

GSBE PWM Separate Accounts with bespoke Environmental or Social characteristics

Description of environmental or social characteristics

Where a managed account has bespoke environmental or social characteristics implemented through investment restrictions or other agreed parameters, PWM will manage the portfolio to comply with these characteristics on an ongoing basis. The applicable investment restrictions letter contains further details on these characteristics.

Information on methodologies used to assess, measure and monitor characteristics

PWM implements such bespoke environmental or social characteristics through coding relevant ESG restrictions within PWM's systems for the account and through targeted investing. Potential and existing investments within the account are assessed by reference to these bespoke environmental or social characteristics on an ongoing basis, based on third-party data and/or internal analysis.

PWM typically utilises the Global Industry Classification Standard (GICS) methodology to implement the required restrictions and other agreed parameters. GICS is a four-tiered, hierarchical industry classification system where companies are classified quantitatively and qualitatively, with each company receiving a single GICS classification at the Sub-Industry level according to its principal business activity. Revenue is a key factor in determining a firm's principal business activity.

Where the account is managed by PWM's affiliate Goldman Sachs Asset Management ("**GSAM**") or third-party managers through GSAM on a delegated basis or managed by PWM based on recommendations made by GSAM, PWM engages with GSAM to assess and monitor compliance with the bespoke environmental or social characteristics as well as the methodologies, sustainability indicators and data sources used by GSAM as well as third-party managers in this regard.

GSAM's methodology for implementing such restrictions or other agreed parameters typically consists of a combination of:

- **Sector Level Screens:** These are based on the GSAM Global Sector Hierarchy (GSH). This seeks to capture issuers whose primary exposure is to a specific sector; and/or
- **Product Involvement Screens:** These seek to capture the percentage of revenue an issuer derives from a specific activity. Revenue materiality thresholds are either determined by GSAM or stipulated by individual clients. All product involvement data is generally sourced from a third-party vendor.