MiFID II: RTS 28 Qualitative Commentary - GSI

Equities – Shares & Depositary Receipts

1. Topic 1: an explanation of the relative importance the firm gave to the execution factors of price, costs, speed, likelihood of execution or any other consideration including qualitative factors when assessing the quality of execution:

This qualitative commentary covers the activity of the Private Wealth Management Division which is the only part of Goldman Sachs International (“GS”) which provided execution services to retail clients. For further information on the Private Wealth Management Division’s best execution arrangements please refer to the relevant summary which is available at:

http://www.goldmansachs.com/disclosures/mifid/

When assessing the relative importance given to execution factors where GS determined it had a best execution obligation in respect of an order, GS took into account the following criteria for determining the relative importance of the execution factors in the circumstances:

- the characteristics of the client including the regulatory categorisation of the client;
- the characteristics of the relevant order;
- the characteristics of financial instruments that are the subject of the relevant order; and
- the characteristics of the execution venue to which that relevant order can be directed.

Subject to any specific instructions, taking into account the criteria above, GS generally gave the highest priority to price, then likelihood of execution. The remaining execution factors - cost (including implicit cost such as impact on the market), speed, order size, nature of the order and any other consideration relevant to the efficient execution of the client’s order - were generally given equal ranking.

Note that where we employed smart order routing or algorithmic strategies, the priority execution factor is price. Price in this context was considered the result of improvements in parent order execution performance. Parent order execution performance considers a range of elements depending on execution venue including price impact, latency and likelihood of execution. The remaining execution factors – cost, speed, order size and any other consideration relevant to the efficient execution of the client’s order - were generally given due priority based on the nature of the order, i.e. depending on whether the order was passive or aggressive or any other features stipulated by the client.

GS may have prioritised one or more of the other execution factors if: (i) there was insufficient immediately available liquidity on the relevant execution venues to execute the relevant order in full; or (ii) where a client instructed GS to work a relevant order over a period of time or by reference to a benchmark calculated over a period of time (such as VWAP); or (iii) GS determined that there were other circumstances such that obtaining the best immediately available price may not have been the best possible result for the client. In these cases, GS determined the relative priority of each execution factor on an order-by-order basis, where the order is executed manually, and by order type (e.g. iceberg, VWAP), where the order is executed using an algorithm.

GS used brokers, including affiliate brokers, to access equities markets for which it did not have a direct membership itself.

2. Topic 2: a description of any close links, conflicts of interests, and common ownerships with respect to any execution venues used to execute orders;
The Private Wealth Management Division executes shares and depository receipts via the Global Markets Division, and where appropriate, other GS affiliates. The Private Wealth Management Division has determined that it can consistently achieve the best results for its clients using a single execution venue. For further details on the execution venues used by the Global Markets Division please refer to the Global Markets Division’s best execution summary which is available at: http://www.goldmansachs.com/disclosures/mifid/.

For further details on the execution venues used by the Private Wealth Management Division and its conflicts of interest policy, please refer to Private Wealth Management Division’s best execution summary which is available at: http://www.goldmansachs.com/disclosures/mifid/.

Goldman Sachs and persons connected with Goldman Sachs provide diversified financial services to a broad range of clients and counterparties and circumstances may have arisen in which Goldman Sachs may have had a conflict of interest.

GS is a member of the Goldman Sachs group of companies. The Global Markets Division of GS executed transactions in certain asset classes with or through affiliated entities.

GS has close links and/or common ownership with respect to the following entities:

SIGMA X MTF – GS is under common ownership with Goldman Sachs International Bank which operates SIGMA X MTF, a multilateral trading facility for trading in European equity and equity-like instruments. SIGMA X MTF is operated on an independent and segregated basis to other Goldman Sachs businesses. GS is itself one of several trading participants on SIGMA X MTF. For further information on SIGMA X MTF please visit the SIGMA X MTF website at http://gset.gs.com/sigmaxmtf/.

In addition, Goldman Sachs Group entities may have had (i) minor, non-controlling ownership stakes in companies which operate or own execution venues and/or; (ii) be founding consortia members of execution venues for which it has revenue share arrangements, which GS may have used to execute orders on behalf of clients in certain financial instruments, including

- BIDS Holdings L.P.
- CHX Holdings, Inc.
- Chi-X Global Holdings LLC
- SBI Japannext Co., Ltd.
- National Stock Exchange of India Limited
- Turquoise Global Holdings Limited

GS’s decision to route orders to a particular venue for execution was determined by whether execution on such venues allowed us to satisfy our best execution obligations and was not influenced by any such ownership or revenue share arrangements.

3. Topic 3: a description of any specific arrangements with any execution venues regarding payments made or received, discounts, rebates or non-monetary benefits received;

Some execution venues may have offered differing fee plans to trading members depending on the volume and nature/type of a trading activity on the venue as well as fee discounts depending on average volume of trading undertaken. Such arrangements applied equally to all trading members who satisfied the relevant criteria under the execution venues rules. Information on such arrangements is publically available on the relevant execution venues website. GS’ decision to route orders to a particular venue for execution was determined by whether execution on such venues allowed GS to satisfy its best execution obligations and was not influenced by any such fee structures or volume discounts.
4. Topic 4: an explanation of **the factors that led to a change in the list of execution venues listed** in the firm’s execution policy, if such a change occurred;

GS maintains internal procedures for the selection of Brokers, Trading Venues and other Execution Venues, both at the stage of on-boarding and throughout the relationship, in order to satisfy ourselves that those selections enabled us to obtain best execution on a consistent basis. These procedures include undertaking due diligence and regular assessments of execution quality.

In response to evolving market structure and client demand GS frequently evaluates existing and new execution venues. GS has added a variety of new execution venues during the reporting period, more specifically systematic internalisers and MTF’s offering periodic auction and conditional order type functionality, including:

**Systematic Internalisers**: Jane St, Sun, Tower, Virtu, XTX, Hudson, Citadel Europe

**MTFs** (periodic and conditional order books (as applicable)): Acquis, First North Auction on Demand, Nordic Growth Market, ITG Posit, Liquidnet

**Primary Markets**: Tadawul (Saudi Stock Exchange)

As part of our periodic evaluation of execution venues GS reviewed a variety of execution performance metrics, including addressable liquidity, fill rate, mark-outs and latency.

5. **Topic 5**: an explanation of how **order execution differs according to client categorisation**, where the firm treats categories of clients differently and where it may affect the order execution arrangements;

The Private Wealth Management Divisions provides order execution for retail and professional clients.

The starting presumption is that retail clients did legitimately rely on GS to protect their interests in relation to pricing and other elements of the transaction that may be affected by the choice made by GS in executing the relevant order (i.e. GS owes a duty of best execution to retail clients).

Subject to any specific instructions, GS generally gave the highest priority to:
- price for professional clients; and
- total consideration for retail clients.

6. Topic 6: an explanation of whether **other criteria were given precedence over immediate price and cost** when executing retail client orders and how these other criteria were instrumental in delivering the best possible result in terms of the total consideration to the client;

Subject to any specific instructions, GS generally did not give precedence over immediate price and cost when executing retail client orders.

If GS received an order from a retail client that included a specific instruction or specific instructions in relation to the handling and execution of the entire order or a particular aspect or aspects of an order (including selecting a particular execution venue, executing at a particular price or time or through the use of a particular strategy) then, subject to GS’s legal and regulatory obligations, GS executed the retail client’s order in accordance with that specific instruction. Where the specific instruction covered only a portion of an order (for example, as to the choice of execution venue), and GS had discretion over the execution of other elements of the order, then GS continued to be subject to the best execution obligation in respect of the elements of the order that were not covered by the client’s specific instruction.
7. Topic 7: an explanation of how the investment firm has used any data or tools relating to the quality of execution, including any data published under RTS 27

GS has in place post execution supervisory monitoring procedures which use market data, where available, to assess client transactions against relevant market prices and benchmarks. For products with no observable external market data other criteria are used to benchmark client transactions for monitoring purposes. This monitoring was undertaken on a manual basis in accordance with internal monitoring policies and procedures. As part of its overall best execution monitoring framework and on-going assessment of execution venues utilised, GS may also have taken account of information published under RTS 27 by those execution venues (if applicable) alongside data sources used as part of its systematic best execution monitoring arrangements.

8. Topic 8: where applicable, an explanation of how the investment firm has used output of a consolidated tape provider established under Article 65 of Directive 2014/65/EU.

Not applicable.

Debt instruments
(i) Bonds

1. Topic 1: an explanation of the relative importance the firm gave to the execution factors of price, costs, speed, likelihood of execution or any other consideration including qualitative factors when assessing the quality of execution:

This qualitative commentary covers the activity of the Private Wealth Management Division which is the only part of Goldman Sachs International (“GS”) which provided execution services to retail clients. For further information on the Private Wealth Management Division’s best execution arrangements please refer to the relevant summary which is available at: http://www.goldmansachs.com/disclosures/mifid/

When assessing the relative importance given to execution factors where GS has determined it has a best execution obligation in respect of an order, GS took into account the following criteria for determining the relative importance of the execution factors in the circumstances:

- the characteristics of the client including the regulatory categorisation of the client;
- the characteristics of the relevant order;
- the characteristics of financial instruments that are the subject of the relevant order; and
- the characteristics of the execution venue to which that relevant order can be directed.

Subject to any specific instructions, taking into account the criteria above, GS generally gave the highest priority to total consideration for retail clients.

GS prioritised one or more of the other execution factors if: (i) there was insufficient immediately available liquidity on the relevant execution venues to execute the relevant order in full; or (ii) where a client instructed us to work a relevant order over a period of time; or (iii) GS determined that there were other circumstances such that obtaining the best immediately available price may not have been the best possible result for the client. In these cases, GS determined the relative priority of each execution factor on an order-by-order basis, where the order is executed manually, and by order type.

2. Topic 2: a description of any close links, conflicts of interests, and common ownerships with respect to any execution venues used to execute orders;
The Private Wealth Management Division utilizes different execution venues to execute client orders. Private Wealth Management operates an “open architecture” model for executing all fixed income trades unless the open architecture platform did not support a certain product or an order was subject to specific instructions. Where this is the case, Private Wealth Management can trade through the Global Markets Division of Goldman Sachs. GS is a member of the Goldman Sachs group of companies.

For further details on the execution venues used by the Private Wealth Management Division and its conflicts of interest policy, please refer to Private Wealth Management Division’s best execution summary which is available at: http://www.goldmansachs.com/disclosures/mifid/

Goldman Sachs and persons connected with Goldman Sachs provide diversified financial services to a broad range of clients and counterparties and circumstances may arise in which Goldman Sachs may have a conflict of interest.

In addition, Goldman Sachs Group entities may have (i) minor, non-controlling ownership stakes in companies which operate or own execution venues and/or; (ii) be founding consortia members of execution venues for which it has revenue share arrangements, which GS used to execute orders on behalf of clients in certain financial instruments, including:

- Bloomberg
- Market Axess

GS’s decision to route orders to a particular venue for execution was determined by whether execution on such venues allowed us to satisfy our best execution obligations and was not influenced by any such ownership or revenue share arrangements.

For further details on the execution venues used by the Global Markets Division and its conflicts of interest policy, please refer to the Global Markets Division’s best execution summary which is available at: http://www.goldmansachs.com/disclosures/mifid/

3. Topic 3: a description of any specific arrangements with any execution venues regarding payments made or received, discounts, rebates or non-monetary benefits received;

Not applicable.

4. Topic 4: an explanation of the factors that led to a change in the list of execution venues listed in the firm’s execution policy, if such a change occurred;

There has been no change to the execution venues listed in GS’ execution policy for the reporting period.

5. Topic 5: an explanation of how order execution differs according to client categorisation, where the firm treats categories of clients differently and where it may affect the order execution arrangements;

The Private Wealth Management Division executes orders for retail and professional clients.

The Private Wealth Management Division generally gave the highest priority to total consideration for both retail and professional clients. Order execution arrangements differed to the extent of a client’s specific instructions.
6. Topic 6: an explanation of whether other criteria were given precedence over immediate price and cost when executing retail client orders and how these other criteria were instrumental in delivering the best possible result in terms of the total consideration to the client;

Subject to any specific instructions, GS generally did not give precedence over immediate price and cost when executing retail client orders.

If GS received an order from a retail client that included a specific instruction or specific instructions in relation to the handling and execution of the entire order or a particular aspect or aspects of an order (including selecting a particular execution venue, executing at a particular price or time or through the use of a particular strategy) then, subject to GS’s legal and regulatory obligations, GS executed the retail client’s order in accordance with that specific instruction. Where the specific instruction covered only a portion of an order (for example, as to the choice of execution venue), and GS had discretion over the execution of other elements of the order, then GS continued to be subject to the best execution obligation in respect of the elements of the order that were not covered by the client’s specific instruction.

7. Topic 7: an explanation of how the investment firm has used any data or tools relating to the quality of execution, including any data published under RTS 27

GS has in place post execution supervisory monitoring procedures which use market data, where available, to assess client transactions against relevant market prices and benchmarks. For products with no observable external market data other criteria were used to benchmark client transactions for monitoring purposes. This monitoring was undertaken on a manual basis in accordance with internal monitoring policies and procedures. As part of its overall best execution monitoring framework and on-going assessment of execution venues utilised, GS may also have taken account of information published under RTS 27 by those execution venues (if applicable) alongside data sources used as part of its systematic best execution monitoring arrangements.

8. Topic 8: where applicable, an explanation of how the investment firm has used output of a consolidated tape provider established under Article 65 of Directive 2014/65/EU.

Not applicable.

Bonds
(ii) Money Market instruments

1. Topic 1: an explanation of the relative importance the firm gave to the execution factors of price, costs, speed, likelihood of execution or any other consideration including qualitative factors when assessing the quality of execution:

This qualitative commentary covers the activity of the Private Wealth Management Division which is the only part of Goldman Sachs International (“GS”) which provided execution services to retail clients. For further information on the Private Wealth Management Division’s best execution arrangements please refer to the relevant summary which is available at: http://www.goldmansachs.com/disclosures/mifid/

When assessing the relative importance given to execution factors where GS determined it had a best execution obligation in respect of an order, GS took into account the following criteria for determining the relative importance of the execution factors in the circumstances:
• the characteristics of the client including the regulatory categorisation of the client;
• the characteristics of the relevant order;
• the characteristics of financial instruments that are the subject of the relevant order; and
• the characteristics of the execution venue to which that relevant order can be directed.

Subject to any specific instructions, taking into account the criteria above, GS generally gave the highest priority to total consideration for retail clients.

GS prioritised one or more of the other execution factors if: (i) there was insufficient immediately available liquidity on the relevant execution venues to execute the relevant order in full; or (ii) where a client instructed us to work a relevant order over a period of time; or (iii) GS determined that there are other circumstances such that obtaining the best immediately available price may not have been the best possible result for the client. In these cases, GS determined the relative priority of each execution factor on an order-by-order basis, where the order was executed manually.

2. Topic 2: a description of any close links, conflicts of interests, and common ownerships with respect to any execution venues used to execute orders;

The Private Wealth Management Division utilized different execution venues to execute client orders as it operates an “open architecture” model for executing all fixed income trades unless the open architecture platform does not support a certain product or an order is subject to specific instructions. Where this is the case, the Private Wealth Management Division can trade through the GS Global Markets Division. GS is a member of the Goldman Sachs group of companies.

For further details on the execution venues used by the Private Wealth Management Division and its conflicts of interest policy, please refer to Private Wealth Management Division’s best execution summary which is available at: http://www.goldmansachs.com/disclosures/mifid/

Goldman Sachs and persons connected with Goldman Sachs provide diversified financial services to a broad range of clients and counterparties and circumstances may have arisen in which Goldman Sachs may have had a conflict of interest.

In addition, Goldman Sachs Group entities may have (i) minor, non-controlling ownership stakes in companies which operate or own execution venues and/or; (ii) be founding consortia members of execution venues for which it has revenue share arrangements, which GS may use to execute orders on behalf of clients in certain financial instruments, including:

• Bloomberg
• Market Axess

GS’s decision to route orders to a particular venue for execution is determined by whether execution on such venues allowed us to satisfy our best execution obligations and was not influenced by any such ownership or revenue share arrangements.

For further details on the execution venues used by the Global Markets Division and its conflicts of interest policy, please refer to the Global Markets Division’s best execution summary which is available at: http://www.goldmansachs.com/disclosures/mifid/

3. Topic 3: a description of any specific arrangements with any execution venues regarding payments made or received, discounts, rebates or non-monetary benefits received;

Not applicable.
4. Topic 4: an explanation of the factors that led to a change in the list of execution venues listed in the firm’s execution policy, if such a change occurred;

There has been no change to the execution venues listed in GS’ execution policy for the reporting period.

5. Topic 5: an explanation of how order execution differs according to client categorisation, where the firm treats categories of clients differently and where it may affect the order execution arrangements;

The Private Wealth Management Division executes orders for retail and professional clients.

The Private Wealth Management Division generally gave the highest priority to total consideration for both retail and professional clients. Order execution arrangements differed to the extent of a client’s specific instructions.

6. Topic 6: an explanation of whether other criteria were given precedence over immediate price and cost when executing retail client orders and how these other criteria were instrumental in delivering the best possible result in terms of the total consideration to the client;

Subject to any specific instructions, GS generally did not give precedence to other criteria over immediate price and cost when executing retail client orders.

If GS received an order from a retail client that included a specific instruction or specific instructions in relation to the handling and execution of the entire order or a particular aspect or aspects of an order (including selecting a particular execution venue, executing at a particular price or time or through the use of a particular strategy) then, subject to GS’s legal and regulatory obligations, GS executed the retail client’s order in accordance with that specific instruction. Where the specific instruction covered only a portion of an order (for example, as to the choice of execution venue), and GS had discretion over the execution of other elements of the order, then GS continued to be subject to the best execution obligation in respect of the elements of the order that were not covered by the client’s specific instruction.

7. Topic 7: an explanation of how the investment firm has used any data or tools relating to the quality of execution, including any data published under RTS 27

GS has in place post execution supervisory monitoring procedures which use market data, where available, to assess client transactions against relevant market prices and benchmarks. For products with no observable external market data other criteria were used to benchmark client transactions for monitoring purposes. This monitoring is undertaken on a manual basis in accordance with internal monitoring policies and procedures. As part of its overall best execution monitoring framework and on-going assessment of execution venues utilised, GS may also have taken account of information published under RTS 27 by those execution venues (if applicable) alongside data sources used as part of its systematic best execution monitoring arrangements.

8. Topic 8: where applicable, an explanation of how the investment firm has used output of a consolidated tape provider established under Article 65 of Directive 2014/65/EU.

Not applicable.

Interest Rate Derivatives
(i) Futures and options admitted to trading on a trading venue

GS did not trade these financial instruments with retail clients.

Interest Rate Derivatives
(ii) Swaps, forwards, and other interest rates derivatives

GS did not trade these financial instruments with retail clients.

Credit Derivatives
(i) Futures and options admitted to trading on a trading venue

GS did not trade these financial instruments with retail clients.

Credit Derivatives
(ii) Other credit derivatives

GS did not trade these financial instruments with retail clients.

Currency Derivatives
(i) Futures and options admitted to trading on a trading venue

GS did not trade these financial instruments with retail clients.

Currency Derivatives
(ii) Swaps, forwards, and other currency derivatives

1. Topic 1: an explanation of the relative importance the firm gave to the execution factors of price, costs, speed, likelihood of execution or any other consideration including qualitative factors when assessing the quality of execution:

This qualitative commentary covers the activity of the Private Wealth Management Division which is the only part of Goldman Sachs International ("GS") which provided execution services to retail clients. For further information on the Private Wealth Management Division’s best execution arrangements please refer to the relevant summary which is available at: http://www.goldmansachs.com/disclosures/mifid/

These instruments are often traded on a request for quote basis, including where clients approach us for a quote and the client ultimately decides whether to proceed with the transaction based upon the price provided by us and those of other liquidity providers from whom it has sourced quotes. In these circumstances we would not expect clients to be legitimately relying on us to provide best execution and therefore our best execution obligations for these instruments are likely to apply in more limited circumstances.

To the extent we determined we did owe best execution and, subject to any specific instructions, taking into account the criteria above, GS generally gave the highest priority to total consideration for retail clients. Other execution factors, to the extent relevant, were generally given equal ranking.

2. Topic 2: a description of any close links, conflicts of interests, and common ownerships with respect to any execution venues used to execute orders;
Not applicable, as GS is the only execution venue for this class of financial instrument.

3. Topic 3: a description of any specific arrangements with any execution venues regarding payments made or received, discounts, rebates or non-monetary benefits received;

Not applicable, as GS is the only execution venue for this class of financial instrument.

4. Topic 4: an explanation of the factors that led to a change in the list of execution venues listed in the firm’s execution policy, if such a change occurred;

There has been no change to the execution venues listed in Private Wealth Management Division’s execution policy for the reporting period.

5. Topic 5: an explanation of how order execution differs according to client categorisation, where the firm treats categories of clients differently and where it may affect the order execution arrangements;

The Private Wealth Management Division provides order execution for retail and professional clients.

The starting presumption is that retail clients do legitimately rely on GS to protect their interests in relation to pricing and other elements of the transaction that may be affected by the choice made by GS in executing the relevant order (i.e. GS owes a duty of best execution to retail clients).

To the extent we determined we do owe best execution and subject to any specific instructions, GS generally gave the highest priority to:
- price for professional clients; and
- total consideration for retail clients.

Other execution factors, to the extent relevant, are generally given equal ranking.

6. Topic 6: an explanation of whether other criteria were given precedence over immediate price and cost when executing retail client orders and how these other criteria were instrumental in delivering the best possible result in terms of the total consideration to the client;

Subject to any specific instructions, GS generally did not give precedence over immediate price and cost when executing retail client order.

If GS received an order from a retail client that included a specific instruction or specific instructions in relation to the handling and execution of the entire order or a particular aspect or aspects of an order (including selecting a particular execution venue, executing at a particular price or time or through the use of a particular strategy) then, subject to GS’s legal and regulatory obligations, GS executed the retail client’s order in accordance with that specific instruction. Where the specific instruction covered only a portion of an order (for example, as to the choice of execution venue), and GS had discretion over the execution of other elements of the order, then GS continued to be subject to the best execution obligation in respect of the elements of the order that were not covered by the client’s specific instruction.

7. Topic 7: an explanation of how the investment firm has used any data or tools relating to the quality of execution, including any data published under RTS 27

GS has in place post execution supervisory monitoring procedures which use market data, where available, to assess client transactions against relevant market prices and benchmarks. For products
with no observable external market data other criteria are used to benchmark client transactions for monitoring purposes. This monitoring was undertaken on a manual basis in accordance with internal monitoring policies and procedures. As part of its overall best execution monitoring framework and on-going assessment of execution venues utilised, GS may also have taken account of information published under RTS 27 by those execution venues (if applicable) alongside data sources used as part of its systematic best execution monitoring arrangements.

8. Topic 8: where applicable, an explanation of how the investment firm has used output of a consolidated tape provider established under Article 65 of Directive 2014/65/EU.

Not applicable

**Structured Finance Instruments**

GS did not trade these financial instruments with retail clients.

**Equity Derivatives**

(i) Options and Futures admitted to trading on a trading venue

1. Topic 1: an explanation of the relative importance the firm gave to the execution factors of **price**, **costs**, **speed**, **likelihood of execution** or any other consideration including qualitative factors when assessing the quality of execution:

   This qualitative commentary covers the activity of the Private Wealth Management Division which is the only part of Goldman Sachs International ("GS") providing execution services to retail clients. For further information on the Private Wealth Management Division’s best execution arrangements please refer to the relevant summary which is available at: [http://www.goldmansachs.com/disclosures/mifid/](http://www.goldmansachs.com/disclosures/mifid/)

   These instruments are typically traded only on the execution venue of their listing and therefore client orders in the instrument will determine the execution venue. Application of best execution is therefore limited to liquidity available on the relevant execution venue for the instrument.

   When assessing the relative importance given to execution factors where GS determined it had a best execution obligation in respect of an order, GS took into account the following criteria for determining the relative importance of the execution factors in the circumstances:

   - the characteristics of the client including the regulatory categorisation of the client;
   - the characteristics of the relevant order;
   - the characteristics of financial instruments that are the subject of the relevant order; and
   - the characteristics of the execution venue to which that relevant order can be directed.

   Subject to any specific instructions, taking into account the criteria above, GS generally gave the highest priority to total consideration for retail clients. The remaining factors, to the extent applicable, were generally given equal ranking.

2. Topic 2: a description of any close links, conflicts of interests, and common ownerships with respect to any execution venues used to execute orders;

   The Private Wealth Management Division executes exchange traded options either:
   - via the Global Markets Division of Goldman Sachs International and other GS affiliates; or
in respect of listed options transactions under the terms of the discretionary managed options advisory service, via the Global Markets Divisions of Goldman Sachs International or via an “open architecture” model for executing such trades which utilizes different execution venues.

Goldman Sachs and persons connected with Goldman Sachs provide diversified financial services to a broad range of clients and counterparties and circumstances may arise in which Goldman Sachs may have a conflict of interest.

3. Topic 3: a description of any specific arrangements with any execution venues regarding payments made or received, discounts, rebates or non-monetary benefits received;

Some execution venues may offer differing fee plans to trading members depending on the volume and nature/type of a trading activity on the venue as well as fee discounts depending on average volume of trading undertaken. Such arrangements apply equally to all trading members who satisfy the relevant criteria under the execution venues rules. Information on such arrangements is publicly available on the relevant execution venues website. Our decision to route orders to a particular venue for execution for this asset class was typically driven by the listing of the product the client wished to trade, and was not influenced by any such fee structures or volume discounts.

4. Topic 4: an explanation of the factors that led to a change in the list of execution venues listed in the firm’s execution policy, if such a change occurred;

There has been no change to the execution venues listed in GS’ execution policy for the reporting period.

5. Topic 5: an explanation of how order execution differs according to client categorisation, where the firm treats categories of clients differently and where it may affect the order execution arrangements;

The Private Wealth Management Divisions provided order execution for retail and professional clients.

A client’s regulatory categorisation is an important factor both in the assessment of whether the client is relying on GS to deliver best execution and in providing best execution. The starting presumption is that retail clients did legitimately rely on GS to protect their interests in relation to pricing and other elements of the transaction that may be affected by the choice made by GS in executing the relevant order (i.e. GS owes a duty of best execution to retail clients). Generally, we would not expect professional clients to be legitimately relying on us to provide best execution, particularly given the market practice for clients to shop around for quotes, and therefore our best execution obligations for these instruments are likely to apply.

Subject to any specific instructions, GS will generally give the highest priority to:

- price for professional clients; and
- total consideration for retail clients.

6. Topic 6: an explanation of whether other criteria were given precedence over immediate price and cost when executing retail client orders and how these other criteria were instrumental in delivering the best possible result in terms of the total consideration to the client;

Subject to any specific instructions, GS generally did not give precedence over immediate price and cost when executing retail client order.
If GS receives an order from a retail client that includes a specific instruction or specific instructions in relation to the handling and execution of the entire order or a particular aspect or aspects of an order (including selecting a particular execution venue, executing at a particular price or time or through the use of a particular strategy) then, subject to GS’s legal and regulatory obligations, GS executed the retail client’s order in accordance with that specific instruction. Where the specific instruction covers only a portion of an order (for example, as to the choice of execution venue), and GS had discretion over the execution of other elements of the order, then GS continued to be subject to the best execution obligation in respect of the elements of the order that were not covered by the client’s specific instruction.

7. Topic 7: an explanation of how the investment firm has used any data or tools relating to the quality of execution, including any data published under RTS 27

GS has in place post execution supervisory monitoring procedures which use market data, where it is available, to assess client transactions against relevant market prices and benchmarks. For products with no observable external market data other criteria are used to benchmark client transactions for monitoring purposes. This monitoring was undertaken on a manual basis in accordance with internal monitoring policies and procedures. As part of its overall best execution monitoring framework and on-going assessment of execution venues utilised, GS may also have taken account of information published under RTS 27 by those execution venues (if applicable) alongside data sources used as part of its systematic best execution monitoring arrangements.

8. Topic 8: where applicable, an explanation of how the investment firm has used output of a consolidated tape provider established under Article 65 of Directive 2014/65/EU.

Not applicable.

Equity Derivatives
(ii) Swaps and other equity derivatives

1. Topic 1: an explanation of the relative importance the firm gave to the execution factors of price, costs, speed, likelihood of execution or any other consideration including qualitative factors when assessing the quality of execution:

This qualitative commentary covers the activity of the Private Wealth Management Division which is the only part of Goldman Sachs International ("GS") providing execution services to retail clients. For further information on the Private Wealth Management Division’s best execution arrangements please refer to the relevant summary which is available at:
http://www.goldmansachs.com/disclosures/mifid/

These instruments are often traded on a request for quote basis, including where clients approach us for a quote and the client ultimately decides whether to proceed with the transaction based upon the price provided by us and those of other liquidity providers from whom it has sourced quotes. In these circumstances we would not expect clients to be legitimately relying on us to provide best execution and therefore our best execution obligations for these instruments are likely to apply in more limited circumstances.

To the extent we determined we did owe best execution and, subject to any specific instructions, taking into account the criteria above, GS generally gave the highest priority to total consideration for retail clients. Other execution factors, to the extent relevant, are generally given equal ranking.
2. Topic 2: a description of any close links, conflicts of interests, and common ownerships with respect to any execution venues used to execute orders;

Not applicable, as GS is the only execution venue for this class of financial instrument.

3. Topic 3: a description of any specific arrangements with any execution venues regarding payments made or received, discounts, rebates or non-monetary benefits received;

Not applicable, as GS is the only execution venue for this class of financial instrument.

4. Topic 4: an explanation of the factors that led to a change in the list of execution venues listed in the firm’s execution policy, if such a change occurred;

There has been no change to the execution venues listed in GS’ execution policy for the reporting period.

5. Topic 5: an explanation of how order execution differs according to client categorisation, where the firm treats categories of clients differently and where it may affect the order execution arrangements;

The Private Wealth Management Divisions provided order execution for retail and professional clients.

A client’s regulatory categorisation is an important factor both in the assessment of whether the client is relying on GS to deliver best execution and in providing best execution. The starting presumption is that retail clients did legitimately rely on GS to protect their interests in relation to pricing and other elements of the transaction that may be affected by the choice made by GS in executing the relevant order (i.e. GS owes a duty of best execution to retail clients). Generally, we would not expect professional clients to be legitimately relying on us to provide best execution, particularly given the market practice for clients to shop around for quotes, and therefore our best execution obligations for these instruments are likely to apply.

To the extent we determine we do owe best execution and subject to any specific instructions, GS will generally give the highest priority to:

- price for professional clients; and
- total consideration for retail clients.

Other execution factors, to the extent relevant, are generally given equal ranking.

6. Topic 6: an explanation of whether other criteria were given precedence over immediate price and cost when executing retail client orders and how these other criteria were instrumental in delivering the best possible result in terms of the total consideration to the client;

Subject to any specific instructions, GS did not generally give precedence to other criteria over immediate price and cost when executing retail client orders.

If GS received an order from a retail client that included a specific instruction or specific instructions in relation to the handling and execution of the entire order or a particular aspect or aspects of an order (including selecting a particular execution venue, executing at a particular price or time or through the use of a particular strategy) then, subject to GS’s legal and regulatory obligations, GS executed the retail client’s order in accordance with that specific instruction. Where the specific instruction covered only a portion of an order (for example, as to the choice of execution venue), and GS had discretion over the execution of other elements of the order, then GS continued to be subject
to the best execution obligation in respect of the elements of the order that were not covered by the client’s specific instruction.

7. Topic 7: an explanation of how the investment firm has used any data or tools relating to the quality of execution, including any data published under RTS 27

GS has in place post execution supervisory monitoring procedures which use market data, where available, to assess client transactions against relevant market prices and benchmarks. For products with no observable external market data other criteria are used to benchmark client transactions for monitoring purposes. This monitoring was undertaken on a manual basis in accordance with internal monitoring policies and procedures. As part of its overall best execution monitoring framework and on-going assessment of execution venues utilised, GS may also have taken account of information published under RTS 27 by those execution venues (if applicable) alongside data sources used as part of its systematic best execution monitoring arrangements.

8. Topic 8: where applicable, an explanation of how the investment firm has used output of a consolidated tape provider established under Article 65 of Directive 2014/65/EU.

Not applicable.

Securitized Derivatives
(i) Warrants and Certificate Derivatives

1. Topic 1: an explanation of the relative importance the firm gave to the execution factors of price, costs, speed, likelihood of execution or any other consideration including qualitative factors when assessing the quality of execution:

This qualitative commentary covers the activity of the Private Wealth Management Division which is the only part of Goldman Sachs International (“GS”) providing execution services to retail clients. For further information on the Private Wealth Management Division’s best execution arrangements please refer to the relevant summary which is available at: http://www.goldmansachs.com/disclosures/mifid/

These instruments are typically traded only on the execution venue of their listing and therefore client orders in the instrument will determine the execution venue. Application of best execution is therefore limited to liquidity available on the relevant execution venue for the instrument.

When assessing the relative importance given to execution factors where GS determined it had a best execution obligation in respect of an order, GS took into account the following criteria for determining the relative importance of the execution factors in the circumstances:

- the characteristics of the client including the regulatory categorisation of the client;
- the characteristics of the relevant order;
- the characteristics of financial instruments that are the subject of the relevant order; and
- the characteristics of the execution venue to which that relevant order can be directed.

Subject to any specific instructions, taking into account the criteria above, GS generally gave the highest priority to total consideration for retail clients.

2. Topic 2: a description of any close links, conflicts of interests, and common ownerships with respect to any execution venues used to execute orders;
The Private Wealth Management Division utilizes different execution venues to execute client orders. The Private Wealth Management Division operates an “open architecture” model for executing all securitized derivative trades unless the open architecture platform did not support a certain product or an order is subject to specific instructions. Where this is the case, the Private Wealth Management Division traded through the GS Global Markets Division. GS is a member of the Goldman Sachs group of companies.

For further details on the execution venues used by the Private Wealth Management Division and its conflicts of interest policy, please refer to Private Wealth Management Division’s best execution summary which is available at: http://www.goldmansachs.com/disclosures/mifid/

3. Topic 3: a description of any specific arrangements with any execution venues regarding payments made or received, discounts, rebates or non-monetary benefits received;

Not applicable.

4. Topic 4: an explanation of the factors that led to a change in the list of execution venues listed in the firm’s execution policy, if such a change occurred;

We have revised our execution venue list for this asset class to include an additional issuer on our open architecture platform providing further issuer credit diversification and optionality for our clients.

5. Topic 5: an explanation of how order execution differs according to client categorisation, where the firm treats categories of clients differently and where it may affect the order execution arrangements;

The Private Wealth Management Divisions provides order execution for retail and professional clients.

A client’s regulatory categorisation is an important factor both in the assessment of whether the client is relying on GS to deliver best execution and in providing best execution. The starting presumption is that retail clients did legitimately rely on GS to protect their interests in relation to pricing and other elements of the transaction that may be affected by the choice made by GS in executing the relevant order (i.e. GS owes a duty of best execution to retail clients). Generally, we would not expect professional clients to be legitimately relying on us to provide best execution, particularly given the market practice for clients to shop around for quotes, and therefore our best execution obligations for these instruments are likely to apply.

Subject to any specific instructions and issuer concentration limits, GS will generally give the highest priority to:
- price for professional clients. The remaining execution factors, to the extent applicable, are generally given equal ranking; and
- total consideration for retail clients.

6. Topic 6: an explanation of whether other criteria were given precedence over immediate price and cost when executing retail client orders and how these other criteria were instrumental in delivering the best possible result in terms of the total consideration to the client;

GS did not generally give precedence over immediate price and cost when executing retail client orders. However, credit diversification of a retail client’s portfolio; comparison of issuer credit ratings and likelihood of execution were taken into account in certain client specific situations for retail clients.
These factors delivered the best possible result in terms of total consideration to the retail client within the risk framework agreed with the retail client as applicable to the client’s portfolio.

7. Topic 7: an explanation of how the investment firm has used any data or tools relating to the quality of execution, including any data published under RTS 27

GS has in place post execution supervisory monitoring procedures which use market data, where available, to assess client transactions against relevant market prices and benchmarks. For products with no observable external market data other criteria are used to benchmark client transactions for monitoring purposes. This monitoring was undertaken on a manual basis in accordance with internal monitoring policies and procedures. As part of its overall best execution monitoring framework and on-going assessment of execution venues utilised, GS may also have taken account of information published under RTS 27 by those execution venues (if applicable) alongside data sources used as part of its systematic best execution monitoring arrangements.

8. Topic 8: where applicable, an explanation of how the investment firm has used output of a consolidated tape provider established under Article 65 of Directive 2014/65/EU.

N/A

Securitized Derivatives

(ii) Other Securitized Derivatives

1. Topic 1: an explanation of the relative importance the firm gave to the execution factors of price, costs, speed, likelihood of execution or any other consideration including qualitative factors when assessing the quality of execution:

This qualitative commentary covers the activity of the Private Wealth Management Division which is the only part of Goldman Sachs International (“GS”) providing execution services to retail clients. For further information on the Private Wealth Management Division’s best execution arrangements please refer to the relevant summary which is available at: http://www.goldmansachs.com/disclosures/mifid/

These instruments are typically traded only on the execution venue of their listing and therefore client orders in the instrument will determine the execution venue. Application of best execution is therefore limited to liquidity available on the relevant execution venue for the instrument.

When assessing the relative importance given to execution factors where GS determined it had a best execution obligation in respect of an order, GS took into account the following criteria for determining the relative importance of the execution factors in the circumstances:

- the characteristics of the client including the regulatory categorisation of the client;
- the characteristics of the relevant order;
- the characteristics of financial instruments that are the subject of the relevant order; and
- the characteristics of the execution venue to which that relevant order can be directed.

Subject to any specific instructions, taking into account the criteria above, GS generally gave the highest priority to total consideration for retail clients.

2. Topic 2: a description of any close links, conflicts of interests, and common ownerships with respect to any execution venues used to execute orders;
The Private Wealth Management Division utilizes different execution venues to execute client orders. The Private Wealth Management Division operates an “open architecture” model for executing all fixed income trades unless the open architecture platform does not support a certain product or an order is subject to specific instructions. Where this is the case, the Private Wealth Management Division can trade through the Goldman Sachs Global Markets Division. GS is a member of the Goldman Sachs group of companies.

For further details on the execution venues used by the Private Wealth Management Division and its conflicts of interest policy, please refer to Private Wealth Management Division’s best execution summary which is available at: http://www.goldmansachs.com/disclosures/mifid/

3. Topic 3: a description of any **specific arrangements** with any **execution venues regarding payments made or received, discounts, rebates or non-monetary benefits received**;

Not applicable.

4. Topic 4: an explanation of the **factors that led to a change in the list of execution venues listed** in the firm’s execution policy, if such a change occurred;

We have revised our execution venue list for this asset class to include an additional issuer on our open architecture platform providing further issuer credit diversification and optionality for our clients.

5. Topic 5: an explanation of how **order execution differs according to client categorisation**, where the firm treats categories of clients differently and where it may affect the order execution arrangements;

The Private Wealth Management Divisions provides order execution for retail and professional clients.

A client’s regulatory categorisation is an important factor both in the assessment of whether the client is relying on GS to deliver best execution and in providing best execution. The starting presumption is that retail clients did legitimately rely on GS to protect their interests in relation to pricing and other elements of the transaction that may be affected by the choice made by GS in executing the relevant order (i.e. GS owes a duty of best execution to retail clients). Generally, we would not expect professional clients to be legitimately relying on us to provide best execution, particularly given the market practice for clients to shop around for quotes, and therefore our best execution obligations for these instruments are likely to apply.

Subject to any specific instructions and issuer concentration limits, GS generally gave the highest priority to:
- price for professional clients. The remaining execution factors, to the extent applicable, are generally given equal ranking; and
- total consideration for retail clients.

6. Topic 6: an explanation of whether **other criteria were given precedence over immediate price and cost** when executing retail client orders and how these other criteria were instrumental in delivering the best possible result in terms of the total consideration to the client;
GS did not generally give precedence over immediate price and cost when executing retail client orders. However, credit diversification of a retail client’s portfolio; comparison of issuer credit ratings and likelihood of execution were taken into account in certain client specific situations for retail clients.

These factors delivered the best possible result in terms of total consideration to the retail client within the risk framework agreed with the retail client as applicable to the client’s portfolio.

7. **Topic 7:** an explanation of how the investment firm has used any data or tools relating to the quality of execution, including any data published under RTS 27

GS has in place post execution supervisory monitoring procedures which use market data, where available, to assess client transactions against relevant market prices and benchmarks. For products with no observable external market data other criteria are used to benchmark client transactions for monitoring purposes. This monitoring was undertaken on a manual basis in accordance with internal monitoring policies and procedures. As part of its overall best execution monitoring framework and on-going assessment of execution venues utilised, GS may also take account of information published under RTS 27 by those execution venues (if applicable) alongside data sources used as part of its systematic best execution monitoring arrangements.

8. **Topic 8:** where applicable, an explanation of how the investment firm has used output of a consolidated tape provider established under Article 65 of Directive 2014/65/EU.

Not applicable.

**Commodities derivatives and emission allowances Derivatives**

(i) **Options and Futures admitted to trading on a trading venue**

GS did not trade these financial instruments with retail clients.

(ii) **Other commodities derivatives and emission allowances derivatives**

GS did not trade these financial instruments with retail clients.

**Contracts for Difference**

GS did not trade these financial instruments with retail clients.

**Exchange traded products (Exchange traded funds, exchange traded notes and exchange traded commodities)**

1. **Topic 1:** an explanation of the relative importance the firm gave to the execution factors of price, costs, speed, likelihood of execution or any other consideration including qualitative factors when assessing the quality of execution:

This qualitative commentary covers the activity of the Private Wealth Management Division which is the only part of Goldman Sachs International ("GS") providing execution services to retail clients. For further information on the Private Wealth Management Division’s best execution arrangements...
please refer to the relevant summary which is available at:
http://www.goldmansachs.com/disclosures/mifid/

These instruments are typically traded only on the execution venue of their listing and therefore client orders in the instrument will determine the execution venue. Application of best execution is therefore limited to liquidity available on the relevant execution venue for the instrument.

When assessing the relative importance given to execution factors where GS determined it has a best execution obligation in respect of an order, GS took into account the following criteria for determining the relative importance of the execution factors in the circumstances:

- the characteristics of the client including the regulatory categorisation of the client;
- the characteristics of the relevant order;
- the characteristics of financial instruments that are the subject of the relevant order; and
- the characteristics of the execution venue to which that relevant order can be directed.

Subject to any specific instructions, taking into account the criteria above, GS generally gave the highest priority to total consideration for retail clients. The remaining factors, to the extent applicable, were generally given equal ranking.

Notwithstanding the above, we prioritised one or more of the other execution factors if: (i) there was insufficient immediately available liquidity on the relevant execution venue to execute the relevant order in full; or (ii) where a client instructed us to work a relevant order over a period of time or by reference to a benchmark calculated over a period of time (such as VWAP); or (iii) we determined that there are other circumstances such that obtaining the best immediately available price may not have been the best possible result for the client. In these cases, we determined the relative priority of each execution factor on an order-by-order basis, where the order is executed manually, and by order type (e.g. iceberg, VWAP), where the order was executed using an algorithm.

We have a degree of discretion in how to apply the different execution factors and this may have resulted in a range of different permissible approaches to executing client orders.

2. Topic 2: a description of any close links, conflicts of interests, and common ownerships with respect to any execution venues used to execute orders;

The Private Wealth Management Division executes shares and depository receipts via the Goldman Sachs Global Markets Division, and where appropriate, other GS affiliates. The Private Wealth Management Division has determined that it can consistently achieve the best results for its clients using a single execution venue. For further details on the execution venues used by the Global Markets Division please refer to the Global Markets Division’s best execution and conflicts of interest policy summary which is available at: http://www.goldmansachs.com/disclosures/mifid/.

For further details on the execution venues used by the Private Wealth Management Division and its conflicts of interest policy, please refer to Private Wealth Management Division’s best execution summary which is available at: http://www.goldmansachs.com/disclosures/mifid/.

Goldman Sachs and persons connected with Goldman Sachs provide diversified financial services to a broad range of clients and counterparties and circumstances may have arisen in which Goldman Sachs may have had a conflict of interest.

GS is a member of the Goldman Sachs group of companies. The Global Markets Division of GS may execute transactions in certain asset classes with or through affiliated entities.

GS has close links and/or common ownership with respect to the following entities:
SIGMA X MTF – GS is under common ownership with Goldman Sachs International Bank which operates SIGMA X MTF, a multilateral trading facility for trading in European equity and equity-like instruments. SIGMA X MTF is operated on an independent and segregated basis to other Goldman Sachs businesses. GS is itself one of several trading participants on SIGMA X MTF. For further information on SIGMA X MTF please visit the SIGMA X MTF website at http://gset.gs.com/sigmaxmtf/

In addition, Goldman Sachs Group entities may have (i) minor, non-controlling ownership stakes in companies which operate or own execution venues and/or; (ii) be founding consortia members of execution venues for which it has revenue share arrangements, which GS may use to execute orders on behalf of clients in certain financial instruments, including:

- BIDS Holdings L.P.
- BOX Holdings Group, LLC
- CHX Holdings, Inc.
- Chi-X Global Holdings LLC
- DME Holdings Limited
- SBI Japannext Co., Ltd.
- LME Holdings Limited
- Nasdaq NFX
- National Commodities & Derivatives Exchange Ltd.
- National Stock Exchange of India Limited
- New York Shipping Exchange (NYSHEX)
- Turquoise Global Holdings Limited
- Tradeweb LLC
- TradX

Our decision to route orders to a particular venue for execution was determined by whether execution on such venues allowed us to satisfy our best execution obligations and was not influenced by any such ownership or revenue share arrangements.

3. Topic 3: a description of any specific arrangements with any execution venues regarding payments made or received, discounts, rebates or non-monetary benefits received;

Some execution venues may offer differing fee plans to trading members depending on the volume and nature/type of a trading activity on the venue as well as fee discounts depending on average volume of trading undertaken. Such arrangements apply equally to all trading members who satisfy the relevant criteria under the execution venues rules. Information on such arrangements is publicly available on the relevant execution venues website. Our decision to route orders to a particular venue for execution was determined by whether execution on such venues allowed us to satisfy our best execution obligations and was not influenced by any such fee structures or volume discounts.

4. Topic 4: an explanation of the factors that led to a change in the list of execution venues listed in the firm’s execution policy, if such a change occurred;

GS maintains internal procedures for the selection of Brokers, Trading Venues and other execution venues, both at the stage of on-boarding and throughout the relationship, in order to satisfy ourselves that those selections enable us to obtain best execution on a consistent basis. These procedures include undertaking due diligence and regular assessments of execution quality.

In response to evolving market structure and client demand GS frequently evaluates existing and new execution venues. As result of the latest market structure changes GS has added a variety of new execution venues, more specifically systematic internalisers and periodic auctions. As part of our
regular evaluation of execution venues GS reviews a variety of execution performance metrics, including addressable liquidity, fill rate, mark-outs and latency.

5. Topic 5: an explanation of how order execution differs according to client categorisation, where the firm treats categories of clients differently and where it may affect the order execution arrangements;

The Private Wealth Management Divisions provides order execution for retail and professional clients.

The starting presumption is that retail clients did legitimately rely on GS to protect their interests in relation to pricing and other elements of the transaction that may be affected by the choice made by GS in executing the relevant order (i.e. GS owes a duty of best execution to retail clients).

Subject to any specific instructions and issuer concentration limits, GS will generally give the highest priority to:

- price for professional clients. The remaining execution factors, to the extent applicable, are generally given equal ranking; and
- total consideration for retail clients.

6. Topic 6: an explanation of whether other criteria were given precedence over immediate price and cost when executing retail client orders and how these other criteria were instrumental in delivering the best possible result in terms of the total consideration to the client;

Subject to any specific instructions, GS generally gave the highest priority to total consideration for its retail clients.

If GS receives an order from a retail client that includes a specific instruction or specific instructions in relation to the handling and execution of the entire order or a particular aspect or aspects of an order (including selecting a particular execution venue, executing at a particular price or time or through the use of a particular strategy) then, subject to GS’s legal and regulatory obligations, GS executed the retail client’s order in accordance with that specific instruction. Where the specific instruction covered only a portion of an order (for example, as to the choice of execution venue), and GS had discretion over the execution of other elements of the order, then GS continued to be subject to the best execution obligation in respect of the elements of the order that were not covered by the client’s specific instruction.

7. Topic 7: an explanation of how the investment firm has used any data or tools relating to the quality of execution, including any data published under RTS 27

GS has in place post execution supervisory monitoring procedures which use market data, where available, to assess client transactions against relevant market prices and benchmarks. For products with no observable external market data other criteria are used to benchmark client transactions for monitoring purposes. This monitoring is undertaken on a manual basis in accordance with internal monitoring policies and procedures. As part of its overall best execution monitoring framework and on-going assessment of execution venues utilised, GS may also have taken account of information published under RTS 27 by those execution venues (if applicable) alongside data sources used as part of its systematic best execution monitoring arrangements.

8. Topic 8: where applicable, an explanation of how the investment firm has used output of a consolidated tape provider established under Article 65 of Directive 2014/65/EU.
Not applicable.

**Emissions Allowances**

GS did not trade these financial instruments with retail clients.

**Other Instruments**  
(US listed options admitted to trade on a trading venue)

1. **Topic 1**: an explanation of the relative importance the firm gave to the execution factors of **price**, **costs**, **speed**, **likelihood of execution** or any other consideration including qualitative factors when assessing the quality of execution:

   This qualitative commentary covers the activity of the Private Wealth Management Division which is the only part of Goldman Sachs International ("GS") providing execution services to retail clients. For further information on the Private Wealth Management Division’s best execution arrangements please refer to the relevant summary which is available at:  

   These instruments are typically traded only on the execution venue of their listing and therefore client orders in the instrument will determine the execution venue. Application of best execution is therefore limited to liquidity available on the relevant execution venue for the instrument.

   When assessing the relative importance given to execution factors where GS determined it had a best execution obligation in respect of an order, GS took into account the following criteria for determining the relative importance of the execution factors in the circumstances:

   - the characteristics of the client including the regulatory categorisation of the client;
   - the characteristics of the relevant order;
   - the characteristics of financial instruments that are the subject of the relevant order; and
   - the characteristics of the execution venue to which that relevant order can be directed.

   Subject to any specific instructions, taking into account the criteria above, GS generally gave the highest priority to total consideration for retail clients. The remaining factors, to the extent applicable, were generally given equal ranking.

2. **Topic 2**: a description of any **close links, conflicts of interests, and common ownerships** with respect to any **execution venues** used to execute orders;

   Private Wealth Management Division executes exchange traded equity options via GS’ Global Markets Division, and where appropriate, other GS affiliates. For further details on the execution venues used by the Global Markets Division please refer to the Global Markets Division’s best execution and conflicts of interest policy summary which is available at:  

   Goldman Sachs and persons connected with Goldman Sachs provide diversified financial services to a broad range of clients and counterparties and circumstances may have arisen in which Goldman Sachs may have a conflict of interest.

3. **Topic 3**: a description of any **specific arrangements** with any **execution venues** regarding payments made or received, discounts, rebates or non-monetary benefits received;
Some execution venues may offer differing fee plans to trading members depending on the volume and nature/type of a trading activity on the venue as well as fee discounts depending on average volume of trading undertaken. Such arrangements apply equally to all trading members who satisfy the relevant criteria under the execution venues rules. Information on such arrangements is publicly available on the relevant execution venues website. Our decision to route orders to a particular venue for execution for this asset class was typically driven by the listing of the product the client wishes to trade, and was not influenced by any such fee structures or volume discounts.

4. Topic 4: an explanation of the factors that led to a change in the list of execution venues listed in the firm’s execution policy, if such a change occurred;

There has been no change to the execution venues listed in GS’ execution policy for the reporting period.

5. Topic 5: an explanation of how order execution differs according to client categorisation, where the firm treats categories of clients differently and where it may affect the order execution arrangements;

The Private Wealth Management Divisions provides order execution for retail and professional clients.

The starting presumption is that retail clients did legitimately rely on GS to protect their interests in relation to pricing and other elements of the transaction that may be affected by the choice made by GS in executing the relevant order (i.e. GS owes a duty of best execution to retail clients).

Subject to any specific instructions, GS will generally give the highest priority to:
- price for professional clients; and
- total consideration for retail clients.

6. Topic 6: an explanation of whether other criteria were given precedence over immediate price and cost when executing retail client orders and how these other criteria were instrumental in delivering the best possible result in terms of the total consideration to the client;

Subject to any specific instructions, GS will generally did not give precedence over immediate price and cost when executing retail client orders.

If GS received an order from a retail client that included a specific instruction or specific instructions in relation to the handling and execution of the entire order or a particular aspect or aspects of an order (including selecting a particular execution venue, executing at a particular price or time or through the use of a particular strategy) then, subject to GS’s legal and regulatory obligations, GS executed the retail client’s order in accordance with that specific instruction. Where the specific instruction covered only a portion of an order (for example, as to the choice of execution venue), and GS had discretion over the execution of other elements of the order, then GS continue to be subject to the best execution obligation in respect of the elements of the order that were not covered by the client’s specific instruction.

7. Topic 7: an explanation of how the investment firm has used any data or tools relating to the quality of execution, including any data published under RTS 27

GS has in place post execution supervisory monitoring procedures which use market data, where available, to assess client transactions against relevant market prices and benchmarks. For products with no observable external market data other criteria were used to benchmark client transactions.
for monitoring purposes. This monitoring was undertaken on a manual basis in accordance with internal monitoring policies and procedures. As part of its overall best execution monitoring framework and on-going assessment of execution venues utilised, GS may also have taken account of information published under RTS 27 by those execution venues (if applicable) alongside data sources used as part of its systematic best execution monitoring arrangements.

8. Topic 8: where applicable, an explanation of how the investment firm has used output of a consolidated tape provider established under Article 65 of Directive 2014/65/EU.

Not applicable.