

## Goldman Sachs Asset Management's Statement in Support of the Singapore Stewardship Principles

Effective Date: June 26, 2025

**Goldman Sachs Asset Management fully supports *The Singapore Stewardship Principles*.** At Goldman Sachs Asset Management<sup>1</sup>, we are committed to promoting and exercising effective stewardship among the companies represented in the portfolios we manage on behalf of our clients.

### Principle 1. Develop and articulate stewardship responsibilities and governance structures.

**Responsible investors demonstrate how their internal stewardship and governance policies protect and enhance the interests of their clients and beneficiaries.**

#### Our purpose

At Goldman Sachs, our clients always come first. We serve them through a global network powered by partnership, integrity, and a shared purpose of advancing economic growth and financial opportunity. We serve a broad range of companies, organisations and institutions through our financing, investing, execution and advisory capabilities.

#### Our business model and strategy

Goldman Sachs has been working with the world's leading businesses, entrepreneurs, and institutions for more than 150 years. We draw on this experience as we mobilise our people, culture, technologies, and ideas to advance the success of our clients.

Bringing together traditional and alternative investments, Goldman Sachs Asset Management provides clients around the world with a dedicated partnership and focus on long-term performance. As the primary investing area within Goldman Sachs, we deliver investment and advisory services for the world's leading institutions, financial advisors and individuals, drawing from our deeply connected global network and tailored expert insights, across regions and markets. We oversee approximately \$3.14 trillion in assets under supervision worldwide<sup>2</sup>.

At Goldman Sachs Asset Management, we are committed to promoting and exercising effective stewardship among the companies represented in the portfolios we manage on behalf of our clients.

#### Our culture and values

We aspire to be the world's most exceptional financial institution, united by our shared values of partnership, client service, integrity, and excellence.

Our purpose comes to life through our four core values: Partnership, Client Service, Integrity, and Excellence.

#### Our core values:

- **Partnership:** We prioritize collaboration and believe in the strength of the collective, creating a culture that fosters teamwork and belonging in the pursuit of professional and personal growth.
- **Client Service:** We lead with a service mindset, working to earn our clients' trust and exceed their expectations by understanding and overdelivering on their goals.

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<sup>1</sup> For the purpose of this statement, "Goldman Sachs Asset Management" or "we" refers to all the relevant investment teams within the Goldman Sachs' Asset Wealth Management division. Please note that some of the investment teams or the investment capabilities discussed at this statement may not be directly relevant to the business conducted by Goldman Sachs Asset Management (Singapore) Pte. Ltd.

<sup>2</sup> As of 31<sup>st</sup> December 2024. AUS includes assets under management and other client assets for which Goldman Sachs does not have full discretion.

- **Integrity:** We hold ourselves accountable to the highest ethical standards, insisting on transparency and vigilance from our people as we learn from our experiences and make decisions that instil a sense of pride in our firm.
- **Excellence:** We aspire to nothing less than excellence, striving for exceptional performance and superior results for our clients, our shareholders, and our communities.

### **Our investment beliefs**

Goldman Sachs Asset Management is made up of distinct investment teams, aligned with the key asset classes that comprise our investment capabilities, which employ investment processes tailored towards the specific asset classes and in keeping with their own distinct investment philosophy and investment beliefs.

### **PUBLIC MARKETS**

Our investment capabilities include the following teams: Fundamental Equity, Fixed Income, Quantitative Investment Strategies (“QIS”), Quantitative Equity Solutions (“QES”) and the External Investing Group (“XIG”).

For purposes of this statement, we will focus on the activities of our investment teams specialising in:<sup>3</sup>

- Fundamental Equity
- Fixed Income
- Quantitative Investment Strategies
- Quantitative Equity Solutions

### **ALTERNATIVES**

At Goldman Sachs, we provide investment management solutions across all major asset classes to a diverse set of institutional and individual clients. We believe that stewardship extends beyond our public markets activities and has relevance across all the asset classes in which we operate. The Goldman Sachs Alternatives business (“GS Alternatives”)<sup>4</sup> composes investment teams that, while they work closely together on many issues, are separate, and employ distinct investment processes in keeping with their own distinct investment philosophy and investment beliefs.

Our global investment teams bring local market and industry-specific expertise to source, evaluate and execute investments across a range of alternative markets strategies. For the purposes of this report, we will focus on the direct investment activities of our investment teams specialising in:<sup>5</sup>

- Corporate Private Equity
- Growth Equity
- Sustainable Investing
- Private Credit
- Infrastructure
- Real Estate

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<sup>3</sup> These investment management capabilities are available globally from Goldman Sachs Asset Management and do not necessarily indicate that these investment management activities are being conducted by Goldman Sachs Asset Management (Singapore) Pte. Ltd.

<sup>4</sup> GS Alternatives was previously known as Private Markets Investing in prior Stewardship statements and reporting.

<sup>5</sup> These investment management capabilities are available globally from Goldman Sachs Asset Management and do not necessarily indicate that these investment management activities are being conducted by Goldman Sachs Asset Management (Singapore) Pte. Ltd.

The application of our investment activities, policies and frameworks varies across GS Alternatives, reflecting varying degrees of influence and/or control across asset classes.

### **How we resource stewardship**

We believe the strength of our culture, our ability to execute our strategy and our relevance to clients depend on a diverse workforce and an inclusive environment that encourages a wide range of perspectives. We are a full-service asset manager comprising diverse investment teams. Goldman Sachs Asset Management is headquartered in New York and has offices around the world. Our investment professionals bring their diverse experience and insights to their respective roles in our investment processes, analysis, integration and engagement. We firmly believe that investment ideas are enriched by global expertise and local insights and that proximity to clients in various regions creates strong working relationships.

### **PUBLIC MARKETS**

#### **About the Global Stewardship Team**

Within the public markets investment business, the Goldman Sachs Asset Management Global Stewardship Team drives the continued enhancement of our approach to stewardship and serves as a dedicated resource to our public markets investment teams globally. The work of the Global Stewardship Team is centered around three core activities:

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

#### **The organizational structure supporting our stewardship**

<b>Global Stewardship Team</b>				
<b>Our Investment Teams</b>				
Fixed Income	Fundamental Equity	External Investing Group	Quantitative Equity Solutions	Quantitative Investment Strategies
<b>Additional Resources</b>				
<b>Legal</b>	<b>Compliance</b>	<b>Operations</b>		<b>Sustainable Investing Platform</b>
Advise on engagement initiatives and proxy proposals Assist in annual Stewardship Policy/Guideline review	Maintains internal policies and procedures designed to ensure integrity of information barriers and mitigate conflicts of interest  Advises on reputational, regulatory and policy matters	Proxy voting execution by Asset Servicing  Client reporting via Institutional Fund Reporting team		Support with campaign construction through thematic research

The above table describes how our organizational structure supports our stewardship activities. Our Global Stewardship Team works alongside our investment teams as appropriate in different ways according to different investment strategies and is supported by additional resources as needed. Alongside our approach of integrating stewardship into the activities of our investment teams, this structure allows us to appropriately resource our stewardship activities in a flexible and responsive way.

#### **Global Stewardship Team governance structure**

The Goldman Sachs Asset Management senior leadership team have the ultimate responsibility for all of our stewardship related activities.

In 2024, our Global Head of Stewardship reported to the CIO of the Fundamental Equity business.

Goldman Sachs Asset Management has also established the Asset Management Public Markets Business Proxy Voting Council (“the Council”) to oversee our proxy voting responsibilities. The Council is composed of stakeholders from the Global Stewardship Team, investment teams, divisional management, legal and compliance and is responsible for bringing key stakeholders together annually to review and recommend potential changes to the Global Proxy Voting Policy and, on an ad hoc basis, to discuss any potential changes to the voting process and to convene on voting topics that may arise during the year.

We continue to seek to ensure that our investment beliefs, strategy and culture enable effective stewardship via a range of mechanisms. These include but are not limited to our annual performance review process, meetings with the relevant mutual fund boards and the discussions with our investment teams. Additionally, our annual review of policies and internal audit reviews also support this process.

We believe that this governance structure supports effective stewardship and we intend to keep it under review as our business continues to grow and develop over future periods. We may seek to add additional dedicated resources or additional internal support resources as needed over time. As our business changes and develops, we may also seek to adjust our internal governance structures.

### Our stewardship philosophy and policies

Our [Approach to Stewardship](#) and our [Global Proxy Voting policy](#) are annually reviewed and updated as necessary to ensure they enable effective stewardship. This process is led by our Global Stewardship Team and involves seeking input and feedback from a range of investment professionals and teams across our business. The annual review of these policies ensures that our stewardship activities are aligned to our priorities and investment beliefs.

We have a robust, global engagement effort that combines the expertise of our dedicated Global Stewardship Team with that of our fundamental investment teams. In [Our Approach to Stewardship](#), we present our stewardship framework, which describes our key stewardship objectives and explains how our voting and engagement efforts aim to help us meet them. The Global Stewardship Team updates this framework annually.

## ALTERNATIVES

### How we resource stewardship

Investment Committees					
Our Investment Teams					
Corporate Private Equity	Growth Equity	Private Credit	Infrastructure	Sustainable Investing Group	Real Estate
Additional Resources					
Legal	Compliance	Value Accelerator	Sustainability & Impact Team	Sustainability Leadership Council	
Provides legal, regulatory, reputational and transactional advice.	Manages the firm’s compliance, regulatory and reputational risks by ensuring adherence to laws, rules and regulations.	Assists in value creation activities for certain equity portfolio companies, including in its ESG & risk optimisation pillar.	Supports investment teams with sustainability-related risk management and value creation activities.	Helps drive strategy and key sustainability initiatives across GS Alternatives.	

Within GS Alternatives, the process of investing in or lending to a company or asset is primarily carried out by the investment team, overseen by the respective investment committee(s) and with input from other Goldman Sachs committees or working groups, as may be applicable. Investment teams may also hire external advisors and consultants.

**Investment teams:** With the oversight and support of our senior leadership, investment teams are responsible for ensuring that relevant stewardship considerations are integrated into the deal lifecycle where consistent with our fiduciary duties. GS Alternatives has ESG Business Leads who are embedded in the Corporate Private Equity, Growth Equity, Private Credit, Infrastructure, Sustainable Investment Group (SIG) and Real Estate businesses. They are responsible for integrating and implementing applicable stewardship and sustainability best practices into the investment process for their business unit as relevant.

**Investment Committees:** Each GS Alternatives business has its own Investment Committee (“IC”) comprised of the senior professionals and other control-side professionals of Goldman Sachs. ICs approve investments in line with the respective strategies and fund mandates including those linked to sustainability and/or ESG. The IC considers relevant ESG risks and opportunities alongside business, legal, regulatory, reputational, and other risks and issues, as appropriate, when evaluating potential investments.

**Sustainability and Impact Team:** The Sustainability & Impact (“S&I”) team is led by the Chief Sustainability Officer for Alternative Markets Investing and is focused on institutionalising ESG practices across GS Alternatives enhancing value and monitoring, implementing, and reporting on new regulatory requirements and codes, and communicating with GS Alternatives about updates in the sustainable finance space. This includes conducting training, designing, implementing and maintaining ESG governance frameworks, analysing ESG data and developing strategic initiatives. ESG Business Leads within the S&I team are responsible for integrating and implementing, where appropriate, sustainability best practices and climate strategy into the investment process for their business unit. These individuals work closely with investment teams to support the integration of climate-related tools and analytics, transition planning, and portfolio company and asset-level climate integration, along with sustainable investing product development. The S&I team also partners closely with investing professionals, Alternatives Capital Formation (“ACF”), Fund & Information Management Group, Legal, Compliance and Operational Risk - Environmental. Health and Safety team, among others to design, implement, deliver, enhance, and monitor the ESG programme for GS Alternatives as relevant to particular products or strategies.

**Sustainability Leadership Council:** The Council helps drive the sustainability strategy and key sustainability initiatives for GS Alternatives. Members include the Chief Sustainability Officer for Alternative Markets Investing, Business Unit Leaders, COOs for each asset class, the GS Alternatives Chief Risk Officer, Legal, and Compliance.

**Value Accelerator:** GS Alternatives supports a number of our portfolio companies by facilitating access to the wider Goldman Sachs network and our experienced operating advisors and sector experts through the Goldman Sachs Value Accelerator (“GS Value Accelerator”). The GS Value Accelerator is a centralised platform that seeks to partner with our portfolio companies to build enduring businesses and create incremental value. Working with portfolio companies worldwide, the GS Value Accelerator delivers support to management teams. Focusing on equity investments, the GS Value Accelerator seeks to drive value for portfolio companies in six key areas:

1. Scaling Revenue
2. Operational Excellence
3. Technical, Digital and Data Transformation
4. Talent and Organisational Strategy
5. ESG & Risk Optimisation
6. Finance & Strategy

The ESG & Risk Optimisation pillar of the Value Accelerator aims to equip the management teams of equity portfolio companies with the relevant tools, resources and third-party support to assess, manage and mitigate sustainability-related risks; and seize sustainability-related opportunities to create value.

## **Principle 2. Monitor investments regularly.**

### **Responsible investors exercise due diligence in overseeing their investment portfolios.**

#### **How we integrate stewardship and investment**

##### **PUBLIC MARKETS**

For our clients who want sustainable and impact investing in their portfolios, we are committed to helping them deploy their capital in a manner that is impactful and financially sound.

Where applicable, ESG factors can be important tools for identifying investment risk and capturing potential opportunity. Each of our investment teams within the business analyses ESG information in a manner consistent with its investment style and specific strategy guidelines. Public Investing seeks to drive long-term value through investing and to take a holistic approach to sustainability. Our ESG strategies employ a range of approaches to sustainability. In certain strategies, ESG factors may be utilised to set exclusions, drive tilts, or seek to select securities with strong ESG performance.

We devote considerable resources to sustainability capabilities and have certain investment professionals who spend most of their time on sustainability related research, portfolio management, stewardship, data, analytical tools, and risk management. These professionals are generally embedded within our investment and advisory teams.

We tailor the application to investment strategies and asset classes, both as foundational tools and for topical deep dives.

#### **Systems, processes, research and analysis**

##### **PUBLIC MARKETS**

We have invested and continue to invest in technology to support our stewardship activities and initiatives. Our investment teams are able to leverage sophisticated proprietary systems and tools to better understand our investments and serve our clients' needs. Systems and processes in place for certain investment teams include:

- **Sustainability Measurement Toolkit:** The Sustainability Measurement Toolkit is a proprietary objective ESG-assessment tool for Public Investing that uses a bottom-up, data-driven approach to assess financially material, operational ESG considerations. The toolkit aims to address inconsistencies across industry indices and ratings that previously made it difficult to draw meaningful comparisons across subjects. It allows us to create ESG criteria to assess financially material ESG considerations for corporate equity and fixed income. The toolkit computes a metric based on a common set of ESG issues, data and materiality map. It can be leveraged for direct or indirect input for portfolio construction, ESG regulatory requirements (where appropriate), and potential engagement opportunities.
- **Paris Alignment Tool:** Public Investing developed the Paris Alignment Lens to help assess the alignment of portfolio companies with the goals of the 2015 Paris Agreement, where relevant, and to assist clients in achieving their net zero goals. This tool combines quantitative and qualitative information from internal and external sources on a company's climate disclosures, climate strategy, capital allocation, and target setting. It provides forward-looking analysis of a company's progress toward aligning with the goals of the Paris Agreement. Companies may be deemed to be "Achieving Net Zero", "Aligned", "Aligning", "Committed to Aligning", or "Not Aligned". The output of this assessment can be used to enhance ESG integration and supplement investment analysis with a forward-looking view of a company's climate performance. This can help us create a framework for engagement with companies held in select portfolios.

- **Fluent:** Research analysts across our investment teams can leverage a proprietary tool, Fluent, when conducting ESG- and sustainability-related assessments of portfolio companies and issuers. Fluent provides a centralized repository of externally and internally generated research, capturing decision-useful financial information alongside ESG, engagement and proxy-voting information.
- **Biodiversity Diagnostic Capability:** Public Investing has developed a proprietary biodiversity diagnostic capability that leverages our Sustainability Measurement Toolkit. This diagnostic capability may be used to assess biodiversity- and nature-related risks and exposures within certain public portfolios, where applicable. It leverages industry frameworks such as ENCORE and the Taskforce on Nature-related Financial Disclosures (TNFD) to help assess biodiversity risks and impacts. Public Investing is working to further develop this diagnostic capability.
- **Proprietary Green Bond Methodology:** The dedicated Public Investing Green, Social, and Impact Bonds team utilises a proprietary framework to help clients manage the risk from and capitalise on opportunities created by the transition to a more sustainable economy. This proprietary framework for green bonds focuses on delivering impact on key indicators. Clients are able to make investments to help achieve their sustainability ambitions through green bond screening covering: the types of projects being financed, how the projects are selected, the management of the proceeds, and what is being reported. Public Investing continues to leverage the complementary strengths of its existing investing teams to launch new sustainability-related strategies in line with clients' preferences.
- **Sustainable Investment Framework:** Public Investing has developed a proprietary Sustainable Investment Framework which is informed by the definition of 'sustainable investment', as prescribed by the Regulation (EU) 2019/2088 Sustainable Finance Disclosure Regulation (SFDR).<sup>12</sup> This Framework adopts a proprietary approach which is applied across certain products and investment strategies within Goldman Sachs Asset Management and utilizes inputs from third-party data providers. This definition is separated into three pillars:
  - Pillar One: Contribution to an Environmental or Social Objective
  - Pillar Two: Do No Significant Harm
  - Pillar Three: Good Governance This proprietary framework contains useful data across environmental, social, and governance topics, and can be leveraged by investment teams and integrated throughout the investment process, where applicable.
- **Concert:** Where applicable our investment teams are able to leverage a proprietary portfolio management tool that leverages MSCI data to run portfolio diagnostics, assess carbon intensity attribution, and analyse product involvement, among other functions.

## **ALTERNATIVES**

GS Alternatives has invested and continues to invest in tools to support our investment teams and their stewardship activities, as well as to support our portfolio companies. These include but are not limited to:

- **Integration of Sustainability Risks and ESG:** Investment teams incorporate ESG due diligence findings in IC memos through standardised templates which are customised to each business unit and a fund's ESG commitments. As part of the review of a proposed investment, the IC considers ESG risks and opportunities where relevant. The IC may also provide guidance on the future management of each investment, including ESG factors (e.g., required pre- and/or post-closing conditions inclusive of 100-day plans), and review the proposed investment's ability to meet the fund's commitments.

- **ESG Data Collection:** Recognising the need for decision-useful data and analytics, GS Alternatives has developed a biannual data collection process to collect primary ESG data, including climate-related metrics, from select portfolio companies across Private Equity, Infrastructure, Growth Equity, and SIG.
- **Physical Climate Risk:** GS Alternatives has onboarded and customized several vendor tools to provide reporting and climate-related risk management capabilities across the portfolio. In the first step, owned and operated physical locations are identified directly through Goldman Sachs' ESG Data Collection process. Missing responses are supplemented through a third-party vendor that leverages publicly available information and advanced analytics techniques to build out an understanding of the full portfolio. Geospatial mapping of the full portfolio GS Alternatives to understand risk in geospatial terms and identify potential concentrated climate risk exposures as well as responses to emerging catastrophic events.
- After portfolio site exposures are mapped, they are fed into a climate scenario modelling tool that can provide hazard metrics of owned and operated assets within Private Equity, Infrastructure, Growth Equity, SIG, Private Credit, and Real Estate strategies. Hazard modelling data allows GS Alternatives to identify the most pressing risks and target potential outlier exposure.
- **Climate Transition Risk:** GS Alternatives has developed a proprietary transition risk analysis tool that allows for evaluation of drivers associated with the transition, including macro demand, positive and adverse exposure to transition sensitive revenue segments, shifts in markets share and size due to market environment and technological developments, the impacts of carbon pricing, and the potential for abatement.
- **Greenhouse Gas Emissions Accounting:** Since 2021, GS Alternatives has partnered with a GHG accounting platform to help participating portfolio companies develop higher quality GHG emissions data.

In 2022 in response to regulatory, fund, and LP requirements, we began footprinting our GS Alternatives portfolio at scale, covering portfolio companies with either estimated GHG emissions or primary measurement support.<sup>6</sup> In 2023, GS Alternatives focussed on expanding this programme to help participating portfolio companies from measurement through the first steps of decarbonisation to drive company value creation or realise fund requirements. Through a negotiated agreement with a GHG accounting service provider, portfolio companies have access to activity-based GHG emissions accounting across Scope 1 and 2 emissions as well as coverage of Scope 3 emissions with spend-based estimations. Our offering includes an inventory planning exercise co-developed by GS Alternatives that was completed in 2023, alongside recommendations on data improvements that can enhance the quality and actionability of GHG footprints. Based on footprint results, our provider also shares high-level decarbonisation recommendations with portfolio companies, allowing them to consider the next best actions to decarbonise their portfolios. Companies can also choose to set up a secondary negotiated package of services to unlock net zero planning, upstream Scope 3 analysis, and decarbonisation planning through enhanced Software as a Service ("SaaS") offerings.

In 2024, a portion of our portfolio companies were covered through this programme, and our work allowed us to accelerate pilots to bring activity-based GHG emissions data from due diligence into more detailed decarbonisation exercises. Data was used in fund-level decarbonisation opportunity assessment and planning to target efforts and impact at material sources of financed emissions. We continue to expand coverage across our portfolio and identify learnings from our work to date, including strategies to improve portfolio company data quality, enhance data validation and controls, and provide more actionable insights to companies across all three GHG emissions scopes.

## How we respond to risks and align our investments

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<sup>6</sup> Please refer to our 2024 AWM TCFD report for more information on our GHG emissions collection efforts: <https://www.goldmansachs.com/investor-relations/corporate-governance/sustainability-reporting/2023-awm-tcf-d-report.pdf>

We work to identify additional and emerging risks across the industry and broader market. Once identified, we seek to ensure investments are aligned with the risks accordingly. We seek to monitor and control risk exposure through a risk and control framework encompassing a variety of separate, but complementary financial, credit, operational, sustainability and compliance reporting systems, internal controls, management review processes and other mechanisms. Whilst we employ a broad and diversified set of risk monitoring and risk mitigation techniques, those techniques and the judgements that accompany their application cannot anticipate every economic and financial outcome or the specifics and timing of such outcomes. Thus, we may, in the course of our activities, incur losses.

As an example, investment teams may use different styles to embed sustainability considerations, including climate risks, into asset selection for certain investment strategies or products, which may include:

- The use of ESG analysis to seek to inform how we evaluate companies and issuers and to make investment decisions based on these evaluations.
- The use of exclusionary screens on companies or sectors, via guideline management processes, that do not meet certain sustainability criteria. This can range from the removal of all companies in a particular industry to the removal of companies with more than a prescribed percentage of revenue derived from certain products or activities, or where Board compositions do not meet certain criteria.
- Tilting certain portfolios towards ESG factors and selecting companies that we believe screen better than industry competitors in the desired metric (for example, carbon intensity) and are therefore likely to be less exposed to sustainability risks.
- Investing in companies, organisations or funds with the intention to generate a measurable, positive social or environmental impact along with financial return, with a view to also mitigate the impact of sustainability risks within the portfolio. For example, investing in green, social or sustainability bonds.

Where appropriate, use of these styles may be reviewed during both the asset selection and ongoing portfolio construction processes. This allows us to consider sustainability risks at the micro selection level as well as at the overall portfolio level. Where necessary, we may also consider the stated benchmark when assessing the absolute weighting of the sustainability risk profile of a portfolio.

## **How information gathered through stewardship has informed acquisition, monitoring and exit decisions**

### **PUBLIC MARKETS**

Our Global Stewardship Team and our investment teams work collaboratively to drive better outcomes for our clients, including sourcing material ESG data, sharing thematic insights, identifying more useful metrics to assess performance on certain material ESG factors, and developing proprietary systems and tools that may enhance our ability to integrate material ESG factors and stewardship insights into the investment process.

Our Global Stewardship Team aims to regularly present to our investment teams on recent research and trending topics, as industry best practices continue to evolve.

We maintain a record of our voting, engagement, and other stewardship activities using our internal tech platform, Fluent which all direct investing teams have access to. Fluent allows users to track ESG views, company engagements and potential proxy voting outcomes overtime.

In cases where repeated engagement does not lead to improvement, we may leverage the full toolkit available to an active manager. At this time, the escalation process is case-by-case.

### **ALTERNATIVES**

Based on the analyses, investment thesis, results of due diligence, reputational considerations, and recommendations presented at the IC meeting, the IC determines whether Goldman Sachs should make an investment, which may be subject to certain conditions.

Investment teams monitor the performance of the investment after closing, with a focus on risk management and value creation. Members of the investment team may also serve on the board of directors of a portfolio company after the investment is made. In this regard, having a director also helps investment teams monitor the company's risk profile including environmental, health and safety risks, and compliance issues.

Typical exit methods for equity interests may include: (i) sale through a public offering or a private placement; (ii) sale to a strategic or financial buyer; and (iii) recapitalisation. For credit investments, the exit process may also be completed through repayment or refinancing with a third-party. Throughout the exit process, the investment team, in conjunction with the respective IC, typically negotiates the sale price, structures the exit of the investment, and coordinates with internal and external advisors involved in the exit process.

### **Third-party service providers**

We have retained a third-party proxy voting service, Institutional Shareholder Services (“ISS”), to assist in the implementation of certain proxy voting-related functions, including, without limitation, operational, recordkeeping and reporting services. Among its responsibilities, the proxy service prepares a written analysis and recommendation (a “Recommendation”) of each proxy vote that reflects the proxy service’s application of the guidelines to proxy issues. In addition, to facilitate the casting of votes in an efficient manner, the proxy service generally prepopulates and automatically submits votes for all proxy matters in accordance with such Recommendations, subject to our ability to recall such automatically submitted votes. If the proxy service or Goldman Sachs Asset Management becomes aware that an issuer has filed, or will file, additional proxy solicitation materials sufficiently in advance of the voting deadline, we will generally endeavour to consider such information where such information is viewed as material in our discretion when casting its vote, which may, but need not, result in a change to the Recommendation, which may take the form of an override or a revised Recommendation issued by the Proxy Service. We retain the responsibility for proxy voting decisions.

We conduct due diligence meetings with service providers as necessary to review the processes they follow and discuss any material changes in their services, operations, staffing or processes. These meetings are led by various teams across Goldman Sachs Asset Management to ensure that service providers are meeting our needs and supporting our stewardship activities. To learn more, see [Global Approach to Proxy Voting](#) on our website.

For example, in 2024 we conducted monthly meetings with an ESG data provider to review the quality, methodology, and coverage of their data. Key discussion points included updates to their ESG rating methodologies, data coverage expansion, treatment of controversial activities, and alignment with evolving regulatory requirements. We also assessed any material changes in their data and process. These discussions ensured that the data remained robust, transparent, and aligned with our investment and stewardship objectives. We perform both systematic and ad-hoc data quality control checks on the data we receive from our service providers. At times, we identify issues with the data we receive from vendors. We will continue to keep our service providers under review.

### Principle 3. Stay active through constructive and purposeful engagement.

Responsible investors conduct regular, effective and fair communication and enhance engagement outcomes.

#### PUBLIC MARKETS

##### Our approach to engagement

Engagement is a key component of our approach to stewardship. It provides us with a forum to share our views and provide feedback to company management and/or directors on the material issues that we believe can drive long-term value creation. Engagement can also inform our proxy voting activities as well as provide insights to support the investment research process. It may also help our investment teams make more informed investing decisions on behalf of our clients. Our engagements are not intended for the purpose or effect of exerting control over any issuer.

We define engagement as instances where active dialogue or exchange of written communication with a company or issuer has occurred. This includes:

- **Company 1x1 meetings:** A meeting between one company and members of Goldman Sachs Asset Management only
- **Company meetings (multiple investors):** A meeting between one company and members of Goldman Sachs Asset Management alongside other asset managers or analysts from other firms.
- **Company field trip:** A company organised field trip attended by Goldman Sachs Asset Management

We may conduct other types of interactions with companies and issuers where we are not actively participating in an exchange of views (such as conferences, investor days, or annual meetings), but we do not consider these engagements.

There are a number of ways in which we might seek to engage with an issuer. Different modes of engagement are appropriate in different circumstances. We generally classify our engagements in the following ways:

- **Active Engagement:** Active engagements with an issuer in person, on video, or by telephone
- **Written Communication:** Instances where we have had a substantive exchange of views over email, similar in content to an engagement meeting

We consider both active engagement and written communication exchanges to be engagements, however written communication typically accounts for a small portion of our engagements and is generally noted in our client reporting.





We also seek to track instances where the Global Stewardship team attempted to engage, for example by sending a letter or a meeting request but did not get a response from the company, however we do not report unacknowledged outreach attempts as engagements.

We have three broad methods for engagement:

- **Single Team:** Engagement with a company conducted by members of a single team within Goldman Sachs Asset Management.
- **Multiple Teams:** Engagement with a company conducted by members of more than one team within Goldman Sachs Asset Management
- **Industry Initiative:** Engagement with a company as part of an industry initiative

We classify our engagements into four categories:

- **Thematic Engagements**
- **Proxy-Related Engagements**
- **Providing Feedback Engagements**
- **Investment Research and Monitoring Engagements**

	 <b>Thematic Engagements</b>	 <b>Proxy Related Engagements</b>	 <b>Providing Feedback</b>	 <b>Investment Research and Monitoring Engagement</b>
<i>Definition</i>	<b>Thematic engagements</b> focus on a particular theme and have pre-defined goals in line with our stewardship framework.	<b>Proxy-Related engagements</b> are intended to help inform our proxy voting decisions.	<b>Providing Feedback</b> is generally conducted at the request of issuers seeking guidance on reporting or other matters.	<b>Investment Research and Monitoring engagements</b> are undertaken primarily to seek information or to inform our investment decisions.
<i>Example</i>	Engaging with an issuer that does not disclose packaging metrics identified as material by SASB.	Engaging with an issuer ahead of its annual meeting to discuss executive compensation.	Engaging with an issuer that has asked for feedback on their most recent sustainability report.	Research analysts engaging on earnings, business operations, or other strategic matters.

Our engagement approach for our public markets investing business combines the expertise and resources of the Global Stewardship Team with the deep sector knowledge of our public markets investment teams. The Global Stewardship Team oversees our approach to engagement and leads the majority of our thematic and proxy-related engagements. These engagements are in addition to the hundreds of engagement meetings the Fundamental Equity and Fixed Income Investment teams conduct each year as part of their ongoing research process. We have developed a proprietary platform, Fluent, which allows users to track company views, engagements and proxy-voting outcomes, and to incorporate this information, where material, into investment decisions. All members of the public markets investing business have access to Fluent.

For further information, please refer to our [Approach to Stewardship](#).

### **Our Engagement Reporting**

We continue to enhance our client reporting capabilities. In 2024, we offered thematic engagement reporting to support our clients in their stewardship objectives and to provide additional transparency and accountability around our thematic engagement efforts.

## **Outcomes of our engagement work**

Not all company actions are based solely on our engagement efforts and there may be a multitude of other factors which influence investee companies. Many of our engagements with issuers seek to encourage positive change and the outcomes can be seen in a variety of ways, including:

- Companies may increase disclosure
- Companies may address and remedy negative impacts on the environment and/or people
- Companies may develop and implement sustainability policies
- Changes may be made to board composition and structure
- We may learn information about stewardship related issues which may support our investment process
- We may escalate our engagement activities or inform our proxy voting

## **ALTERNATIVES**

Active monitoring and engagement with our investments, where applicable, is an important aspect of our business and we take our responsibility as active owners and / or lenders very seriously. We work in partnership with our portfolio companies, sponsors and operating partners, where applicable, to find opportunities for value creation and preservation in our engagement efforts. Our investment teams work alongside the management team, where appropriate, to strengthen the governance and operations of the company or asset in which we have invested. However, methods and frequency of engagement vary across investment strategies and / or asset classes depending on the nature of the investment and degree of influence that we have. We have included examples and case studies to show the different ways in which our approach may be put into practice.

Our objectives for portfolio company engagement are generally identified during the due diligence process for a new investment, informed by a fund's mandate and may be updated during the ownership period. We generally conduct our engagements via meetings (in person or virtual). Management and engagement activities may be discussed in the respective IC on a periodic basis, where appropriate.

Since 2023, GS Alternatives has used a software tool to assist in the bi-annual data collection process to collect primary ESG data, including climate-related metrics, from portfolio companies across Infrastructure, SIG, Corporate Private Equity and Growth Equity. This effort is led by a dedicated ESG data specialist on the S&I team. Throughout 2024, the S&I team, in conjunction with team members from the ESG data collection tool, provided guidance and trainings to portfolio companies in-scope for the data collection process.

We also support certain portfolio companies through the Goldman Sachs Value Accelerator, a centralised platform that partners with our portfolio companies by leveraging the Goldman Sachs network, our differentiated resources, and our experienced operating advisors and sector experts.

### **Examples of how we engage as a private shareholder:**

In order to mitigate risk and create value within its portfolio companies, SIG, GS Alternatives' impact investing arm, creates specific sustainability-related value creation plans which are used to support companies to develop and implement the tools, internal expertise and skills to integrate sustainability into their core strategy and drive impact transformation.

The value-creation plans include sustainability-related recommendations and/or requirements as identified and recommended during the due diligence process, as well as other value-creation opportunities. The plans typically include low, medium and high priority items, primary responsible party, and timeline for implementation.

Each plan is agreed upon by both the portfolio company management and the investment team.

SIG monitors and tracks implementation of the agreed priorities through to completion; each plan is generally reviewed on a quarterly basis and updated at least semi-annually.

**An example of how we engage as a board member:**

When we hold an equity position in a portfolio company, individuals from our investment teams may also serve as members of the board. In this capacity, we may have the ability to encourage and initiate board-level discussions on sustainability.

By way of example, where there are fund-specific environmental and/or social commitments, the Infrastructure team has conducted periodic assessments of a portfolio company's sustainability-related performance. This enables members of the Infrastructure team, who serve as board directors to identify sustainability-related topics that may require further company engagement and uplift.

**An example of how we have engaged as a lender:**

For select investment strategies,<sup>7</sup> Private Credit investment teams monitor portfolio companies' ESG performance on a periodic basis.

For example, in 2024, the Private Credit team requested additional information on a specific company's ESG performance to supplement data received during the standard monitoring process. With this supplemental information, the Private Credit team was able to better evaluate the sustainability improvements that the company had achieved since initial due diligence was performed.

This process helped the Private Credit team to better understand the relevant company's exposure to ESG risks and programmatic mitigants that the portfolio company has implemented across its operations, such as utilisation of renewable sources for energy consumption and other greenhouse gas emission reduction efforts. As part of the annual monitoring process, the Private Credit team re-assessed the company's ESG performance, leveraging a proprietary scorecard, and found that the company's sustainability progress resulted in an improved ESG score. The Private Credit team will continue to monitor the company's progress against the company's self-identified ESG risk exposure and goals on a periodic basis.

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<sup>7</sup> This includes Private Credit investments allocated to Article 8 funds under the EU Sustainable Finance Disclosure Regulation (SFDR).

## Principle 4. Uphold transparency in managing conflicts of interest.

### Responsible investors disclose their conflicts of interest and prioritise the interests of clients and beneficiaries.

#### Potential conflicts we face

We face a range of potential or perceived conflicts in our business and some are connected to our stewardship responsibilities. These include the possibility, for example, that Goldman Sachs may have multiple advisory, transactional and financial and other interests in investments that may be purchased, sold or held by Goldman Sachs Asset Management on behalf of our clients. Hence, these activities could in theory influence our decisions regarding trading, shareholder voting and other interactions with investee companies such as engagement. Potential conflicts could also arise where the investee company, or a related party, such as its pension scheme, is itself a client of Goldman Sachs Asset Management.

#### Our conflicts policy and mitigation procedures

The arrangements put in place by Goldman Sachs Asset Management to seek to manage its conflicts of interests include:

- **Information barriers / separation of functions**

Both Goldman Sachs & Co among its various divisions, and Goldman Sachs Asset Management between certain businesses, have established certain physical, procedural and electronic information barriers. These barriers are designed to restrict the flow of information and to achieve arms-length interaction among different parts of Goldman Sachs & Co and Goldman Sachs Asset Management. This enables business to be carried out within the firm while minimizing the possibility of that business being influenced by any conflicts that may exist.

- **Policies and procedures (building on regulatory requirements)**

There are many different laws and regulations to which Goldman Sachs and Goldman Sachs Asset Management are subject around the world that prohibit or require Goldman Sachs / Goldman Sachs Asset Management to manage situations where a conflict of interest may arise. Goldman Sachs Asset Management has policies and procedures, including escalation protocols, designed to ensure compliance with these laws and regulations and, in Goldman Sachs Asset Management's case as an investment management agent or advisor, designed to ensure that it manages its conflicts in a way that is compatible with its duty to act as trusted agent or advisor of the client.

- **Governance and control oversight**

Through compliance monitoring, review oversight and targeted testing, as well as governance oversight by relevant committees and management bodies including boards, and internal audit reviews of key areas on a rolling basis Goldman Sachs Asset Management seeks to ensure that the practice of its business operations are carried out in line with its information barriers, policies and procedures, and duties to clients.

- **Compensation / rewards structure**

Goldman Sachs Asset Management's compensation policy seeks to align employee, shareholder and Goldman Sachs Asset Management client interests to the extent appropriate while not encouraging excessive risk-taking by employees.

- **Disclosure / client understanding**

Whilst disclosure is not itself a substitute for the appropriate management of conflicts in all respects, it is important that in deciding to partner with Goldman Sachs Asset Management, clients understand the potential conflicts to which Goldman Sachs Asset Management is subject and why, so that they understand the context in which Goldman Sachs Asset Management operates its business.

## **PUBLIC MARKETS**

### **Stewardship specific applications**

We have implemented processes designed to prevent conflicts of interest from influencing our proxy voting decisions. Our investment teams generally cast proxy votes consistently with the guidelines and the recommendations of our Global Proxy Voting Policy.

Our Portfolio Management Teams generally cast proxy votes consistently with the Policy. Each portfolio management team may however seek approval to diverge from the Policy in specific cases by following a process that seeks to ensure that override decisions are not influenced by any conflict of interest. As a result of the override process, different portfolio management teams may vote differently for particular votes for the same company. In addition, the Global Stewardship Team may on certain proxy votes also seek approval to diverge from the Policy and follow the override process described above that seeks to ensure these decisions are not influenced by any conflict of interest. In these instances, all shares voted are generally voted in the same manner.

Additional information on our conflict of interest policy is available in [Our Approach to Stewardship](#) which you can find on our website.

### **Addressing conflicts - Voting on Goldman Sachs Group Inc. or a Goldman Sachs Asset Management managed fund**

To mitigate conflicts of interest when a proxy is for shares of The Goldman Sachs Group Inc. or a Goldman Sachs Asset Management managed fund, we will generally instruct that such shares be voted in the same proportion as other shares are voted with respect to a proposal, subject to applicable legal, regulatory and operational requirements.

### **Conflicts arising in 2024**

Goldman Sachs Asset Management has not encountered any material conflicts of interest in relation to our stewardship activities over the last 12 months.

In 2024, we followed our overrides and adjustments processes in all instances where we voted differently from our Global Proxy Voting Policy. As a result, we do not believe that we had any conflicts of interest in our voting activities.

## **ALTERNATIVES**

Within GS Alternatives, conflicts of interest can arise in a number of circumstances as part of our investment and stewardship activities. Certain procedures are followed to manage actual or apparent conflicts of interest, including for example when the firm provides investment banking or other services to GS Alternatives portfolio companies. In such instances, relevant conflicts may be managed with board recusal and documentation of fees.

## Principle 5. Exercise rights and responsibilities on an informed basis.

Responsible investors ensure they make informed decisions based on their ownership policies, with the best interests of clients and beneficiaries in mind.

### **PUBLIC MARKETS**

#### **How we exercise our rights and responsibilities**

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

For our public markets investing business, Goldman Sachs Asset Management has a customised Global Proxy Voting Policy (the Policy) to execute our voting responsibilities where clients have delegated proxy voting responsibility to us. We seek to review the Policy annually to incorporate current issues and evolving views about key governance topics. The Policy is customised and allows us to take a nuanced approach to voting specific to regions and countries. In 2024, we enhanced the Goldman Sachs Asset Management Global Proxy Voting Policy to continue to address corporate governance issues in various regions.

#### **Some highlights of our policy update:**

	<b>Region</b>	<b>Highlight</b>
<b>Committee Accountability</b>	All	Target appropriate committee considerations consistently across relevant markets
<b>Japan Capital Allocation</b>	Japan	Tightening our standards for excess cross-shareholding and refining our dividend adequacy screen
<b>Asia Dividends</b>	Asia	Implementing higher dividend requirements for high net-cash companies across Asia.

#### **Fixed Income**

For Fixed Income assets, we employ an engagement approach when seeking amendments to terms and conditions in indentures or contracts, and, when reviewing prospectus and transaction documents. This is described in more detail below:

##### **SEEKING AMENDMENTS TO TERMS AND CONDITIONS IN INDENTURES OR CONTRACTS**

We employ a member of the investment team to assist in the engagement on amendments to terms and conditions as warranted. Our focus is generally on provisions that are deemed 'off-market' relative to documents for similar levels of credit or structure risk. In addition to legal expertise on the investment team, we maintain access to in-house legal counsel as well as third-party legal counsel if deemed necessary.

##### **REVIEWING PROSPECTUS AND TRANSACTION DOCUMENTS**

For certain portfolios and as appropriate, the investment team generally aims to review relevant documents for issuances with a focus on diversions from market norms. To support this effort, we may in some circumstances leverage a third-party consultant and historical database of prospectus terms to identify anomalies. We may engage directly with debt capital markets and the Issuer (or Issuer counsel) in situations where the investor protections are deemed weak or inadequate.

We mainly invest in marked-to-market traded bonds where there is limited option to influence corporate action on impairment rights or seeking access to information provided in trust deeds.

## **Equities**

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

Goldman Sachs Asset Management has developed a customised Global Proxy Voting Policy (the Policy), in order to execute our voting responsibilities where clients have delegated proxy voting responsibility to us. We seek to update the Policy annually to incorporate current issues and evolving views about key governance topics. The Policy is broken down regionally and allows us to take a nuanced approach to voting that is region and country specific. Please refer to the Policy in full for more details on our approach.

Goldman Sachs Asset Management has also established the Asset Management Public Markets Business Proxy Voting Council ("The Council") to oversee our proxy voting responsibilities. The Council is composed of stakeholders from the Global Stewardship Team, public equity investment teams, divisional management, legal and compliance and is responsible for bringing key stakeholders together annually to review and recommend potential changes to the Policy and, on an ad hoc basis, to discuss any potential changes to the voting process and to convene on voting topics that may arise during the year.

## **ALTERNATIVES**

### **How we exercise our rights and responsibilities**

GS Alternatives primarily invests in private assets (and not listed equity), and we therefore do not consider the disclosure of a formal voting policy to be appropriate or proportionate for this business. On the rare occasions where GS Alternatives may hold listed equity, for example when a portfolio company goes public, we will exercise our shareholder rights and engage with the company in a manner that we consider to be appropriate.

The very nature of GS Alternatives' business model means that we seek to exercise our rights and responsibilities in order to support the growth of our portfolio companies and assets for the long-term benefit of our clients.

## Principle 6. Report stewardship activities periodically.

Responsible investors document and provide relevant updates on their stewardship activities.

### **PUBLIC MARKETS**

Our [Stewardship Report](#) outlines the efforts of the Global Stewardship Team, which focuses on proxy voting and engagement initiatives. The report is released annually on our website. In addition to this annual stewardship report, we communicate our stewardship activities to our clients in several ways, including:

**Proxy Voting Disclosures:** With respect to company proxies voted in accordance with the Goldman Sachs Asset Management Voting Policy, Goldman Sachs Asset Management discloses voting results on its website on a quarterly basis.

**Client Specific Reporting:** Goldman Sachs Asset Management can provide clients with portfolio-specific proxy voting and engagement reporting on a quarterly, semi-annual or annual basis, upon request.

### **ALTERNATIVES**

Our clients receive regular updates on fund activity and performance through quarterly and annual reports specific to the funds in which they are invested and one-on-one update meetings, as appropriate. GS Alternatives is also often asked to complete investor due diligence questionnaires and periodic monitoring questionnaires regarding our overall approach to sustainability and stewardship.

For certain investment strategies, we also provide ESG specific reporting to our clients. For example, for our environmental and climate strategies, we publish an annual sustainability report for investors which includes impact key performance indicators (“KPIs”) for each portfolio company.

## Principle 7. Take a collaborative approach in exercising stewardship responsibilities where appropriate.

Responsible investors collaborate, where appropriate, to influence investee companies and issuers.

### PUBLIC MARKETS

#### How we have worked with others

We continue to work alongside other stakeholders to play our part in the wider industry stewardship landscape. For example, we have been a member of the Sustainability Accounting Standards Board (“SASB”) Investor Advisory Group since 2018 and continue to support its work as part of the International Sustainability Standards Board (“ISSB”). A key part of our investment-led approach to issuer engagements is, when appropriate, to share our perspectives on the use of the ISSB and SASB standards, as well as the Task Force on Climate-related Financial Disclosures (TCFD) frameworks. In addition, we review our memberships and participation on a regular basis to ensure our participation in industry leadership forums helps us serve our clients and their investments.

We also play a part in industry-wide initiatives that seek to promote continued improvement of the functioning of the financial markets, including improvements to disclosure frameworks, promotion of effective corporate governance and investor stewardship.

Leveraging resources and knowledge across Goldman Sachs helps make the Global Stewardship Team a thought leader for our clients. The team represents Goldman Sachs Asset Management at various conferences and industry forums and supports strategic industry initiatives.

Goldman Sachs Asset Management joins and participates in various external organisations to promote best practices in stewardship. Throughout 2024, Goldman Sachs Asset Management was a member or signatory to over 30 different organisations focused on areas of sustainability aligned with our investment-led approach to stewardship.

#### Industry Leadership<sup>8</sup>



#### Multi-stakeholder dialogue

Members of our Public and Alternative Markets investing businesses participate in numerous forums and media events each year to gain perspective on the evolving corporate governance and sustainability landscape across regions. Throughout the year, members of the Global Stewardship Team participated in numerous events organised by our external memberships.

- **30% Club Japan**

In October 2024, Global Stewardship Team members and the 30% Club Japan Investor Group, hosted the “Next Generation Leader in Finance Development Program” in Tokyo. There were around 80 attendees, using our new office

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<sup>8</sup> As of the end of 2024.

auditorium and open café networking space. This was the first joint event with Japan 30% Club, Association for Women in Finance, and the Asset Management Women's Forum.

Goldman Sachs Asset Management has been a member of the 30% Club Japan since 2020.

## **ALTERNATIVES**

**An example of how the GS Alternatives business has worked with other stakeholders to promote continued improvement of the functioning of financial markets;**

Across GS Alternatives, we partner with other alternative markets stakeholders to establish and promote market best practices, and continued improvement. For example, since 2021 we have participated in the Institutional Limited Partners Association ESG Data Convergence Initiative ("EDCI"), which convenes leading General Partners and Limited Partners in an effort to standardise ESG data collection, including climate-related data, in the private equity sector.

### **Select list of initiatives**

Goldman Sachs and Goldman Sachs Asset Management seek to build industry influence and promote best practices in ESG and stewardship through various memberships and affiliations.

- **ESG Disclosure Study Group**

We became a founding member of the EDSG in June 2020. EDSG is a Japan-based organisation focused on carrying out research related to ESG information disclosure best practices to enhance corporate value and growth as well as the sustainable development of society.