,307**	**35,425**
NET CASH FLOW		**-21**	**-96**
Cash and cash equivalents opening balance		124	220
Cash and cash equivalents closing balance	**3.5.5**	**103**	**124**
Summary of total position of cash and cash equivalents			
Cash and cash equivalents		103	124
Money market investment funds		206,703	206,537
Total position of cash and cash equivalents		**206,806**	**206,661**

3.4 Notes to the financial statements

3.4.1 General Notes

The Fund does not have any employees. GSAM BV, located in The Hague, is the manager of the Fund.

The financial statements are prepared under going concern principles and according to the financial statements models for investment institutions as established by the legislator. The financial statements are prepared in accordance with Title 9 of Book 2 of the Dutch Civil Code and the Dutch Accounting Standards (‘Richtlijnen voor de jaarverslaggeving’). Wording may be used that deviates from these models to better reflect the contents of the specific items. The 2024 financial statement are prepared according to the same principles for the valuation of assets and liabilities, determination of results and cash flow statement as used for the 2023 financial statements.

When preparing the financial statements, the manager uses estimates and judgments that can be essential to the amounts included in the financial statements. If deemed necessary, the nature of these estimates and judgements, including the associated assumptions, are disclosed in the notes to the financial statements.

The functional currency of the Fund is the euro. Unless stated otherwise, all amounts in the financial statements are presented in thousands of euros. Amounts in whole euros are shown using the euro sign (€).

3.4.2 Continuity

The objective of the continuity management of the Fund manager is to ensure the continuity of its activities, to establish trust, to protect the assets and funds entrusted, to be able to meet obligations, to comply with internal and external regulations, to prevent or mitigate damage and risk and to identify and manage risks to an acceptable level.

Liquidity monitoring

Liquidity monitoring takes place within GSAM BV. The liquidity risk is covered at GSAM BV through several departments. Risk Management (RM) manages the liquidity risk in the funds by measuring, monitoring and reporting so that corrective action can be taken in a timely manner if necessary.

The GSAM BV Control Framework includes liquidity on the asset side, liquidity on the liability side and the payoff coverage ratio which indicates how many times liquid assets can cover liabilities. Liquidity risk is also calculated as a stress version in accordance with the ESAM guidelines for liquidity stress testing and this forms the basis for monitoring of funds.

Liquidity is continuously monitored against thresholds specific to the liquidity risk profile to ensure that the funds have liquidity in line with the prospectus.

The Fund’s process for liquidity management is further described in paragraph 2.15 under ‘Liquidity risk’.

The manager is subject to Investment Firm Directive/Regulation (IFD/IFR) requirements and in that capacity also complies with the liquidity requirement (Internal Liquidity Adequacy Assessment Process ‘ILAAP’). This is periodically reported to the DNB.

Investments

The Fund mainly invests in illiquid investments. During the reporting period, no marketability problems occurred. The Fund's available cash during the reporting period was sufficient to manage capital inflows and outflows.

Conclusion

Currently, we do not foresee any impact on the continuity of the Fund, nor that of the manager over the next 12 months. The financial statements have therefore been prepared on a going concern basis.

3.4.3 Tax aspects

The Fund is considered a fiscally transparent entity in the Netherlands and, therefore, is not subject to Dutch corporate income tax and is not a withholding agent for Dutch dividend tax. To ensure the fiscally transparent character of the Fund, the transfer of participations — other than by redemption to the Fund itself — is not possible.

3.4.4 Accounting estimate changes

CPR adjustment

In November 2024, the conditional prepayment rate (CPR) was adjusted from 4.5% to 4.0%. This decrease in the CPR is based on an analysis of the mortgage portfolio prepayment behaviour. Interest rates have remained elevated and thereby deterring lenders' incentive to refinance, it is expected that the amount of early repayments will decline. The impact of the CPR change is negative € 16.8 million, equal to -0.36% of the net assets of the Fund.

Updated valuation methodology

In November 2024, the valuation methodology of the Fund was prospectively updated to include the origination fee into the discount curve. This change aligns the valuation with comparable funds in the market. The impact on the valuation of the portfolio from this change is approximately € 16.7 million, equal to 0.36% of the net assets of the Fund.

3.4.5 Accounting policies

General

The valuation principles included in this paragraph provide an overview of all valuation principles of the GSAM BV funds, which, in the management's opinion, are the most critical for representing the financial position and require estimates and assumptions by the GSAM BV funds.

Unless otherwise stated, assets and liabilities are stated at historical cost.

An asset is recognised in the balance sheet when it is probable that the future economic benefits will flow to the Fund and its value can be reliably measured. A liability is recognised in the balance sheet when it is probable that its settlement will result in an outflow of resources, and the amount can be reliably measured.

An asset or liability is no longer recognised in the balance sheet if a transaction results in the transfer of all or virtually all rights to economic benefits and all or virtually all risks related to the asset or liability to a third party.

Offsetting an asset and a liability occurs only if there is a legal right to settle the asset and liability simultaneously, and the Fund has the firm intention to do so.

Assets and liabilities in foreign currencies are translated at the exchange rates prevailing at the calculation date. All transactions in foreign currencies are recorded at the last known mid-market rate on the transaction date.

Investments

All financial instruments, as categorised in this report under investments or investments with a negative market value, are included in the balance sheet for the period during which the economic risk is attributable to the Fund.

The investments in mortgages are not considered part of the trading portfolio. Investments are valued at fair value, which is based on the following principles:

- Mortgages are initially valued at the purchase price (100% of the nominal value), which is the fair value. After initial recognition, mortgages are valued at fair value. This means discounting the future contractual cash flows, taking into account early repayments by the borrower, using a market-consistent discount curve for similar mortgage loans as of the end of each month for which the Fund's value is determined.

- The values of the collateral are indexed quarterly. For indexing, the house price index per province, as published by the Central Bureau of Statistics (CBS), is used.
- Investments in other GSAM BV funds are valued at the net asset value of the respective day.

When investments have no quoted market price or when the market price is considered to not be representative (for example, in times of high volatility in the financial markets) , the manager determines the value. This determination is made using objective and recent market information and/or commonly accepted calculation models.

Other financial instruments considered as investments are valued at market value derived from third-party market quotations and market information. If no objective market quotation is available for such financial instruments, they are valued at theoretical value calculated using objective and broadly accepted mathematical models and considering standards deemed appropriate by the manager for the respective investments.

Receivables and Short-term Liabilities

All receivables and short-term liabilities have a maturity of less than one year. Receivables and short-term liabilities are initially valued at fair value. After initial recognition, receivables and short-term liabilities are valued at amortised cost, less any provision for recoverability deemed necessary for receivables.

Other assets

The other assets relate to cash and cash equivalents, which are valued at nominal value.

Net asset value

The manager may deviate from the principles of net asset value determination described above if, in their opinion, special circumstances make the determination of the net asset value as described practically impossible or clearly unreasonable (for example, during times of high volatility in the financial markets). In such cases, net asset value determination will be based on indices or other acceptable valuation principles.

3.4.6 Income and expense recognition

General

Operating income and expenses are recognised in the period to which they relate.

Interest

Interest is attributed to the period that it relates to.

Revaluation of investments

Realised and unrealised changes in the fair value of investments, including foreign currency gains and losses, are included in the profit and loss statement under revaluation of investments.

The realised changes in the fair value of investments and foreign currency results are determined as the difference between the selling price and the average historical cost. The unrealised changes in the fair value of investments and foreign currency results are determined as the movement in the unrealised fair value of investments and foreign currency results during the reporting period. The reversal of the unrealised changes in the fair value of investments and foreign currency results of prior years are included in the unrealised changes in the fair value of investments and foreign currency results when realised.

Offer risk

The offer risk consists of revaluation, net mortgage income and the financing costs during the period between the mortgage offer to the mortgage lender and the delivery of the mortgage to the Fund. The offer risk is valued at nominal value, and attributed to subscribing participants.

Result per participation class

The result of a Participation Class consists of revaluation of the investments, the interest received and paid during the period, the declared dividends and the expenses that are attributable to the financial period. When determining the interest gains, the interest receivable on bank deposits is taken into account. Direct income and expenses are allocated to each Participation Class and attributed to the relating financial period.

Transaction costs

Transaction costs of investments are included in the cost price or deducted from the sales proceeds of the relevant investments.

3.4.7 Cash flow statement

The cash flow statement provides insights into cash and cash equivalents originated by the Fund during the reporting period and the way in which this has been used. Cash flows are split into operating, investment and financing activities.

The cash flow statement is prepared according to the direct method. The cash flow statement distinguishes between cashflows from financing activities, which relate to transactions with participants, and cashflows from investment activities, which relate to the operational activities of the Fund.

The cash and cash equivalents consist of freely available positions at banks.

3.5 Notes to the balance sheet

The presented movement schedules cover the period from 1 January through 31 December

3.5.1 Mortgages

Amounts x € 1,000	2024	2023
Opening balance	4,473,166	4,230,751
Purchases	275,832	582,491
Sales/repayments	-408,790	-408,984
Revaluation	186,239	68,908
Closing balance	**4,526,447**	**4,473,166**

The revaluation amount of the mortgages over 2024 includes an unrealised amount of 0 (2023: -447) relating to changes in market value during the period between the mortgage offered by NN Bank to the mortgage lender and the delivery of the mortgage by NN Bank to the Fund. The above mentioned amount of unrealised result on mortgages together with the offer risk as described in paragraph 3.6.3 has no impact on the existing participants of the Fund.

3.5.2 Investment funds

Amounts x € 1,000	2024	2023
Opening balance	206,537	312,434
Purchases	272,546	346,108
Sales	-279,617	-460,331
Revaluation	7,237	8,326
Closing balance	**206,703**	**206,537**

Investments in investment funds

Below is an overview of the investment funds in which the Fund participates at reporting date. The participating interest percentage relates to the interest in the relevant participation class of the investment fund in which the Fund participates. If the Fund participates in Liquid Euro or Liquid Euribor 3M, these participations are kept for cash management purposes.

At 31 December 2024

Name of the fund	Number of shares/participation	Net Asset value in €	Ownership-percentage	Value x € 1,000
Liquid Euro - Zz Cap EUR	194,009	1,065.43	9.7%	206,703
Closing balance				**206,703**

At 31 December 2023

Name of the fund	Number of shares/participation	Net Asset value in €	Ownership-percentage	Value x € 1,000
Liquid Euro - Zz Cap EUR	201,506	1,024.97	9.5%	206,537
Closing balance				**206,537**

3.5.3 Risk relating to financial instruments

Investing involves entering into transactions with financial instruments. Investing in the Fund, and therefore the use of financial instruments, means both seizing opportunities and taking risks. Managing risks that are related to investing should always be seen in conjunction with the opportunities, eventually expressed in the performance. Therefore, risk management is not solely focused on mitigating risks but to create an optimal balance between performance and risk, all within acceptable limits.

The disclosures of the risks that are included in this section relate to investments in financial instruments of the Fund. The Fund also invests in investment funds. For detailed risk disclosures on these investments, please refer to the annual reports of these funds.

3.5.3.1 Market risk

The Fund is sensitive to changes in the value of the investments as a result of fluctuations in prices in financial markets such as fixed income markets.

Details on mortgage portfolio	31-12-2024	31-12-2023
Nominal value mortgages (x € 1,000)	4,985,845	5,122,400
Outstanding construction depots (x € 1,000)	46,204	89,578
Number of loans	17,621	17,934
Number of loan parts	43,830	43,021
Weighted average interest rate on mortgages	2.43%	2.41%
Payments overdue for more than 90 days (x € 1,000)	86	21
Credit losses (x € 1,000)	-	-
Loan to value ratio*	72.45%	75.30%

* The loan to value ratio (LTV) of a mortgage is calculated by dividing the total outstanding principal amount of the mortgage by the original market value of the related collateral.

Mortgage portfolio by type

The overview below provides a breakdown of the nominal values of the mortgage portfolio by type of mortgage.

Amounts x € 1,000	31-12-2024	31-12-2023
Annuity mortgages	3,291,553	3,376,603
Interest only mortgages	1,532,058	1,554,976
Linear mortgages	124,272	133,138
Bridging mortgages	37,962	57,683
Total	**4,985,845**	**5,122,400**

Mortgage portfolio by province

The overview below provides a breakdown of the nominal values of the mortgage portfolio by province.

Amounts x € 1,000	31-12-2024	31-12-2023
Zuid-Holland	1,344,574	1,397,464
Noord-Brabant	762,061	780,317
Noord-Holland	635,695	667,531
Gelderland	585,524	595,388
Utrecht	347,933	367,756
Overijssel	299,248	303,820
Limburg	288,632	293,614
Flevoland	179,359	182,837
Groningen	165,400	169,319
Drenthe	128,164	125,850
Zeeland	128,149	131,262
Friesland	107,725	106,749
Netherlands*	13,381	493
Total	**4,985,845**	**5,122,400**

* The category 'Netherlands' relates to new-build houses without a postal code and therefore no province has yet been included.

3.5.3.2 Interest risk

The Fund invests in fixed income financial instruments with a long maturity and is therefore exposed to significant interest rate risk. The table below shows the breakdown of the mortgage portfolio by interest maturity.

Breakdown of the mortgage portfolio by interest maturity

Amounts x € 1,000	31-12-2024	31-12-2023
Shorter than 1 year	1%	1%
Between 1 and 5 years	5%	4%
Between 5 and 10 years	10%	10%
Between 10 and 15 years	24%	15%
Between 15 and 20 years	36%	45%
Longer than 20 years	24%	25%
Total	**100%**	**100%**

3.5.3.3 Currency risk

Currency risk is the risk that the value of a financial instrument may fluctuate as a result of changes in exchange rates. All the investments of the Fund are denominated in euro. The Fund is therefore not exposed to significant currency risk.

3.5.3.4 Credit risk

Credit risk is the risk that a specific counterparty is unable to fulfil its obligations under contracts for financial instruments.

At the end of the reporting period, the average nominal value of the mortgage portfolio is € 282,949 (2023: € 285,625).

The amount that best represents the maximum credit risk of the Fund at 31 December 2024 is 4,746,225 (2023: 4,700,788).

Allocation of mortgage portfolio outstanding principal relative to the market value of the collateral

At 31 December 2024

	0%-50%	50%-100%	>100%	Total
NHG	0.5%	14.7%	-	15.2%
Non NHG	11.3%	73.4%	0.1%	84.8%
Total	**11.8%**	**88.1%**	**0.1%**	**100.0%**

At 31 December 2023

	0%-50%	50%-100%	>100%	Total
NHG	0.4%	15.0%	0.2%	15.6%
Non NHG	9.9%	73.8%	0.7%	84.4%
Total	**10.3%**	**88.8%**	**0.9%**	**100.0%**

3.5.3.5 Counterparty risk

The Fund is exposed to counterparty risk for the amount of the assets on the balance sheet. For the various assets with a substantial financial interest the following can be explained:

- The mortgages purchased from NN Bank will be held by Goldman Sachs Bewaarstichting I for account of the Fund.
- Cash and cash equivalents are held at banks that have at least an investment grade rating.
- For counterparty risk with regard to the investments in investment funds, we refer to the financial statements of the specific investment funds.

3.5.3.6 Investments by valuation method

The breakdown of the investment portfolio by valuation method is as follows:

Amounts x € 1,000	31-12-2024	31-12-2023
Discounted cash flow calculation	4,526,447	4,473,166
Other method*	206,703	206,537
Balance at end of reporting period	**4,733,150**	**4,679,703**

* The investments in other investment funds are included in the category ‘Other method’. These investments are valued daily at intrinsic value. The presented figure is the value at year-end.

3.5.4 Receivables

All receivables have a maturity shorter than one year.

Interest receivable

Interest receivable concerns accrued, not yet received, interest on investments.

Other receivables

Amounts x € 1,000	31-12-2024	31-12-2023
Other receivables	2,888	10,709
Closing balance	**2,888**	**10,709**

3.5.5 Other assets

Cash and cash equivalents

Cash and cash equivalents consists of freely available cash at banks. Interest on the bank balances is received or paid based on market interest rates.

3.5.6 Net asset value

For the period 1 January through 31 December 2024

Amounts x € 1,000	Participation Class I	Participation Class Z	Total
Opening balance	4,340,206	264,685	4,604,891
Subscriptions	28,012	-	28,012
Redemptions	-131,963	-	-131,963
Dividend paid	-91,651	-5,705	-97,356
Net assets for participation holders	**4,144,604**	**258,980**	**4,403,584**
Net result	274,100	17,632	291,732
Closing balance	**4,418,704**	**276,612**	**4,695,316**

The Fund invests in mortgages, for which a frequent market price is not available. As a result, laws and regulations prescribe forming a revaluation reserve for the amount of unrealised revaluation. However, this does not limit the distribution capacity of the Fund.

The revaluation reserve as at 31 December 2024 amounts to 29,163 (2023: 9,616). This revaluation reserve relates to the part of the total fund assets related to the unrealised revaluation of investments without a frequent market price.

As of 2024, the method for determining the size for the revaluation reserve has changed from an assessment at the aggregated level relative to the average cost price to an individual assessment per mortgage loan. For mortgages with a start date up to 1 May 2020, an estimated average cost price has been assigned, reflecting cost price accumulation up to that date. Comparative figures have been updated to align with this new methodology.

For the period 1 January through 31 December 2023

Amounts x € 1,000	Participation Class I	Participation Class Z	Total
Opening balance	4,117,606	279,893	4,397,499
Subscriptions	139,474	-	139,474
Redemptions	-39	-20,700	-20,739
Distributions to participants	-78,094	-5,216	-83,310
Net assets participation holders	**4,178,947**	**253,977**	**4,432,924**
Net result	161,259	10,708	171,967
Closing balance	**4,340,206**	**264,685**	**4,604,891**

Unrealised revaluation

Overview of positive and negative unrealised revaluation of the investment portfolio

Amounts x € 1,000	Positive revaluation	Negative revaluation	Total at 31-12-2024	Total at 31-12-2023
Mortgages	29,163	-509,159	-479,996	-671,683
Investment funds	5,004	-	5,004	4,789
Balance at end of reporting period	**34,167**	**-509,159**	**-474,992**	**-666,894**

3.5.7 Short term liabilities

All short term liabilities have a maturity shorter than one year.

Construction depots

The construction depots liability represents the unused amount of the construction depots, which are available for withdrawal by the mortgage customers.

Interest payable

Interest payable concerns interest to be paid on construction depots.

Other payables

Amounts x € 1,000	31-12-2024	31-12-2023
Current account with NN Bank	543	1,270
Payable costs	4,037	3,900
Other payables	-	890
Closing balance	**4,580**	**6,060**

3.5.8 Off-balance sheet rights and obligations

Committed amounts

At 31 December 2024, there are no off-balance sheet rights and obligations (31-12-2023: none).

Purchase obligation mortgages from NN Bank

At 31 December 2024, the Fund has no obligation to purchase mortgages from NN Bank (31-12-2023: no obligation).

3.6 Notes to the profit and loss statement

3.6.1 Investment income

Interest from mortgages

This is the interest income on mortgage loans (including interest for early repayment) that is attributable to the reporting period.

3.6.2 Revaluation of investments

Amounts x € 1,000	2024	2023
Realised gains and losses on mortgages*	-5,347	-3,076
Unrealised gains and losses on mortgages*	191,586	71,984
Realised gains on investment funds	7,021	4,221
Unrealised gains on investment funds	216	4,105
Total revaluation of investment	**193,476**	**77,234**
Realised revaluation of investments	1,674	1,146
Unrealised revaluation of investments	191,802	76,088
Total revaluation of investment	**193,476**	**77,234**

* The administrative systems do not provide the possibility to split the revaluation on the mortgage portfolio to profits and losses at the level of the individual mortgages. Therefore, the table only shows the total amounts for gains and losses of the mortgage portfolio.

The revaluation amount of the mortgages in 2024 includes an unrealised amount of 0 (2023: -447) relating to changes in market value during the period between the mortgage offer by NN Bank to the mortgage lender and the delivery of the mortgage by NN Bank to the Fund. The amount of 0 (2023: -447) in unrealised result on mortgages together with the offer risk as described in paragraph 3.6.3 has no impact on the existing participants of the Fund.

3.6.3 Other results

Offer risk

The offer risk consists of revaluation, net mortgage income and the NN Bank financing costs during the period between the mortgage offer to the mortgage lender and the delivery of the mortgage to the Fund. The offer risk is attributed to subscribing participants and is presented separately in the profit and loss statement.

The offer risk amount of 0 (2023: 447) together with the unrealised result on mortgages as described in paragraph 3.6.2 has no impact on the existing participants of the Fund.

Interest on construction depots

This is the interest expense on construction depots attributable to the reporting period.

Interest other

Interest other consists of interest received on cash and the NN Bank current account during the reporting period.

Other operating income

Other operating income represents proceeds that are not directly generated from income from investments. This also includes a fee for the allocated cost of the investment in investment funds and the fund is therefore compensated for these costs since allocated costs are already included in the Fixed service fee of Participation Class I and Z of the Fund.

3.6.4 Operating expenses

Operating costs

The operating costs include the management fee and the Fixed service fee. These costs are further explained in the notes to the Participation classes included in this report.

3.7 Other general notes

3.7.1 Portfolio turnover ratio

	2024	2023
Purchases of investments	548,378	928,599
Sales of investments	688,407	869,315
Total of investment transactions	**1,236,785**	**1,797,914**
Subscriptions of participations	28,012	139,474
Redemptions of participations	131,963	20,739
Total of subscription and redemption of participations	**159,975**	**160,213**
Portfolio turnover	**1,076,810**	**1,637,701**
Average net asset value of the Fund	4,621,134	4,483,353
Portfolio turnover ratio	**23**	**37**

The portfolio turnover ratio (PTR) expresses the ratio between the total volume of investment transactions and the average net asset value of the Fund. The ratio aims to indicate the turnover rate of the portfolio of an investment fund and serves as a measure of both the level of active portfolio management and the resulting transaction costs.

In calculating the total volume of investment transactions, the sum of purchases and sales of investments is reduced by the sum of subscriptions and redemptions of participations. All investment categories are included except for deposits. The average net asset value of the Fund is determined as the weighted average of the net assets on a monthly basis, based on the number of times the net asset value calculation takes places during the reporting period.

3.7.2 Related parties

The investment policy of the Fund allows for the use of related parties.

Related parties are all legal entities and other business units belonging to The Goldman Sachs Group, Inc.

This concerns, among other things, the management of the Fund, acquiring and lending of cash and cash equivalents and entering into loan agreements. These services take place at arm’s length.

During the reporting period, the following services of related parties have been used:

- For the management activities, a management fee is charged to Participation Class I. For details on the management fee percentage, we refer to the information on Participation Class I included in this annual report.
- Goldman Sachs Bewaarstichting I ("the Custodian Foundation") is the legal owner of or is legally entitled to the assets of the Fund that are invested by the manager. All assets that are or become part of the Fund are or will be acquired for the purpose of their management by the relevant Custodian Foundation for the benefit of the participants in the Fund. Obligations that are or become part of the Fund are or will be entered into in the name of the Custodian Foundation. The assets are held by the Custodian Foundation for the account of the participants. No fees are charged for this service.
- When executing the investment policy, the Fund purchased and sold investments in other GSAM BV funds as disclosed in the notes to the balance sheet. These transactions represent 44.6% of the total transaction volume during the reporting period.

3.7.3 Profit appropriation

On 25 June 2025 (ex-dividend date), the Fund will distribute a dividend of 2.13% for both Participation Class I and Participation Class Z. The amount per participation will be calculated based on the NAV of each participation class at the end of May 2025. The part of the net result that will not be distributed will be added to the NAV of the respective participation class.

3.7.4 Subsequent events

There have been no events that are required to be disclosed as a subsequent event.

3.8 Notes to Participation Class I

3.8.1 Result

For the period 1 January through 31 December

Amounts x € 1,000	2024	2023
OPERATING INCOME		
Investment result		
Interest from mortgages	115,164	112,823
Revaluation of investments	182,160	72,663
Other results		
Offer risk	-	419
Interest on construction depots	-1,881	-3,799
Interest other	316	-
Other operating income	17	273
Total operating result	**295,776**	**182,379**
OPERATING EXPENSES		
Operating costs	21,676	21,120
Total operating expenses	**21,676**	**21,120**
Net result	**274,100**	**161,259**

3.8.2 Net asset value

	31-12-2024	31-12-2023	31-12-2022
Net asset value (x € 1,000)	4,418,704	4,340,206	4,117,606
Participations outstanding (number)	44,721,455	45,803,967	44,304,940
Net asset value per participation (in €)	98.81	94.76	92.94

3.8.3 Performance

For the period 1 January through 31 December

	2024	2023	2022
Net performance Participation Class (%)	6.52	3.87	-17.04

3.8.4 Expenses

For the period 1 January through 31 December

Amounts x € 1,000	2024	2023
Management fee	9,754	9,453
Fixed service fee	11,922	11,554
Other Expenses	-	113
Total operating costs Participation Class I	**21,676**	**21,120**

The management fee for Participation Class I of the Fund Participation amounts to 0.225% per year. The management fee is charged on a monthly basis and calculated on the total net asset value of Participation Class I at the end of each month.

The Fixed service fee for Participation Class I of the Fund amounts to 0.275% per year. This fee is charged on a monthly basis and calculated on the total net asset value of Participation Class I at the end of each month.

The Fixed service fee include servicing and administration of mortgages of 0.245% as well as regular and/or ongoing costs of 0.03% including the costs of: the administration and reporting (including the costs of data supply and processing and calculating financial data of the Fund, the custody of the assets, the auditor, supervision, payments, publications, meetings of participants as well as external advisors and service providers such as the Transfer Agent), as far as these costs have been charged to the Fund.

The amount of the audit fee attributable to Participation Class I is included in the Fixed service fee. The costs related to the audit of the financial statements are 143 (2023: 61) and the costs related to other engagements are 30 (2023: <1). There are no audit fees related to consultancy and other non-assurance services.

The amount included in other expenses consists of costs related to the implementation of legal requirements concerning SFDR and the Taxonomy Regulation (EU).

Cost comparison

According to RJ 615.405, a comparative overview of normative costs and actual costs must be included. Normative costs are those incurred according to the prospectus, categorised by type. Since the management fee is calculated as a percentage of the total net asset value of the Participation Class, the prospectus does not specify an absolute level for these costs. The percentage used during the reporting period is the same as the percentage stated in the prospectus.

In addition to the management fee, a Fixed service fee is charged to the Participation Class, which is also calculated as a percentage of the total net asset value of the Participation Class. For this reason, a comparative overview of the cost level with that specified in the prospectus is not included in this annual report. The percentage used during the reporting period is the same as the percentage stated in the prospectus.

In addition to the Fixed service fee, incidental and extraordinary costs related to the implementation of significant changes in applicable regulations have been charged to the Fund in 2023. The prospectus specifies that these costs may not exceed 0.02% of the net asset value on an annual basis. The allocated costs are below 0.02%.

Ongoing charges figure

The Ongoing charges figure is a cost ratio that shows the costs incurred by the Participation Class during the reporting period as a percentage of the average net asset value of the Participation Class.

The Fund invests directly or indirectly in other UCITS or investment funds. The costs associated with these UCITS or investment funds are included in the overall cost calculation of the Participation Class. For Participation Class I of the Fund, these costs are included in the Fixed service fee.

In calculating the Ongoing charges figure, costs associated with executing investment transactions are not included as part of the costs but are included in the investment purchases and sales amounts. Subscription and redemption fees are also excluded from the calculation of the Ongoing charges figure.

The average net asset value is determined as the weighted average of net asset value on a daily basis, based on the number of days on which the net asset value is calculated during the reporting period.

	2024	2023
Management fee	0.225%	0.225%
Other expenses	0.275%	0.275%
Total Participation Class I	**0.500%**	**0.500%**

The Other expenses consist of the Fixed service fee and Other expenses as disclosed in the paragraph ‘Expenses’.

3.9 Notes to Participation Class Z

3.9.1 Result

For the period 1 January through 31 December

Amounts x € 1,000	2024	2023
OPERATING INCOME		
Investment result		
Interest from mortgages	7,153	7,093
Revaluation of investments	11,316	4,571
Other results		
Offer risk	-	28
Interest on construction depots	-117	-239
Interest other	20	-
Other operating income	1	17
Total operating result	**18,373**	**11,470**
OPERATING EXPENSES		
Operating costs	741	755
Other expenses	-	7
Total operating expenses	**741**	**762**
Net result	**17,632**	**10,708**

3.9.2 Net asset value

	31-12-2024	31-12-2023	31-12-2022
Net asset value (x € 1,000)	276,612	264,685	279,893
Participations outstanding (number)	2,742,844	2,742,844	2,963,822
Net asset value per participation (in €)	100.85	96.50	94.44

3.9.3 Performance

For the period 1 January through 31 December

	2024	2023	2022
Net performance Participation Class (%)	6.76	4.10	-16.85

3.9.4 Expenses

For the period 1 January through 31 December

Amounts x € 1,000	2024	2023
Fixed service fee	741	755
Other expenses	-	7
Total operating costs Participation Class Z	**741**	**762**

The Fixed service fee for Participation Class Z of the Fund amounts to 0.275% per year. This fee is charged on a monthly basis and calculated on the total net asset value of Participation Class Z at the end of each month.

The Fixed service fee include servicing and administration of mortgages of 0.245% as well as regular and/or ongoing costs of 0.03% including the costs of: the administration and reporting (including the costs of data supply and processing and calculating financial data of the Fund, the custody of the assets, the auditor, supervision, payments, publications, meetings of participants as well as external advisors and service providers such as the Transfer Agent), as far as these costs have been charged to the Fund.

The amount of the audit fee attributable to Participation Class Z is included in the Fixed service fee. The costs related to the audit of the financial statements are 9 (2023: 4) and the costs related to other engagements are 2 (2023: <1). There are no audit fees related to consultancy and other non-assurance services.

The amount included in other expenses consists of costs related to the implementation of legal requirements concerning SFDR and the Taxonomy Regulation (EU).

Cost comparison

According to RJ 615.405, a comparative overview of normative costs and actual costs must be included. Normative costs are those incurred according to the prospectus, categorised by type.

The Fixed service fee is charged to the Participation Class, which is calculated as a percentage of the total net asset value of the Participation Class. For this reason, a comparative overview of the cost level with that specified in the prospectus is not included in this annual report. The percentage used during the reporting period is the same as the percentage stated in the prospectus.

In addition to the Fixed service fee, incidental and extraordinary costs related to the implementation of significant changes in applicable regulations have been charged to the Fund in 2023. The prospectus specifies that these costs may not exceed 0.02% of the net asset value on an annual basis. The allocated costs are below 0.02%.

Ongoing charges figure

The Ongoing charges figure is a cost ratio that shows the costs incurred by the Participation Class during the reporting period as a percentage of the average net asset value of the Participation Class.

The Fund invests directly or indirectly in other UCITS or investment funds. The costs associated with these UCITS or investment funds are included in the overall cost calculation of the Participation Class. For Participation Class Z of the Fund, these costs are included in the Fixed service fee.

In calculating the Ongoing charges figure, costs associated with executing investment transactions are not included as part of the costs but are included in the investment purchases and sales amounts. Subscription and redemption fees are also excluded from the calculation of the Ongoing charges figure.

The average net asset value is determined as the weighted average of net asset value on a daily basis, based on the number of days on which the net asset value is calculated during the reporting period.

	2024	2023
Other expenses	0.275%	0.275%
Total Participation Class Z	**0.275%**	**0.275%**

The Other expenses consist of the Fixed service fee and Other expenses as disclosed in the paragraph ‘Expenses’.

The Hague, 23 April 2025

Goldman Sachs Asset Management B.V.

4. OTHER INFORMATION

4.1 Sustainable Finance Disclosure Regulation (SFDR)

The model for periodic disclosures for financial products referred to in the Sustainable Finance Disclosure Regulation is included in the appendix to this annual report.

4.2 Management interest

At 31 December 2024 and 1 January 2024, the Board Members, as appointed on the date mentioned, had no personal interest in (the investments of) the Fund.

4.3 Independent auditor's report

The report of the independent auditor is included on the next page.

Independent auditor's report

To: the management board of Goldman Sachs Dutch Residential Mortgage Fund (NL)

Report on the audit of the financial statements 2024

Our opinion

In our opinion, the financial statements of Goldman Sachs Dutch Residential Mortgage Fund (NL) ('the Fund') give a true and fair view of the financial position of the Fund as at 31 December 2024, and of its result for the year then ended in accordance with Part 9 of Book 2 of the Dutch Civil Code.

What we have audited

We have audited the accompanying financial statements 2024 of Goldman Sachs Dutch Residential Mortgage Fund (NL), The Hague, included in this annual report.

The financial statements comprise:

- the balance sheet as at 31 December 2024;
- the profit and loss statement for the period 1 January through 31 December 2024; and
- the notes, comprising a summary of the accounting policies applied and other explanatory information.

The financial reporting framework applied in the preparation of the financial statements is Part 9 of Book 2 of the Dutch Civil Code.

The basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. We have further described our responsibilities under those standards in the section 'Our responsibilities for the audit of the financial statements' of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of Goldman Sachs Dutch Residential Mortgage Fund (NL) in accordance with the ‘Wet toezicht accountantsorganisaties’ (Wta, Audit firms supervision act), the ‘Verordening inzake de onafhankelijkheid van accountants bij assuranceopdrachten’ (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the ‘Verordening gedrags- en beroepsregels accountants’ (VGBA, Dutch Code of Ethics).

Information in support of our opinion

We designed our audit procedures with respect to fraud and going concern and the matters resulting from that, in the context of our audit of the financial statements as a whole and in forming our opinion thereon. The information in support of our opinion, such as our findings and observations related to the audit approach fraud risk and the audit approach going concern was addressed in this context, and we do not provide separate opinions or conclusions on these matters.

Audit approach fraud risks

We identified and assessed the risks of material misstatements of the financial statements due to fraud. During our audit we obtained an understanding of Goldman Sachs Dutch Residential Mortgage Fund (NL) and its environment and the components of the internal control system. This included the Manager’s risk assessment process, the Manager’s process for responding to the risks of fraud and monitoring the internal control system. We refer to section 'Principal risks and uncertainties' of the management board report for the Manager’s fraud risk assessment.

We evaluated the design and relevant aspects of the internal control system with respect to the risks of material misstatements due to fraud and in particular the fraud risk assessment, as well as the code of conduct and whistleblower procedures. We evaluated the design and the implementation and, where considered appropriate, tested the operating effectiveness of internal controls designed to mitigate fraud risks.

We asked members of the management board of Goldman Sachs Asset Management B.V. ('the Manager') as well as other officers of the Manager, including the head officers of the legal affairs and compliance departments whether they are aware of any actual or suspected fraud. This did not result in signals of actual or suspected fraud that may lead to a material misstatement. In addition, we conducted interviews to gain insight into the Manager's fraud risk assessment and the processes for identifying and responding to fraud risks and the internal controls the Manager has put in place to mitigate those risks.

As part of our process of identifying fraud risks, we evaluated fraud risk factors with respect to financial reporting fraud and misappropriation of assets. We evaluated whether these factors indicate that a risk of material misstatement due to fraud is present.

The management override of controls and the risk of fraud in revenue recognition are perceived risks of fraud. The Manager is inherently in a unique position to commit fraud, due to the ability to manipulate accounting data and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively.

We addressed this risk by evaluating whether there were indications of bias in the Manager's estimates, which could pose a risk of material misstatement due to fraud. With respect to the investments that are measured at fair value, we determined on the basis of external (market) information that the valuation as prepared by the Fund falls within the range that we consider acceptable. We determined that there are no indications of bias in the estimates made by the Manager.

The audit procedures included, among other things, the evaluation of the design and implementation of internal controls intended to mitigate the risk of management override of controls. We obtained amongst others audit evidence regarding the design, implementation and operating effectiveness of internal controls at both the Manager and the fund administrator by reviewing the ISAE type II report of the Manager and the SOC1 report of the fund administrator. We furthermore selected journal entries based on risk criteria, as well as other journal entries and adjustments made at the end of the reporting period and conducted specific procedures for these entries. These procedures include procedures such as validation of these entries with support obtained during our audit or with source documentation. We did not identify any significant transactions outside the normal course of business. Our audit procedures did not lead to specific indications of fraud or suspicions of fraud with respect to management override of controls.

The risk of fraud in revenue recognition is assessed by considering factors such as complexity, systematic nature, estimation uncertainty, and susceptibility to management bias. We did not identify any revenue associated with these risk factors for our audit.

We incorporated an element of unpredictability in our audit. We also reviewed correspondence with regulators. During the audit, we remained alert to indications of fraud. Furthermore, we considered the outcome of our other audit procedures and evaluated whether any findings were indicative of fraud or non-compliance with laws and regulations. If this was the case, we have re-evaluated our evaluation of the risk of fraud and its implications for our audit work.

Audit approach going concern

As disclosed in section ‘Continuity’ in the notes to the financial statements the management board performed their assessment of the Fund’s ability to continue as a going concern for at least 12 months from the date of preparation of the financial statements and has not identified events or conditions that may cast significant doubt on the Fund’s ability to continue as a going concern (hereafter: going-concern risks).

Our procedures to evaluate the management board’s going-concern assessment included, amongst others:

- considered whether the Manager’s going-concern assessment included all relevant information of which we were aware as a result of our audit, obtained additional substantiation and inquired with the Manager regarding the Manager’s most important assumptions and inputs underlying its going-concern assessment;
- assessed the redemptions of participations after the end of the financial year and assessed whether these may give rise to continuity risks;
- reviewed the prospectus, which outlines the option for the Manager to temporarily suspend or limit requests for the redemption of participations in exceptional cases and;
- performed inquiries with the Manager as to its knowledge of going-concern risks beyond the period of the Manager’s assessment.

Our procedures did not result in outcomes contrary to the Manager’s assumptions and judgements used in the application of the going-concern assumption.

Report on the other information included in the annual report

The annual report contains other information. This includes all information in the annual report in addition to the financial statements and our auditor's report thereon.

Based on the procedures performed as set out below, we conclude that the other information:

- is consistent with the financial statements and does not contain material misstatements; and
- contains all the information regarding the management board report and the other information that is required by Part 9 of Book 2 of the Dutch Civil Code.

We have read the other information. Based on our knowledge and the understanding obtained in our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing our procedures, we comply with the requirements of Part 9 of Book 2 of the Dutch Civil Code and the Dutch Standard 720. The scope of such procedures was substantially less than the scope of those procedures performed in our audit of the financial statements.

The management board is responsible for the preparation of the other information, including the management board report and the other information in accordance with Part 9 of Book 2 of the Dutch Civil Code.

Responsibilities for the financial statements and the audit

Responsibilities of the management board

The management board is responsible for:

- the preparation and fair presentation of the financial statements in accordance with Part 9 of Book 2 of the Dutch Civil Code; and for
- such internal control as the management board determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the management board is responsible for assessing the Fund's ability to continue as a going concern. Based on the financial reporting framework mentioned, the management board should prepare the financial statements using the going-concern basis of accounting unless the management board either intends to liquidate the Fund or to cease operations or has no realistic alternative but to do so. The management board should disclose in the financial statements any event and circumstances that may cast significant doubt on the Fund's ability to continue as a going concern.

Our responsibilities for the audit of the financial statements

Our responsibility is to plan and perform an audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence to provide a basis for our opinion. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high but not absolute level of assurance, and is not a guarantee that an audit conducted in accordance with the Dutch Standards on Auditing will always detect a material misstatement when it exists. Misstatements may arise due to fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

A more detailed description of our responsibilities is set out in the appendix to our report.

Amsterdam, 23 April 2025
PricewaterhouseCoopers Accountants N.V.

Original signed by H. Elwakiel RA

Appendix to our auditor's report on the financial statements 2024 of the Fund

In addition to what is included in our auditor's report, we have further set out in this appendix our responsibilities for the audit of the financial statements and explained what an audit involves.

The auditor's responsibilities for the audit of the financial statements

We have exercised professional judgement and have maintained professional scepticism throughout the audit in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit consisted, among other things of the following:

- Identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the intentional override of internal control.
- Obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management board.
- Concluding on the appropriateness of the management board's use of the going-concern basis of accounting, and based on the audit evidence obtained, concluding whether a material uncertainty exists related to events and/or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report and are made in the context of our opinion on the financial statements as a whole. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures, and evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the management board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

5. APPENDIX – MODEL FOR PERIODIC DISCLOSURES FOR FINANCIAL PRODUCTS

The template for periodic disclosure for financial products referred to in the Sustainable Finance Disclosure Regulation is included on the next page.

Goldman Sachs Asset Management

Periodic 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

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.

Product name: Goldman Sachs Dutch Residential Mortgage Fund (NL)

Legal entity identifier: 54930032RE4K1DOWLO36

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 lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

☐ Yes

☒ No

☐ It made **sustainable investments with an environmental objective:** __%

☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy

☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

☐ It made **sustainable investments with a social objective:** __%

☐ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of __% of sustainable investments

☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy

☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

☐ with a social objective

☒ It promoted E/S characteristics, but **did not make any sustainable investments**

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

To what extent were the environmental and/or social characteristics promoted by this financial product met?

The Fund/Sub-Fund promoted environmental and social characteristics during the reporting period. More specifically:

The Fund/Sub-Fund focussed on energy efficiency and maximised energy efficient mortgages in the portfolio.

The performance of this characteristic was measured with the indicator 'Distribution of the various energy labels of the homes in the fund with at least an A - label'.

How did the sustainability indicators perform?

Indicator	Portfolio	Benchmark
Distribution of the various energy labels of the homes in the fund with at least an A - label	50%	Not applicable

...and compared to previous periods?

	Reference period		Previous reference period	
Indicator	**Portfolio**	**Benchmark**	**Portfolio**	**Benchmark**
Distribution of the various energy labels of the homes in the fund with at least an A - label	50%	Not applicable	50%	Not applicable

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

Not applicable. Over the reporting period, the Fund/Sub-Fund did not commit to a minimum proportion of sustainable investments.

Principal adverse impacts are the most significant negative impact of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anticorruption and anti-bribery matters.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

Not applicable. Over the reporting period, the Fund/Sub-Fund did not commit to a minimum proportion of sustainable investments.

How were the indicators for adverse impacts on sustainability factors taken into account?

Not applicable. Over the reporting period, the Fund/Sub-Fund did not commit to a minimum proportion of sustainable investments.

Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

Not applicable. Over the reporting period, the Fund/Sub-Fund did not commit to a minimum proportion of sustainable investments.

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 Union 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.

How did this financial product consider principal adverse impacts on sustainability factors?

During the reporting period, elements pertaining to PAIs were taken into account as part of the investment process of the Fund/Sub-Fund. This was done mainly via restriction criteria and stewardship. In this process, the PAIs considered by this Sub-Fund included:

- PAI 4: Exposure to companies active in the fossil fuel sector (via restriction criteria, engagement and voting);

- PAI 14: Exposure to controversial weapons (via restriction criteria).

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 31/12/2024

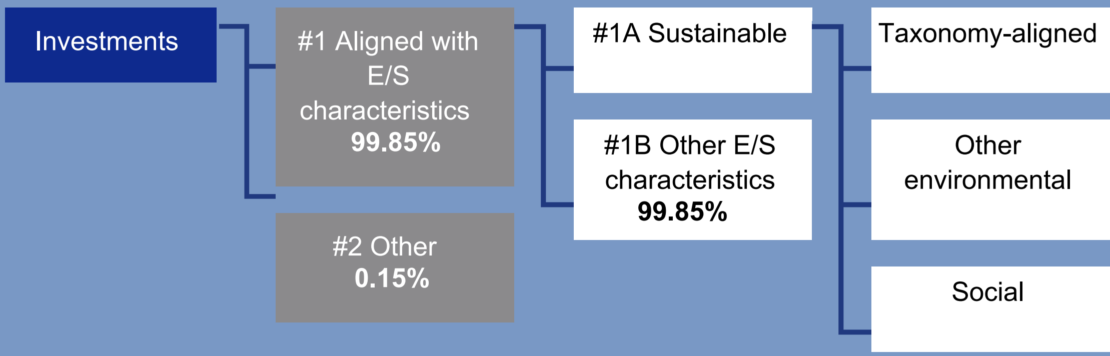
What were the top investments of this financial product?

Largest investments	Sector	% Assets	Country
Residential Mortgages	Mortgages	95.42	Netherlands
Liquid Euro Fund		4.40	
Cash		0.18	

Asset allocation describes the share of investments in specific assets.

What was the proportion of sustainability-related investments?

What was the asset allocation?



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments

The category **#1 Aligned with E/S characteristics** covers:
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

In which economic sectors were the investments made?

Sector	% Assets
Residential Mortgages	95.42
Cash (including Liquid Euro Fund)	4.58

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

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.

To what extent were the sustainable investments with an environmental objective aligned with the EU Taxonomy?

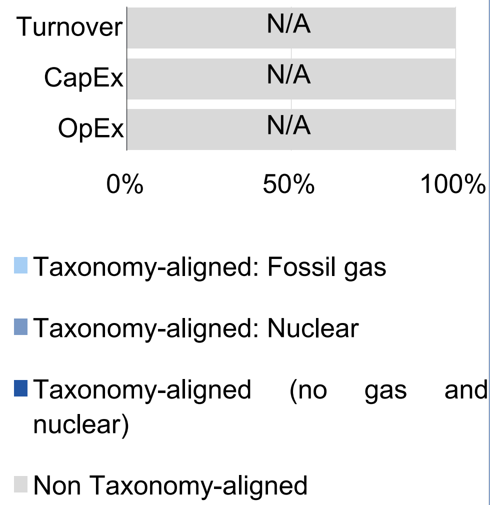
Not applicable – during the reporting period the Fund/Sub-Fund did not commit to make sustainable investments with an environmental objective aligned with the EU Taxonomy.

Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy[1]?

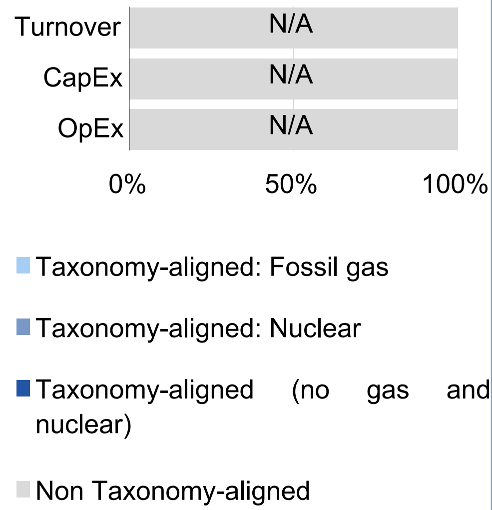
- [ ] Yes
  - [ ] In fossil gas
  - [ ] In nuclear Energy
- [x] No

The graphs below show in green the percentage of investments that were 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.

1. Taxonomy-alignment of investments **including sovereign bonds***



2. Taxonomy-alignment of investments **excluding sovereign bonds***



This graph represents 100.0% of the total Investments.

* For the purpose of these graphs, 'sovereigns bonds' consist of all sovereign exposures

1 Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

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.

What was the share of investments made in transitional and enabling activities?

Not applicable – during the reporting period the Fund/Sub-Fund did not commit to make sustainable investments with an environmental objective aligned with the EU Taxonomy.

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

Not applicable

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.

What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

This question is not applicable as the Fund/Sub-Fund did not make socially sustainable investments.

What was the share of socially sustainable investments?

This question is not applicable as the Fund/Sub-Fund did not make socially sustainable investments.

What investments were included under “#2 Other”, what was their purpose and were there any minimum environmental or social safeguards?

Investments included under 'other' were cash and investments in money market funds for liquidity purposes.
These investments were not subject to any minimum environmental or social safeguards.

What actions have been taken to meet the environmental and/or social characteristics during the reference period?

The Fund/Sub-Fund promoted environmental and social characteristics during the entire reporting period via the following actions:
1. Focussed on energy efficiency and maximised energy efficient mortgages in the portfolio.

How did this financial product perform compared to the reference benchmark?

How did this financial product perform compared to the reference benchmark?

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the Fund/Sub-Fund.

Reference benchmarks are indexes to measure whether the financial products attain the environmental or social characteristics that they promote.

- ***How does the reference benchmark differ from a broad market index?***

  Not applicable

- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?***

  Not applicable

- ***How did this financial product perform compared with the reference benchmark?***

  Not applicable

- ***How did this financial product perform compared with the broad market index?***

  Not applicable