Goldman Sachs | Asset Management

Investment Commentary

Q3 2024

Class A: GSBDX	Class I: GSAJX
Class C: GSBAX	Class Inv: GSAHX
Class R: GSANX	Class R6: GSBEX

Goldman Sachs Small Cap Growth Fund

Market Overview

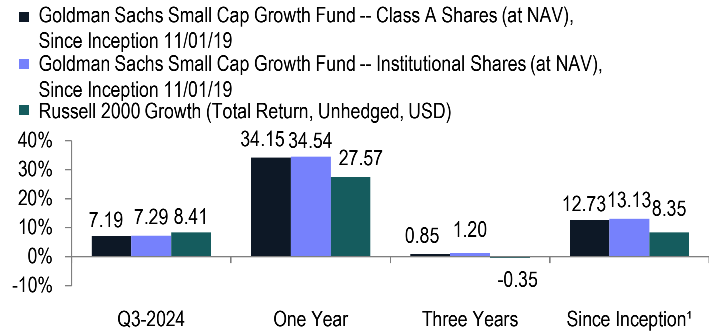
The S&P 500 Index increased by 5.89% (total return, USD) in the third quarter of 2024. While the second quarter was led by a narrow rally of select stocks, the third quarter was defined by a broadening of performance, exemplified by the equal-weighted S&P 500 outpacing the market cap-weighted index. This new breadth of performance was supported by rising expectations of the interest rate cutting environment that the market subsequently entered at the end of the quarter. The quarter experienced mixed economic data, notably a soft June Consumer Price Index (CPI) report and a lower-than-expected nonfarm payrolls report for July. However, this narrative rebounded after July payrolls reported a three-month high, unemployment decreased, and consumer appetite seemingly remained resilient. The Federal Reserve thereupon decided to begin the easing cycle with a 50-basis point interest rate cut, which increased economic soft-landing optimism and helped the market finish the quarter higher. The best performing sectors within the S&P 500 were Utilities, Real Estate, and Industrials, while the worst performing sectors were Energy, Information Technology, and Communication Services.

Portfolio Attribution

The Goldman Sachs Small Cap Growth Fund underperformed its benchmark, the Russell 2000 Growth Index (net), during the quarter, but continues to outperform over longer periods. The Financials and Consumer Discretionary sectors contributed to relative returns, while the Information Technology and Health Care sectors detracted from relative returns.

Pennant Group Inc. (1.2%), a home health and senior living services company, was the top contributor to relative returns during the quarter. Pennant's stock surged driven by a stellar beat on the topline, strong admission growth, and a guidance raise. We like Pennant's business model of empowering individual facility leaders with significant autonomy while supporting them with local resources and widely shared operational best practices accrued across their network. This has helped the company grow above the market rate and manage expenses well. Larger competitors, in our view, have not been able to replicate this business model and the decentralized entrepreneurial culture that drives it.

Performance History as of September 30, 2024



[1] The Since Inception Benchmark Return represents the time period of the shareclass with the earlier inception date, when the A and I shareclasses have different inception dates. For periods one year or greater, performance is annualized. **The returns represent past performance. Past performance does not guarantee future results. The Fund's investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance quoted above. Please visit www.am.gs.com to obtain the most recent month-end returns.** Performance reflects cumulative total returns for periods of less than one year and average annual total returns for periods of greater than one year. All Fund performance data reflect the reinvestment of distributions.

Standardized Total Returns for Period Ended 9/30/24

	Class A Shares	Class I Shares
One Year	34.15%	34.54%
Five Years	N/A	N/A
Since Inception	12.73%	13.13%

The Standardized Total Returns are average annual total returns or cumulative total returns (only if the performance period is one year or less) as of the most recent calendar quarter end. They assume reinvestment of all distributions at net asset value. These returns reflect the maximum initial sales charge of 5.50% for Class A Shares. Because Institutional Shares do not involve a sales charge, such a charge is not applied to their Standardized Total Returns.

Expense Ratios

	Class A Shares	Class I Shares
Current Expense Ratio (Net)	1.22%	0.91%
Expense Ratio Before Waivers (Gross)	2.08%	1.72%

The expense ratios of the Fund, both current (net of any fee waivers or expense limitations) and before waivers (gross of any fee waivers or expense limitations) are as set forth above. Pursuant to a contractual arrangement, the Fund's waivers and/or expense limitations will remain in place through at least December 29, 2024, and prior to such date the investment adviser may not terminate the arrangements without the approval of the Fund's Board of Trustees. Please refer to the Fund's prospectus for the most recent expenses.

Loar Holdings Inc. (1.5%), an aerospace and defense components manufacturer, was another top contributor to relative returns during the quarter. Loar's stock price appreciated on the back of a beat and raise quarter with strong sales growth and bookings. Furthermore, investors reacted well to Loar's acquisition of Applied Avionics. We believe Loar is well positioned to capitalize on the growing commercial aerospace aftermarket, which is driven by a catch up from COVID as well as aging aircraft, industry production bottlenecks, and a lack of labor availability. Loar can continue to expand its pricing power given that a high majority of their sales are from proprietary products where Loar has a market leading position.

Camtek Ltd. (0.8%), a company that develops inspection and metrology equipment for the semiconductor industry, was the top detractor from relative returns during the third quarter. The company's stock sold off in July primarily due to growing geopolitical tension in the Middle East, since Camtek has its primary manufacturing facility in Israel. Investors were concerned that the regional tensions could impede production and supply chain operations. We believe Camtek's earnings results have been much better than what is being reflected in the stock price, and we view Camtek as well-positioned to benefit from the AI buildout as it capitalizes on secular growth end markets across high performance computing and bandwidth memory.

Digital healthcare company, **iRhythm Technologies, Inc. (1.0%)**, was another detractor from relative returns this quarter. iRhythm's stock price fell as investors were concerned about the persistent FDA inspection issues, in conjunction with an unexpected CFO departure. We remain confident in iRhythm given their core business continues to consistently grow in the high teens, and they continue to generate better than expected cost leverage driving record margin expansion. We believe iRhythm trades at an attractive valuation, and we see a lot of growth potential for the stock.

Portfolio Review

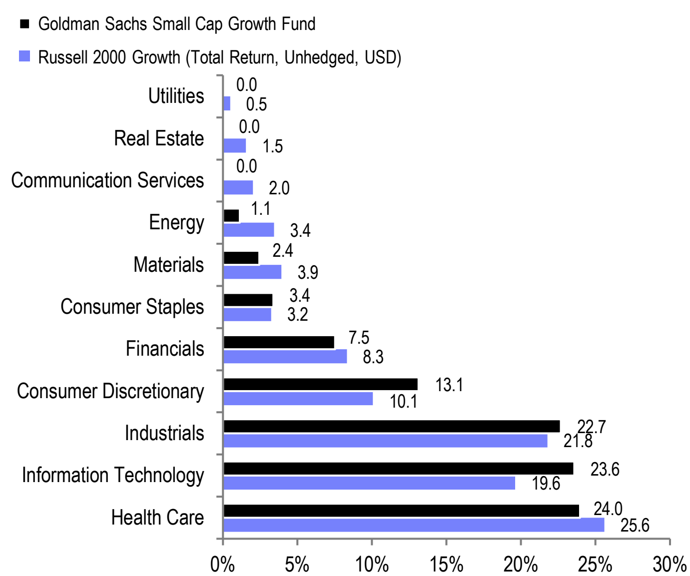
We initiated a position in **Sprouts Farmers Market, Inc. (1.4%)**, a specialty retailer of fresh and organic food, during the quarter. We believe Sprouts has been doing a great job acquiring new customers and driving repeat traffic profitably. They are well insulated from competitive pressures as a result of their differentiated mix – much higher produce – and assortment. We believe Sprouts will continue to take share of grocery.

We also initiated a position in home health care services company, **Ensign Group, Inc. (0.7%)**, during the quarter. We think the company's entrepreneurial operating model enables local area expertise and enhances patient outcomes. We also view that the fragmented home health care market provides a significant runway for continued consolidation and stands to benefit from the secular tailwind of the aging US population.

Top Ten Holdings as of September 30, 2024

Company	Portfolio
AAON, Inc.	2.3
Badger Meter, Inc.	2.1
Moog Inc. Class A	2.1
Federal Signal Corporation	2.0
SPX Technologies, Inc.	1.8
RBC Bearings Incorporated	1.6
Piper Sandler Companies	1.6
Boot Barn Holdings, Inc.	1.6
Varonis Systems, Inc.	1.5
Loar Holdings Inc.	1.5

Sector Weights as of September 30, 2024



Data as of 9/30/24.
Fund holdings and allocations shown are unaudited, and may not be representative of current or future investments. Fund holdings and allocations may not include the Fund's entire investment portfolio, which may change at any time. Fund holdings should not be relied on in making investment decisions and should not be construed as research or investment advice regarding particular securities. Current and future holdings are subject to risk.

We exited our position in regional bottler and distributor, **Coca-Cola Consolidated, Inc. (0.0%)**, during the quarter. The stock appreciated sharply throughout the year bringing its market capitalization to over $11 billion. We ultimately exited the position in light of our market cap discipline and reallocated the proceeds elsewhere in the portfolio.

We also sold out of our position in software development company, **JFrog Ltd. (0.0%)**. Although we see many catalysts for JFrog's revenue growth to positively inflect, margins have continued to decline for consecutive quarters, and we ultimately decided to sell the position in favor of higher conviction ideas elsewhere in the portfolio.

Strategy/Outlook

The third quarter was characterized by a broadening of the US equity market on the back of firming market conviction of a soft landing, dovish pivot expectations from the Federal Reserve, and continued disinflation momentum. While the broader equity market saw a significant rotation from growth/momentum players to smaller cap and rate-sensitive areas of the market, we view active management as a key approach to navigating the volatility of the equity landscape and providing diversified sources of returns. We also believe taking an active approach in today's environment benefits investors seeking to traverse the everchanging macroeconomic and geopolitical backdrop, while seeking to avoid the low-quality constituents that a passive investor would have direct exposure to. As we navigate this period of elevated uncertainty, we are focused on remaining nimble and capitalizing on idiosyncratic areas of the market uncovered through active stock selection. We continue to prioritize our quality-oriented approach to investing – focusing on having a long-term viewpoint on the portfolio, seeking businesses with healthy balance sheets, and partnering with management teams that are excellent stewards of capital. In our view, we are optimistic that a fundamental approach may generate excess return in the long run for our clients.

Top/Bottom Contributors to Return as of September 30, 2024

Top Ten	Ending Weight (%)	Relative Contribution (bps)
Pennant Group Inc	1.2	43
Loar Holdings Inc.	1.5	38
SharkNinja, Inc.	1.3	35
Goosehead Insurance, Inc. Class A	1.3	31
AAON, Inc.	2.3	29
PROCEPT BioRobotics Corp.	1.3	25
Hamilton Lane Incorporated Class A	1.5	24
Boot Barn Holdings, Inc.	1.6	23
Impinj, Inc.	1.3	21
Vaxcyte, Inc.	1.5	20
Bottom Ten	**Ending Weight (%)**	**Relative Contribution (bps)**
Camtek Ltd	0.8	-63
iRhythm Technologies, Inc.	1.0	-52
Arhaus, Inc. Class A	0.5	-40
Axcelis Technologies, Inc.	1.0	-38
MYR Group Inc.	0.9	-35
FormFactor, Inc.	0.9	-33
JFrog Ltd.	--	-31
Confluent Inc Class A	0.5	-30
Cohu, Inc.	0.7	-30
Dutch Bros, Inc. Class A	0.6	-27

The attribution returns presented above are gross and do not reflect the deduction of investment advisory fees, which will reduce returns. **Past performance does not guarantee future results, which may vary.** Fund holdings and allocations shown are unaudited and may not be representative of current or future investments. Fund holdings and allocations may not include the Fund's entire investment portfolio, which may change at any time. Fund holdings should not be relied on in making investment decisions and should not be construed as research or investment advice regarding particular securities. Current and future holdings are subject to risk

Risk Considerations

The **Goldman Sachs Small Cap Growth Fund** invests primarily in a diversified portfolio of equity investments in small-capitalization issuers. The Fund's investments are subject to **market risk**, which means that the value of the securities in which it invests may go up or down in response to the prospects of individual companies, particular sectors or governments and/or general economic conditions. The securities of **mid- and small-capitalization** companies involve greater risks than those associated with larger, more established companies and may be subject to more abrupt or erratic price movements. **Different investment styles** (e.g., "growth", "value" or "quantitative") tend to shift in and out of favor, and at times the Fund may underperform other funds that invest in similar asset classes.

General Disclosures

Economic and market forecasts presented herein reflect a series of assumptions and judgments as of the date of this presentation and are subject to change without notice. These forecasts do not take into account the specific investment objectives, restrictions, tax and financial situation or other needs of any specific client. Actual data will vary and may not be reflected here. These forecasts are subject to high levels of uncertainty that may affect actual performance. Accordingly, these forecasts should be viewed as merely representative of a broad range of possible outcomes. These forecasts are estimated, based on assumptions, and are subject to significant revision and may change materially as economic and market conditions change. Goldman Sachs has no obligation to provide updates or changes to these forecasts. Case studies and examples are for illustrative purposes only.

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The S&P 500 Index is the Standard & Poor's 500 Composite Index of 500 stocks, an unmanaged index of common stock prices. The Index is unmanaged and the figures for the Index do not include any deduction for fees, expenses or taxes. It is not possible to invest directly in an unmanaged index.

The Russell 2000 Growth Index is an unmanaged index of common stock prices that measures the performance of those Russell 2000 companies with higher price-to-book ratios and higher forecasted growth values. The Index is unmanaged and the figures for the Index do not include any deduction for fees, expenses or taxes. It is not possible to invest directly in an unmanaged index.

The Russell 2000 index is an index measuring the performance of approximately 2,000 small-cap companies in the Russell 3000 Index, which is made up of 3,000 of the biggest U.S. stocks. The Russell 2000 serves as a benchmark for small-cap stocks in the United States.

Index Benchmarks

Indices are unmanaged. The figures for the index reflect the reinvestment of all income or dividends, as applicable, but do not reflect the deduction of any fees or expenses which would reduce returns. Investors cannot invest directly in indices.

The indices referenced herein have been selected because they are well known, easily recognized by investors, and reflect those indices that the Investment Manager believes, in part based on industry practice, provide a suitable benchmark against which to evaluate the investment or broader market described herein.

References to indices, benchmarks or other measures of relative market performance over a specified period of time are provided for your information only and do not imply that the portfolio will achieve similar results. The index composition may not reflect the manner in which a portfolio is constructed. While an adviser seeks to design a portfolio which reflects appropriate risk and return features, portfolio characteristics may deviate from those of the benchmark.

Definitions:

Hawkish: Hawks or being referred to as Hawkish indicates that a person(s) is/are seen as being willing to allow interest rates to increase in an effort to keep inflation under control, even if it means sacrificing economic growth, consumer spending, and employment.

Bearish: Bearish indicates the sentiment of showing or expecting a fall in the prices of shares.

Beat and Raise: To report earnings ahead of consensus expectations and increase future guidance.

Soft Landing: Avoiding a recession in the contractionary stage of a market/business cycle.

EBITDA: A company's earnings before interest, taxes, depreciation, and amortization, which is a measure of a company's profitability of the operating business only.

A summary prospectus, if available, or a Prospectus for the Fund containing more information may be obtained from your authorized dealer or from Goldman Sachs & Co. LLC by calling (retail - 1-800-526-7384) (institutional - 1-800-621-2550). Please consider a fund's objectives, risks, and charges and expenses, and read the summary prospectus, if available, and the Prospectus carefully before investing. The summary prospectus, if available, and the Prospectus contains this and other information about the Fund.

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