Goldman Sachs | Asset Management

RUNNING THE RISKS

Insurance Survey 2021

Overview

SUMMARY OF SURVEY RESPONDENTS

This year, Goldman Sachs Asset Management conducted its tenth annual insurance survey. The survey provides valuable insights from Chief Investment Officers (CIOs) and Chief Financial Officers (CFOs) regarding the macroeconomic environment, return expectations, asset allocation decisions, portfolio construction and industry capitalization. We received responses from 228 CIOs and senior investment professionals, 50 CFOs and senior finance managers and eight individuals who serve as both the CIO and CFO. This year, our survey included insurance companies that invest over $13 trillion in balance sheet assets, which represents around half of the balance sheet assets for the global insurance sector. The participating companies represent a broad cross section of the industry in terms of size, line of business and geography. The table below summarizes the profile of this year's respondents.

RESPONDENTS

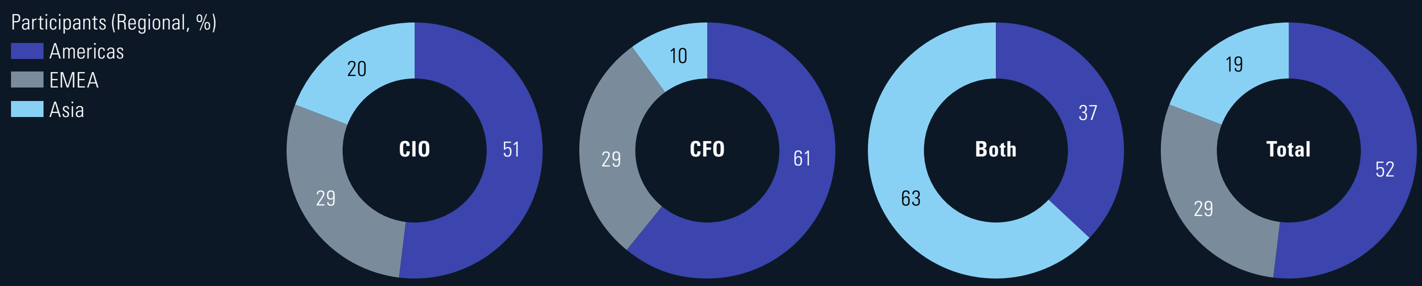
286

CIOs **228**

CFOs **50**

BOTH **8**

Type	CIO	CFO	Both	Total
Life	102	11	3	**116**
P&C / Non-Life	58	25	3	**86**
Multi-Line	42	5	1	**48**
Health	14	5	1	**20**
Reinsurance	10	3	0	**13**
Captive	2	1	0	**3**



Introduction

An accelerating economy and hope for a dissipating global pandemic set the backdrop for this year's Goldman Sachs Asset Management Insurance Survey, which reveals improving economic conditions amid considerable uncertainty. The likelihood of an effective vaccine distribution has increased in the first quarter of 2021; however, the roll-out has varied across regions and population segments across the globe. Nonetheless, an effective vaccine and corresponding distribution continues to provide positive momentum on bond yields, which are still depressed below pandemic levels. Investors are motivated to continue their search for yield across the risk curve into both opportunistic fixed income sectors and into equities and private assets.

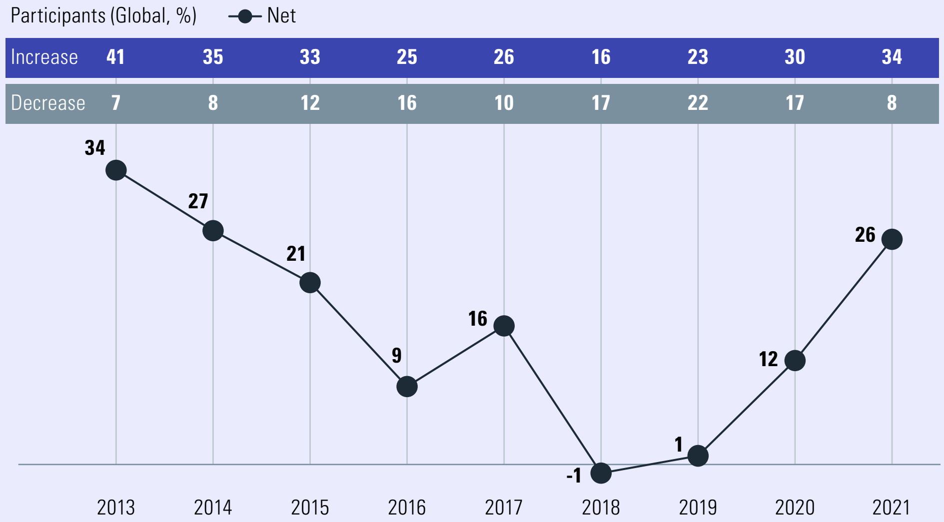
This year's survey looks at market insights and trends, including the rise of global reflation accompanied by a rigorous desire for yield, a drive for risk-on fixed income allocations, and a growing emphasis on Environmental, Social & Governance (ESG) considerations. Global insurers plan to significantly increase overall risk in their investment portfolios and also heavily add to their private equity, middle market corporate loans and infrastructure debt allocations. This sentiment comes as the majority of insurers retraced expectations from prior years that credit quality is deteriorating, and they largely no longer expect a recession in the next three years. This year's title, *Running the Risks*, underscores insurers' approach of leaning into risk, despite low yields, tight credit spreads and high equity valuations.

The tenth annual survey released by Goldman Sachs Insurance Asset Management incorporates the views of 286 CIOs and CFOs representing over $13 trillion in global balance sheet assets, which accounts for approximately half of the global insurance industry.

THEMES FOR 2021

Growth vs. Liquidity: Are you planning to increase, decrease, or maintain the overall risk in your investment portfolio?

Insurers plan to increase the risk in their investment portfolios, likely by shifting cash balances into higher risk asset classes. As uncertainties have waned amidst the global pandemic, risk sentiment has emerged decidedly positive. We expect a continued retraction of liquidity in favor of increased equity, credit and duration risks.

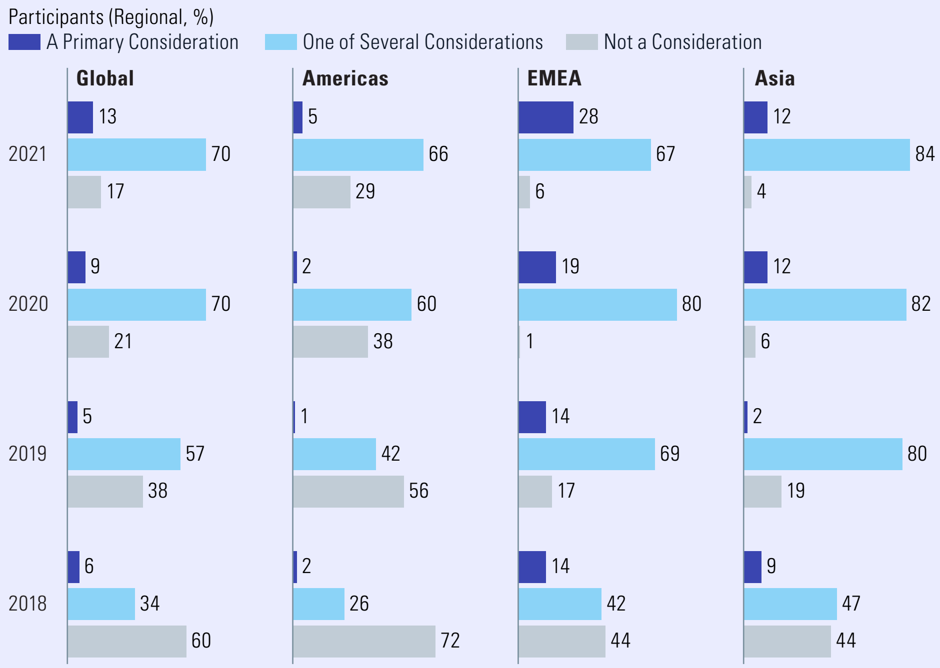


Environmental, Social & Governance: To what extent is ESG and/or Impact Investing an investment consideration?

ESG consideration increased 4% from last year, echoing the merit of sustainable technologies, evidence for alpha generation, changes in consumer preferences and the risks of poor ESG practices. We continue to find that ESG adoption is not limited to the investment portfolio, but also emerges alongside company-wide initiatives.

"For most institutions, ESG considerations have transformed from an investment portfolio initiative to a core tenet of the corporate framework."

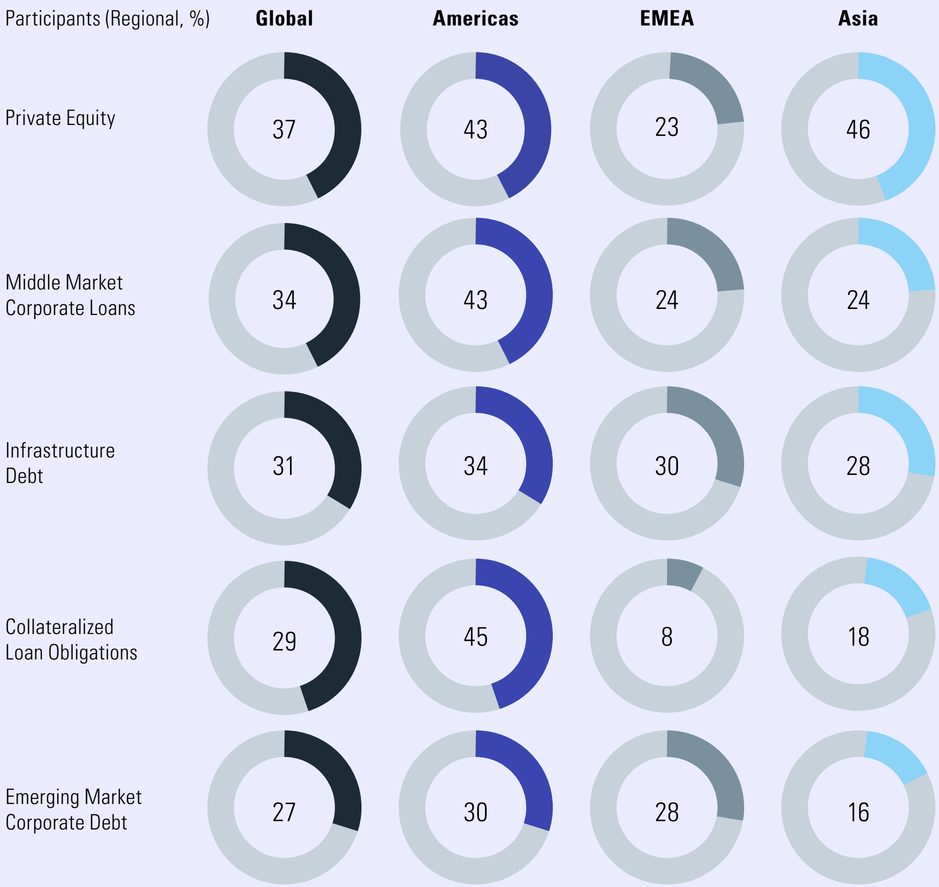
Margaret Anadu,
Global Head of Sustainability and Impact



Return Enhancement: Identify the five top asset classes where you plan to increase your allocation.

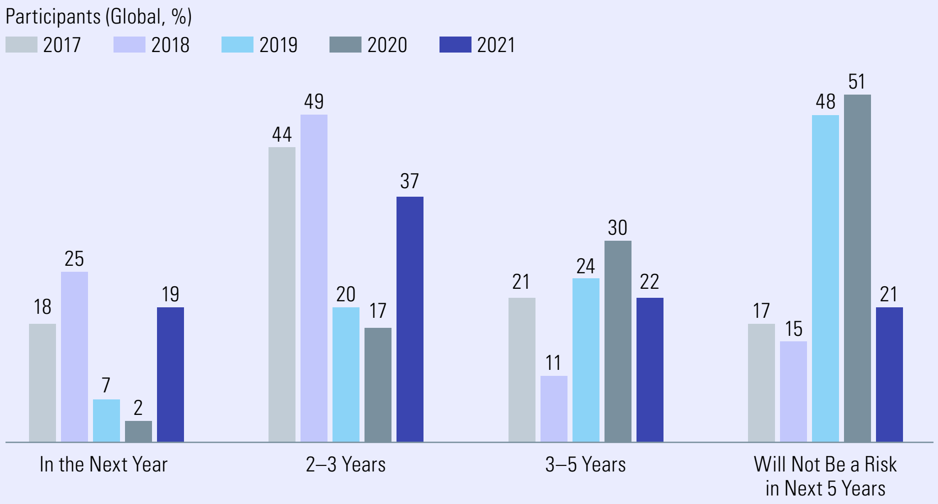
Insurance respondents expect global growth, as evidenced by a drop in recession concerns and a risk-on investment sentiment. However, as global interest rates maintain historically low levels, investors continue to prioritize return-enhancing assets—private equity, middle market corporate loans, infrastructure debt, collateralized loan obligations and emerging market debt.

> "As liquidity premiums are wrung out by the Federal Reserve, insurers continue to look to growth-sensitive assets in 2021."
>
> Matthew Armas,
> Global Head of Insurance Fixed Income



Expectation for Reflation: When do you expect inflation will be a concern in your domestic market?

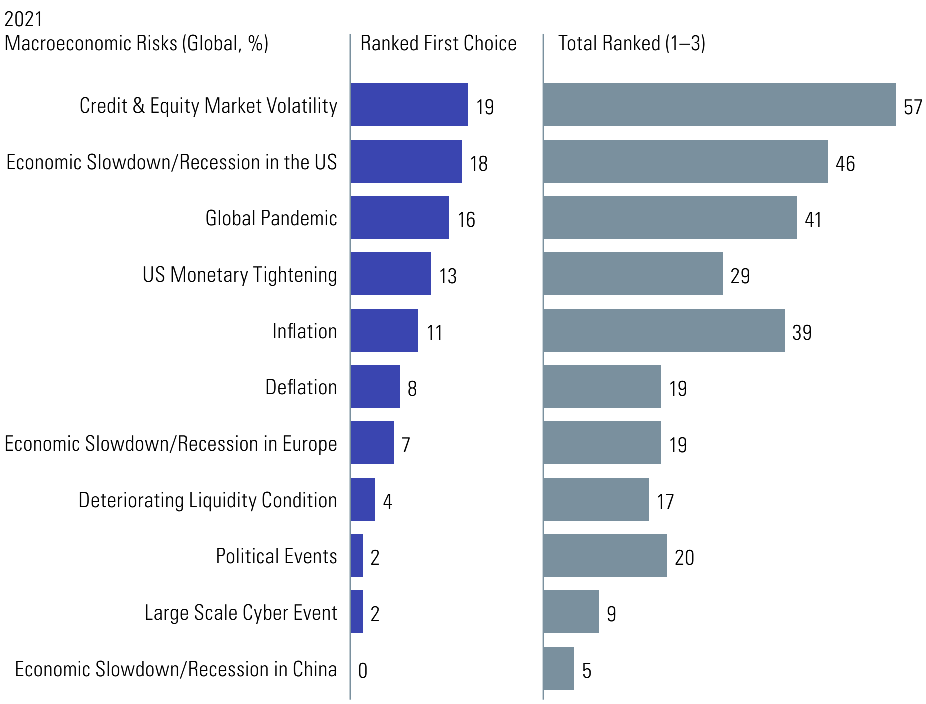
Insurers express a potential for reflation as they expect nearer-term inflation, a continued bond yield sell-off and accelerating global economic growth in 2021. Effective vaccination programs and economic reopening signals to investors that inflation may be probable, potentially driving treasury yields higher. An expectation for inflation in the next five years has increased 30% globally year-over-year.



GLOBAL MACROECONOMIC ISSUES

Market volatility, an economic slowdown in the US and the global pandemic are insurance investors' top concerns for 2021.

Which of the following issues pose the greatest macroeconomic risk to your investment portfolio? Please select and rank your top three.

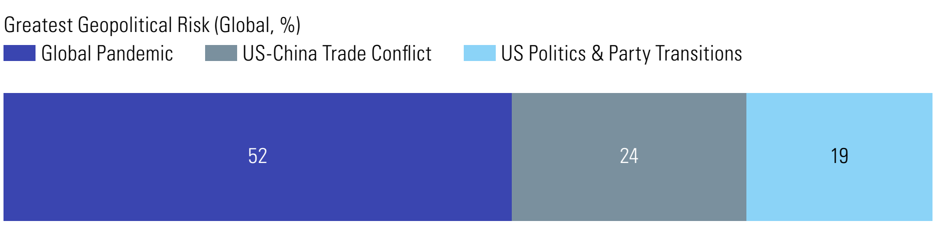


Credit and equity market volatility continues to pose the greatest risk for global insurers. Concerns around US monetary tightening and inflation rose materially while concerns around China's economy fell.

For Europe and the Americas, the top macroeconomic concern this year was an economic slowdown in their respective regions. Asia ranked US monetary tightening as the greatest 2021 concern.

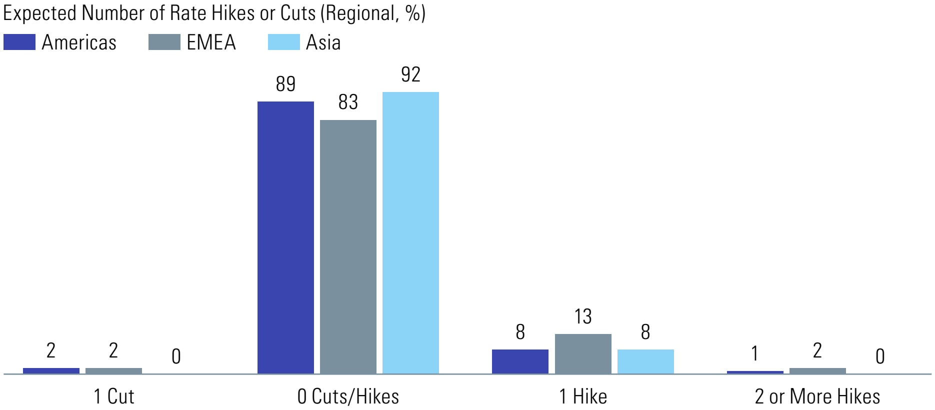
While the global pandemic dramatically altered 2020, insurers agree that it is not the primary macroeconomic risk facing this coming year.

Which of the following pose the greatest geopolitical risk to your investment portfolio over the next 12 months?



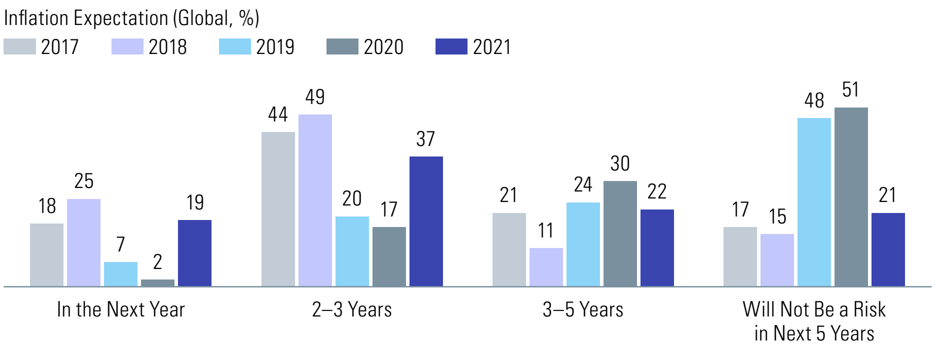
The majority of respondents ranked the global pandemic to be the top geopolitical risk over the next 12 months. Regional consensus also formed around the US-China trade conflict as well as US politics and party transitions as secondary and tertiary risks to investment portfolios.

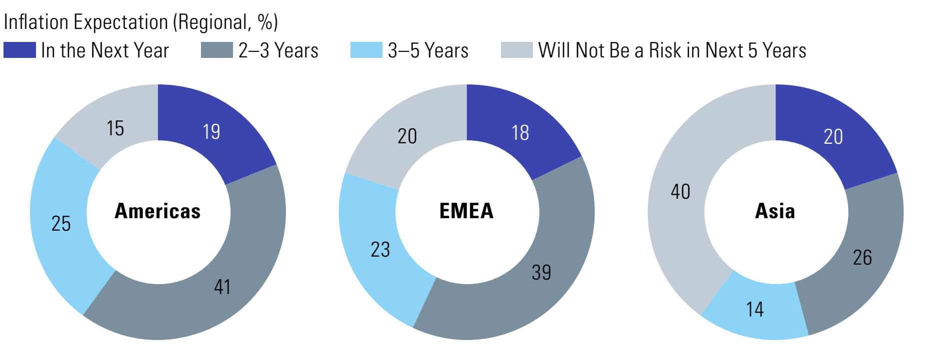
How many cuts or hikes do you expect from the Federal Reserve in 2021?



The vast majority of those surveyed expect no hikes or cuts this year as the Federal Reserve has not yet begun tapering bond purchases, as of early 2021. Before a hike is substantiated, there likely needs to be an increase in inflation expectations.

When, if at all, do you expect inflation will be a concern in your domestic market?

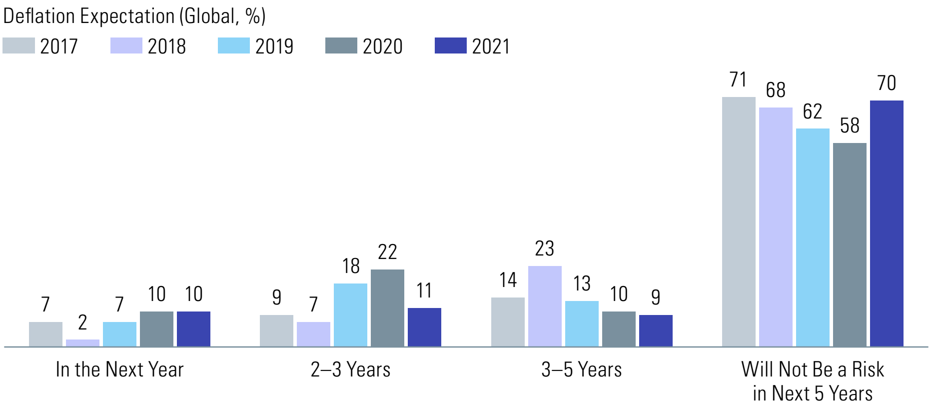


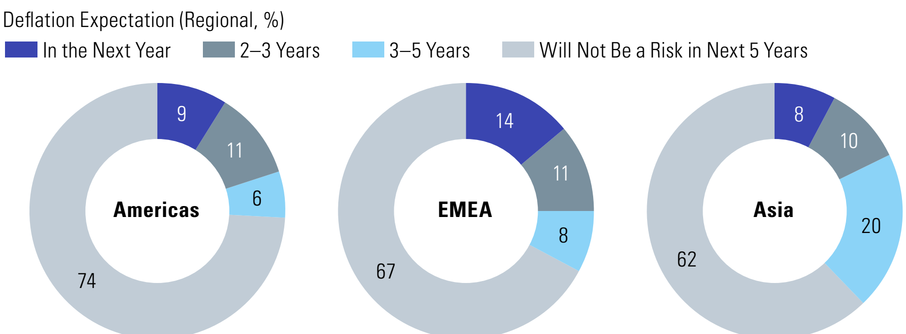


For the last two years, inflation risk was a limited concern for global respondents. However, this year's results show a significant reversal, with 79% of insurers concerned about inflation within the next five years.

This change in outlook is supported by the large economic stimulus and Federal Reserve commitment to low interest rates in the short term.

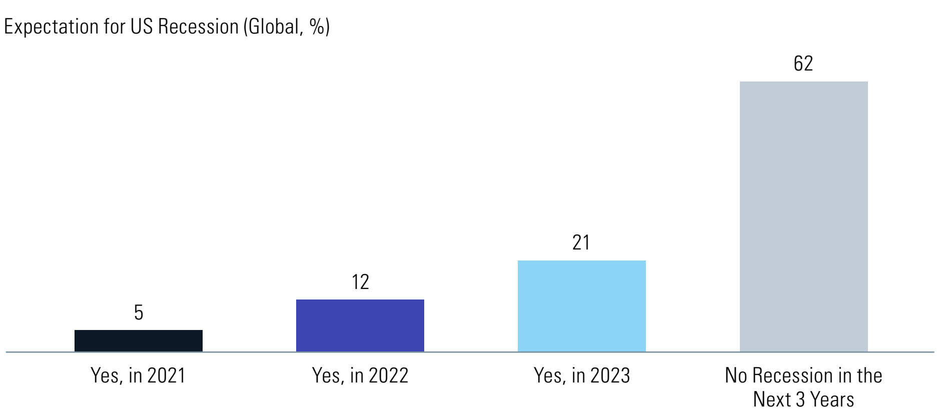
When, if at all, do you expect deflation will be a concern in your domestic market?





While inflation concerns have surged, deflation concerns have remained consistently low over the past five years, with an average of two-thirds of insurers believing it will not be a risk in the next five years.

Do you think the US economy will enter a recession in the next three years?



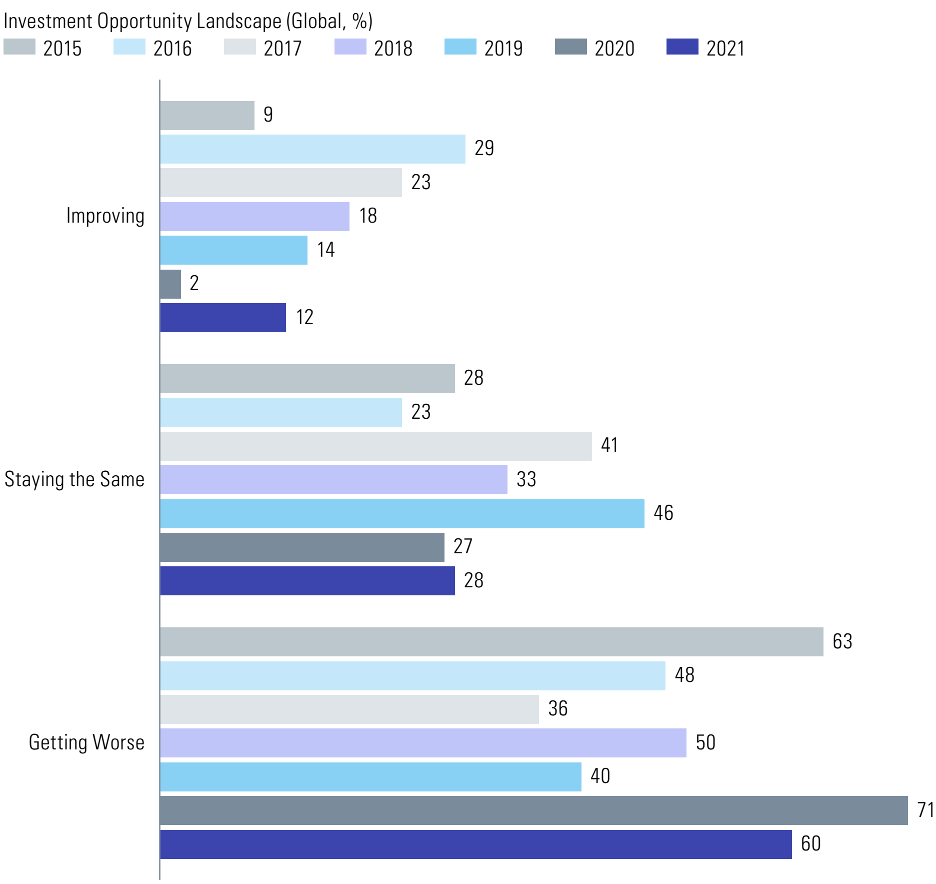
In the past, respondents reportedly believed that an economic recession in the US was imminent in 2020 or 2021. This year, 62% of insurers think that the near-term future looks fairly optimistic and do not believe that the US economy will enter a recession within the next three years.

This represents a strong sentiment reversal from past results.

MARKET INDICATORS & OUTLOOK

Despite emerging from the uncertainty of a global pandemic, insurers are overall cautiously neutral-to-positive in their market outlooks.

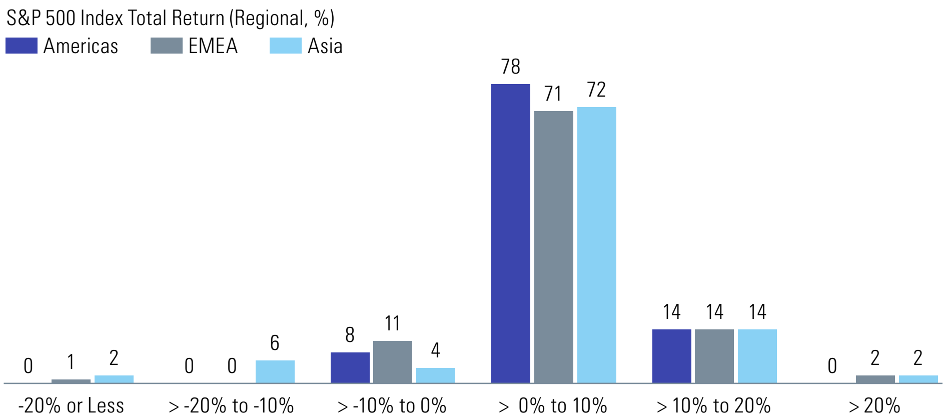
Do you feel that investment opportunities are improving, staying the same, or getting worse?



While the majority of respondents maintain pessimism about the investment opportunity set, insurers are comparatively more optimistic today than they were at the start of 2020.

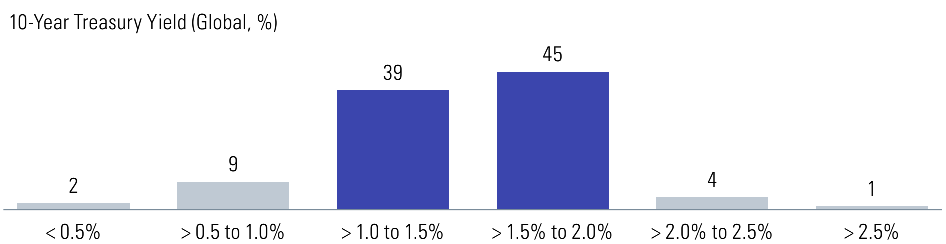
In 2021, 40% of insurers are neutral-to-positive on the investment landscape, in comparison to only 29% of insurers in 2020. This 11% improvement speaks to increased optimism as we move towards a post-pandemic world.

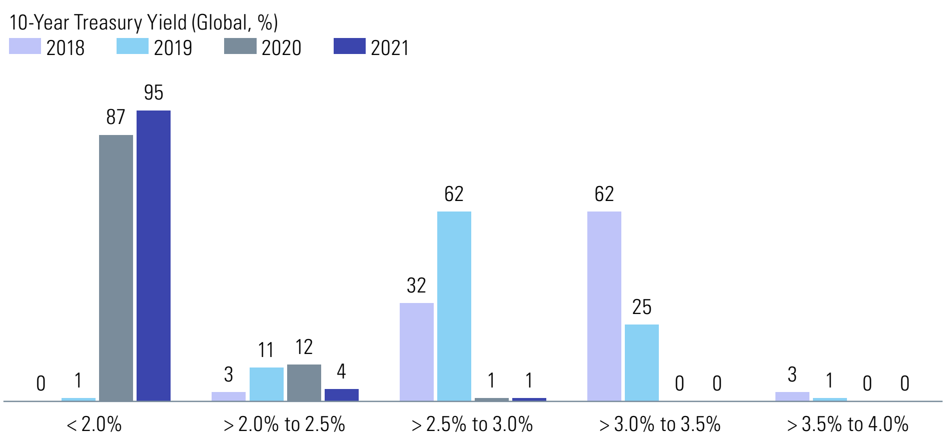
What do you expect the 2021 total return will be for the S&P 500 Index?



Similar to recent prior years, insurers globally expect modest positive returns for the S&P 500 Index.

Where do you expect the 10-Year US Treasury yield will be at year-end 2021?



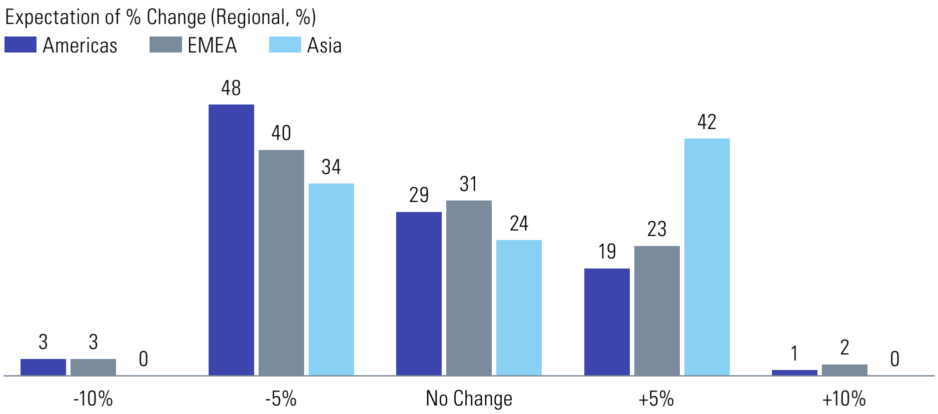


On the back of the sell-off in early 2021, 84% of global respondents believe that the 10-Year US Treasury will yield between 1.0% and 2.0% at year-end 2021. The year began at 0.93%.

The pre-pandemic yield was just below 2.0%. 45% of insurers believe the year-end 2021 yield will return to these pre-pandemic levels.

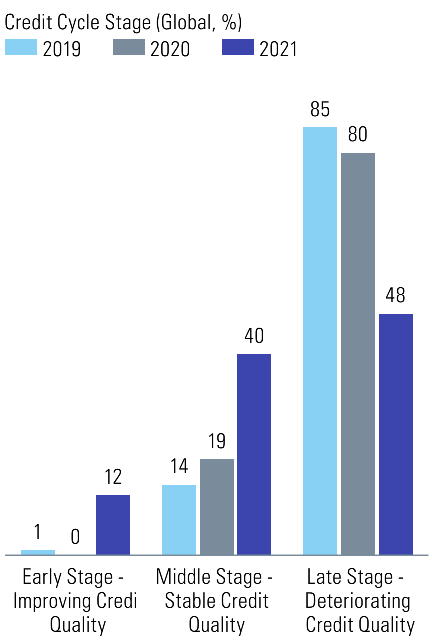
Anticipating a yield of 2.0% or less for the second year in a row, insurer predictions showcase a significant retraction from 2018 and 2019.

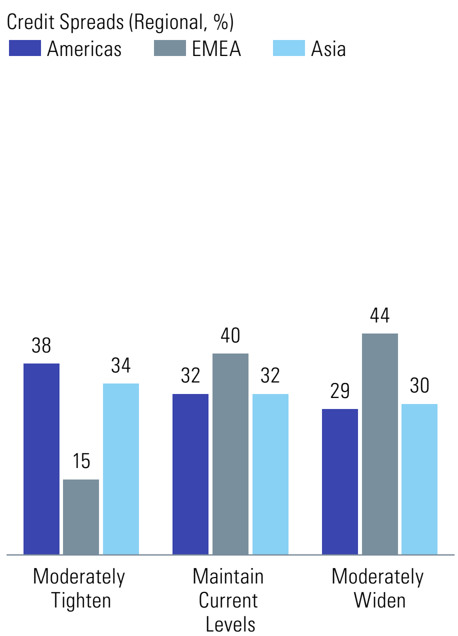
What do you expect the % change in the US Dollar will be at year-end 2021?



While range-bound, respondents are divided on the directional and percentage change in the US Dollar. 48% of American insurers predict -5% change, and 42% of Asian insurers believe this change will be +5%.

Where do you think we are in the credit cycle? What do you think will happen to credit spreads in 2021?





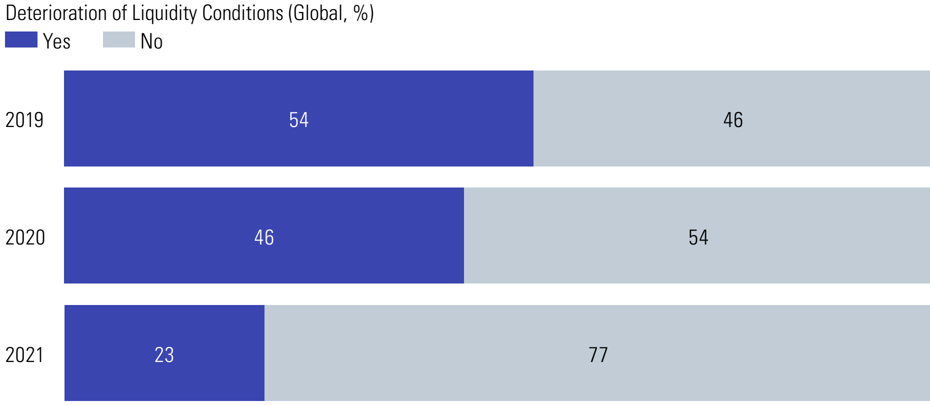
In a marked change from the past two years, less than half of insurance investors believe we are in the later stages of the credit cycle. European insurers are the regional outlier, with 69% who contend we are in the later credit cycle stages in comparison to only 36% of American insurers.

However, despite still working through a global pandemic, 52% of global insurers find that credit quality is not deteriorating. In fact, 12% believe credit quality is improving.

Globally, there is little consensus on whether spreads are expected to moderately tighten or widen.

Do you believe liquidity conditions are deteriorating?

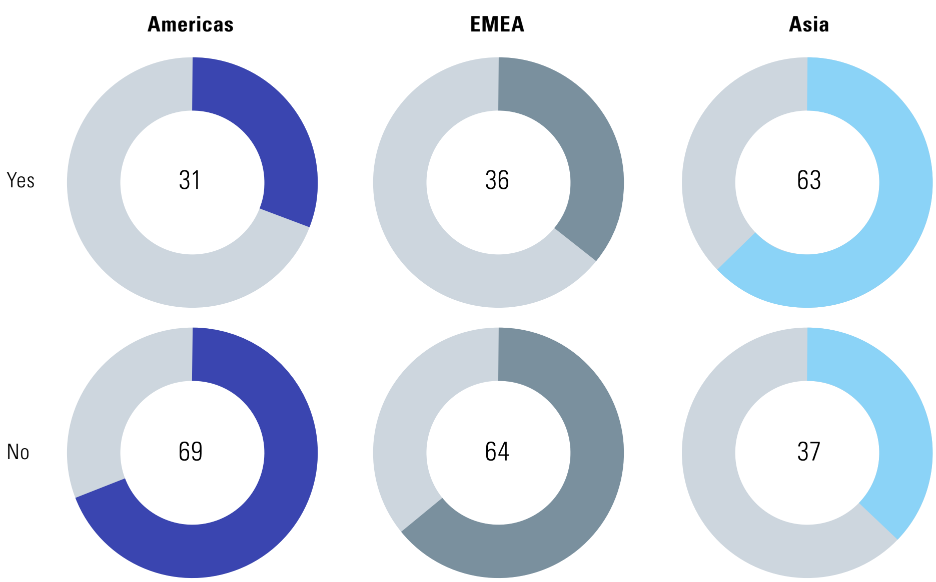
Deterioration of Liquidity Conditions (Global, %)



Over the past three years, respondents increasingly felt liquidity conditions were improving. In alignment with this trend, in 2021 a robust 77% of respondents believe liquidity conditions are not deteriorating.

Do you think deteriorating liquidity conditions will have a significant impact on your investment portfolio?

Impacts on Portfolio (Regional, %)



Of those who believe liquidity conditions are deteriorating, most believe the impact on their portfolio will be limited. Asia is a regional outlier.

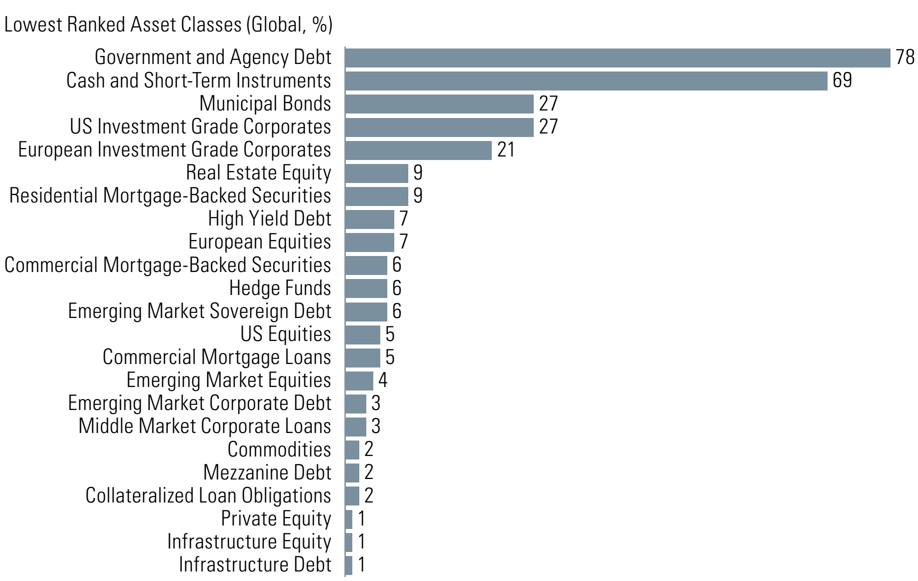
RETURN EXPECTATIONS & ALLOCATION PREFERENCES

Anticipated returns and allocations have stayed largely consistent for the past several years.

Please rank the three asset classes that you expect to deliver the highest total returns in the next 12 months.

For the past four years, and by a wide margin, insurers continue to expect equities to be the top performing asset class. Private equity, emerging market equities and US equities maintained the top three rankings.

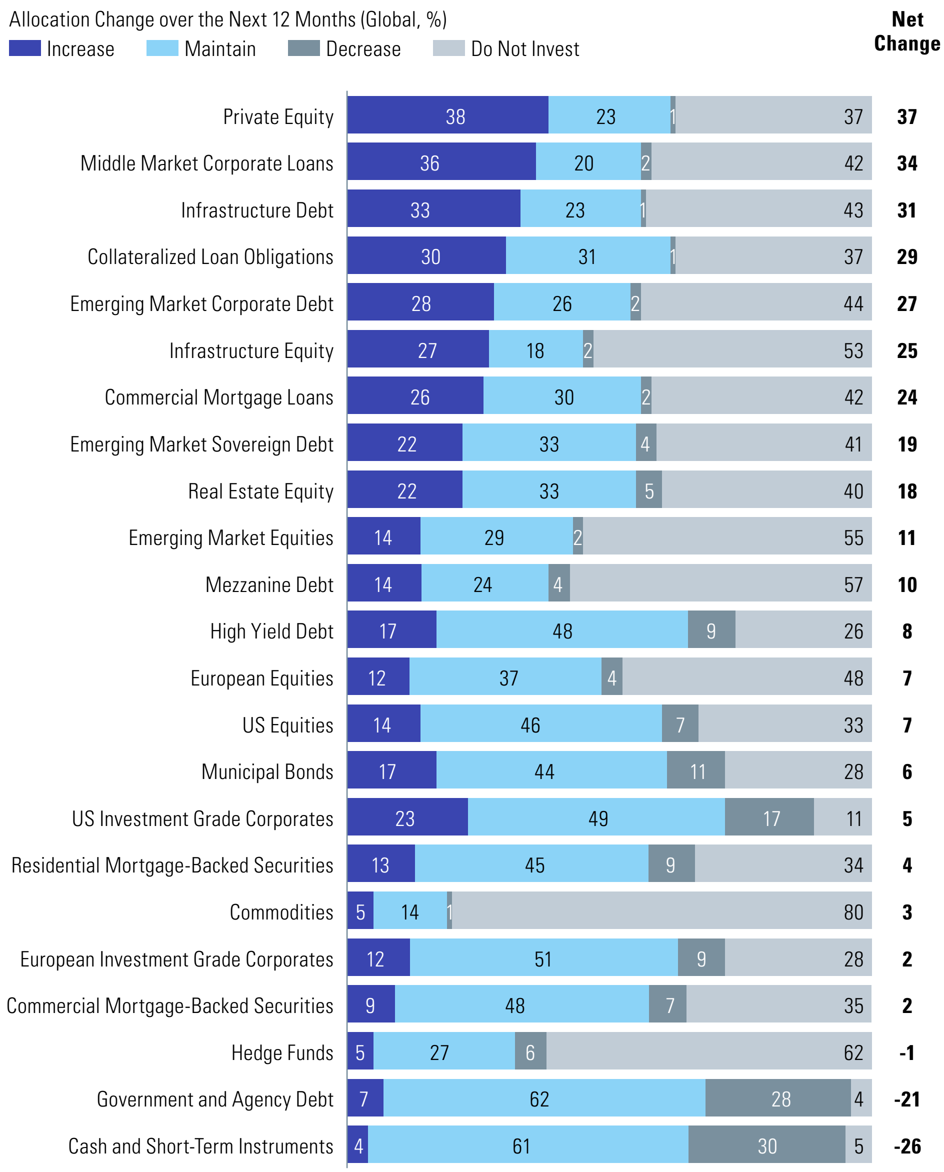
Please rank the three asset classes that you expect to deliver the lowest total returns in the next 12 months.



Expectedly, insurers believe government, agency debt, cash and short-term instruments to be the lowest returning asset classes for 2021. This has been consistent since 2017.

With yields still below pre-pandemic levels, global investors believe municipal bonds and US investment grade corporates will also be among the lowest returning assets.

Are you planning to increase, maintain, or decrease your allocation to the following asset classes in the next 12 months?

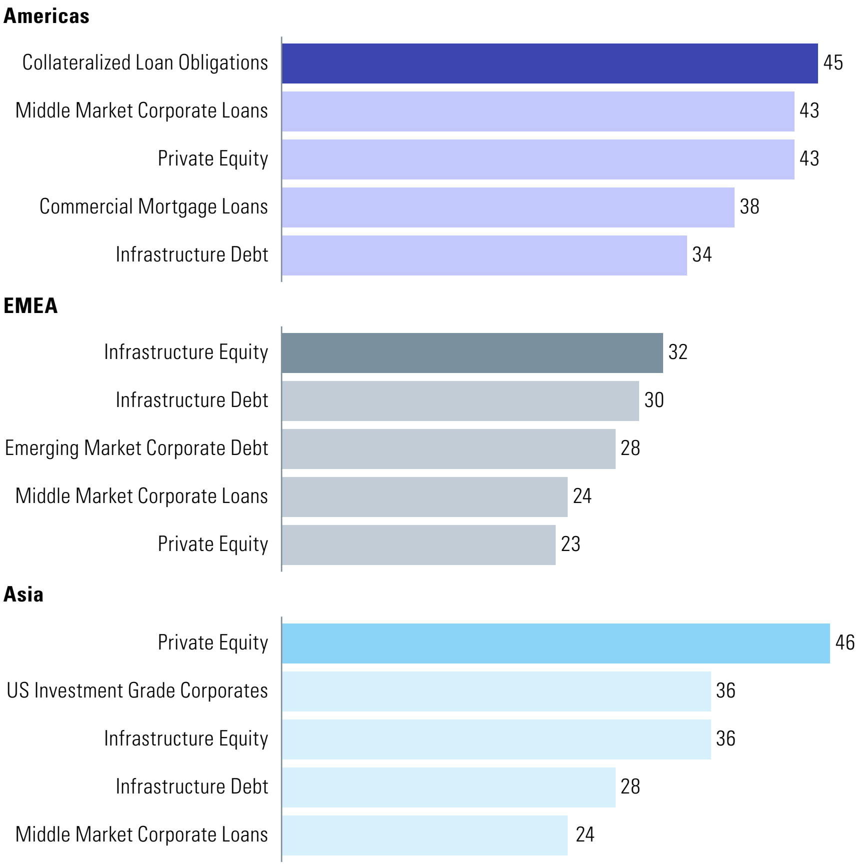


This year, insurers plan to increase their allocations to almost all asset classes, with the exception of hedge funds, government and agency debt, and cash and short-term instruments.

Respondents intend to most significantly increase holdings in private equity, which was also predicted to be the highest returning asset class. While US investment grade corporates will still see increased allocations in 2021, the asset class has been deprioritized by insurance investors in comparison to prior years.

Notably, two of the top five increased allocations are floating rate: middle market corporate loans and collateralized loan obligations.

Allocation Change over the Next 12 Months (Regional, %)



There remains a strong interest in private equity and broadly defined opportunistic and private credit on a global level. In the Americas, collateralized loan obligations is the top allocation increase.

European insurers identified infrastructure equity and emerging market corporate debt as new top five priorities in 2021, effectively replacing domestic investment grade corporates and commercial mortgage loans.

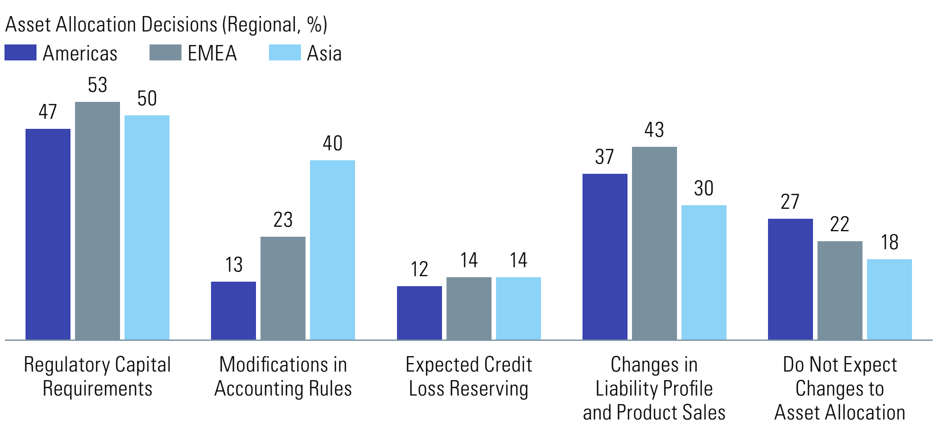
Asian insurers represent the only group that plans to increase their US investment grade corporates allocation among their top five priorities this year.

Within your public fixed income portfolio, are you planning to increase, maintain, or decrease your allocation to the following sub sectors in the next 12 months?

Within public fixed income portfolios, respondents are considering ESG and expanding their allocations to higher risk assets. Insurers expect to increase their green and impact bonds, collateralized loan obligations and emerging market debt allocations in 2021.

As insurers expect government and agency debt, cash and short-term instruments to be the lowest returning asset classes for 2021, they anticipate using this as a funding source.

Which of the following, if any, do you expect to have the largest impact on your asset allocation decisions over the next few years? Please select all that apply.



There is a global consensus that regulatory capital requirements will most strongly impact asset allocation decisions. However, European insurers also greatly consider changes in liability profile and product sales as a key allocation determinant. Similarly, Asian insurers expect modifications in accounting rules to also play a role.

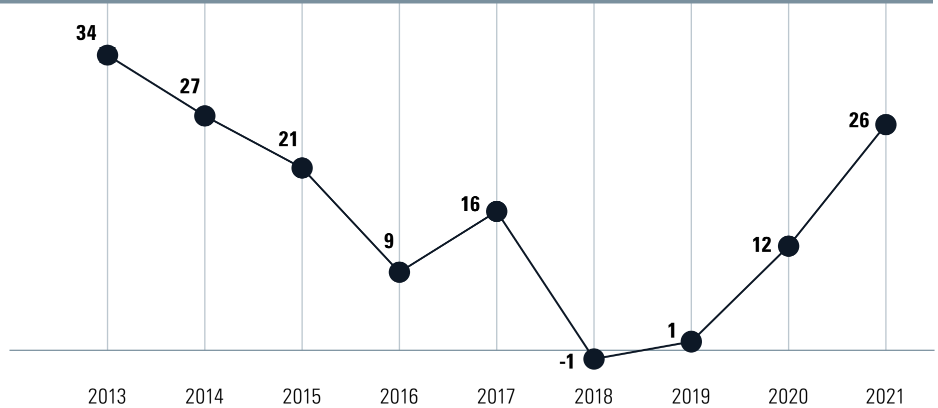
PORTFOLIO CONSTRUCTION

Plans for risk-taking in 2021 are consistent across regions with insurers unambiguously looking to increase risk in the investment portfolio.

Are you planning to increase, maintain, or decrease the overall risk in your investment portfolio in the next 12 months?

Investment Portfolio Risk Change over the Next 12 Months (Global, %) — Net

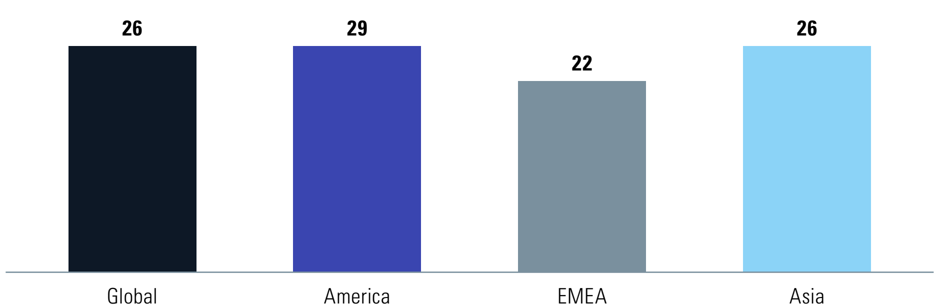
	2013	2014	2015	2016	2017	2018	2019	2020	2021
Increase	41	35	33	25	26	16	23	30	34
Decrease	7	8	12	16	10	17	22	17	8



From a global perspective, risk appetite increased year-over-year and remains well above the survey's historical average of +15%. With a risk-on appetite from a global lens, a consensus also exists across regions, with insurers planning to increase overall risk in their investment portfolios.

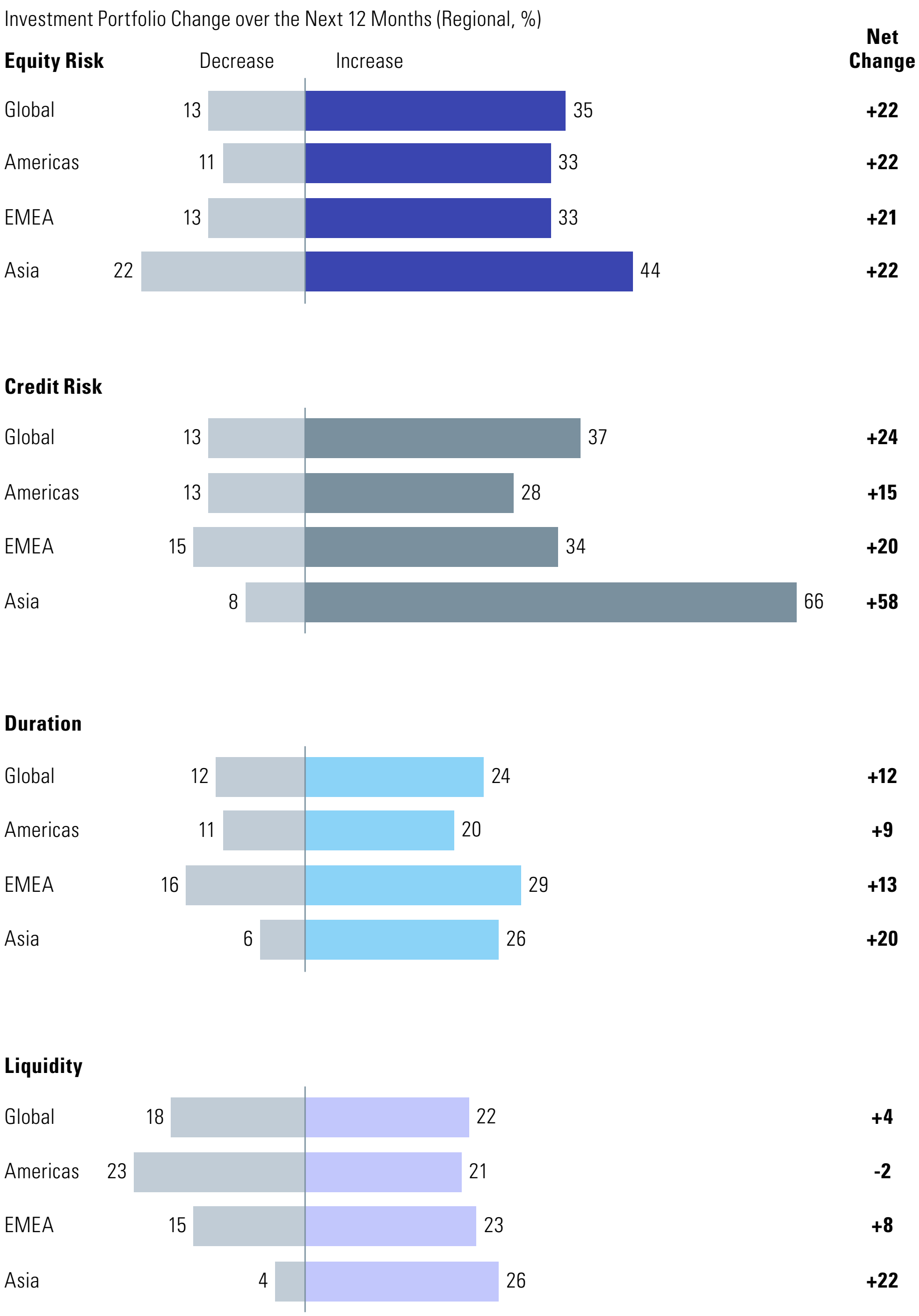
Investment Portfolio Risk Change over the Next 12 Months (Regional, %)

	Global	America	EMEA	Asia
Increase	34	36	29	40
Decrease	8	7	7	14



European insurers were slightly more risk averse than their American and Asian counterparts going into 2021.

Are you planning to increase, maintain, or decrease the equity risk, credit risk, duration and liquidity in your investment portfolio in the next 12 months?



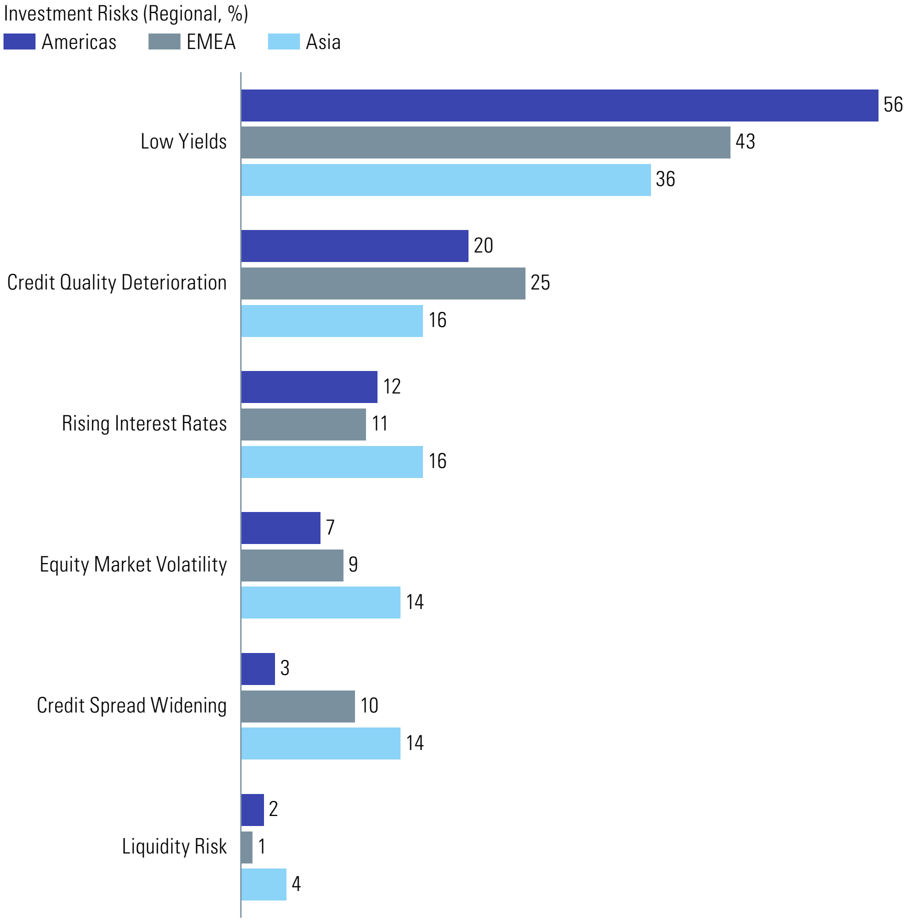
Global insurers are risk-on equities in 2021.

While all regions plan to increase credit risk, regional differences in credit risk plans are indicative of the limited returns in government securities. Asian insurers plan to most strongly increase credit risk in their portfolios.

With a dovish central bank policy projected to continue, insurance companies globally plan to increase duration in their portfolios.

Over the course of 2020, increased volatility prompted insurers to increase their portfolio liquidity. However, as markets recover, and in conjunction with a continued low interest rate environment, most regions have broadly pulled back on liquidity as they move towards illiquid asset classes.

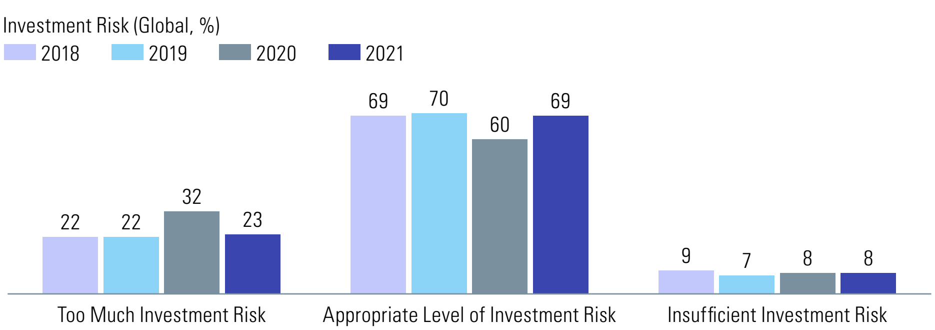
Please select the investment risk that you are most concerned about.



Similar to last year, the majority of insurers consider low yields to be their primary investment concern. This represents a sharp reversal from 2019 where insurers cited deteriorating credit quality as their top investment risk.

Maintaining rank as the top concern from both a global and regional perspective, low yields are increasingly top of mind due to the macroeconomic environment and central bank rate positioning.

Do you think your industry peer group is currently taking on too much, an appropriate level of, or insufficient investment risk?

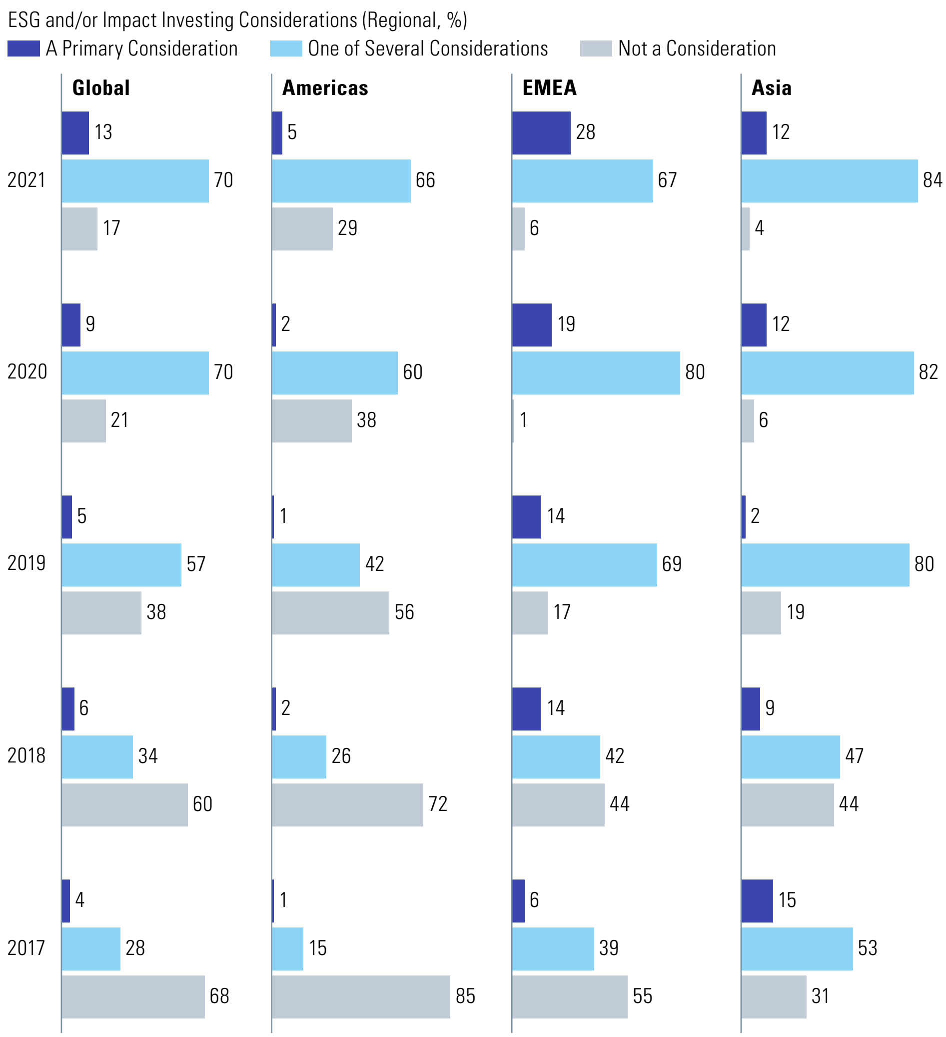


Overall sentiment held that the industry peer group is taking on an appropriate level of risk. Consensus from insurers remained consistent across regions and in accordance with prior years.

INDUSTRY THEMES

Global insurers continue to lean into Environmental, Social & Governance (ESG) across the investment portfolio and consider insurtech investments for operational efficiency.

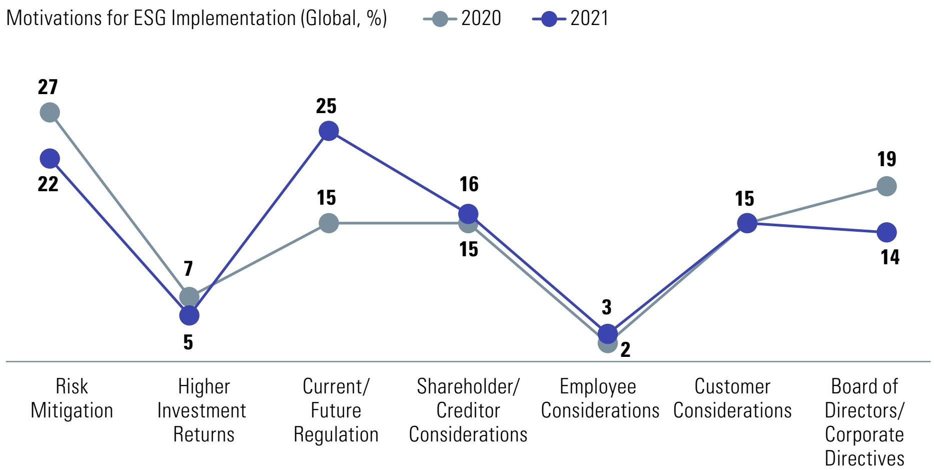
To what extent is ESG and/or Impact Investing an investment consideration?



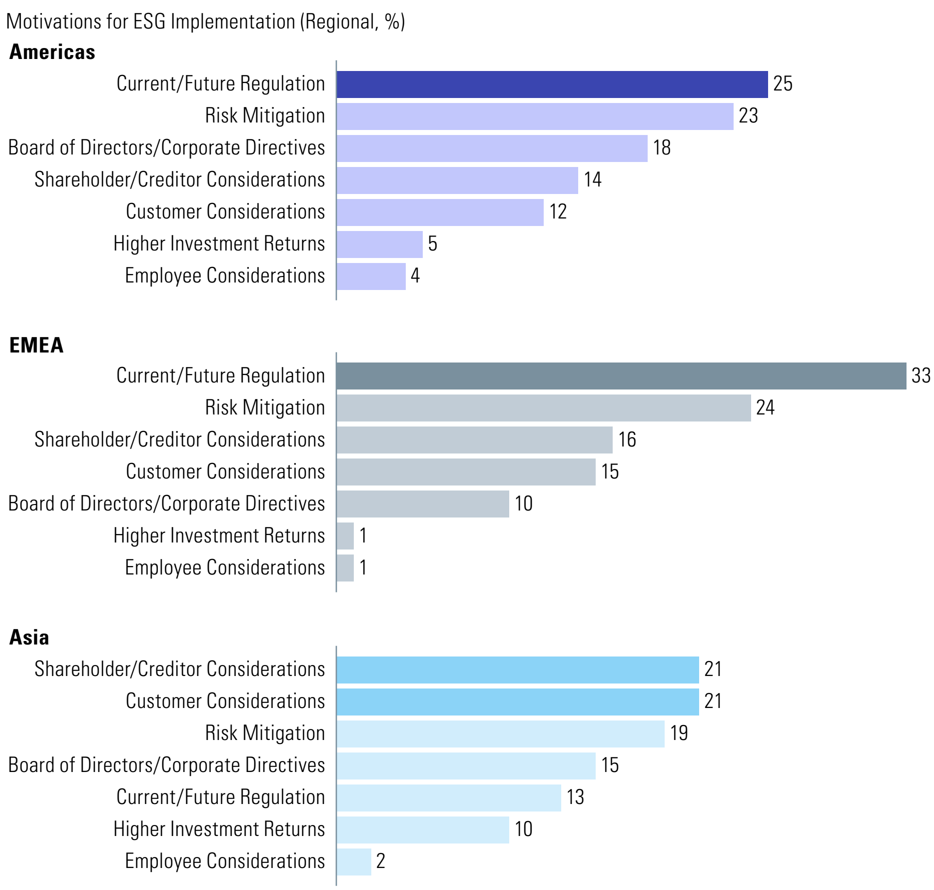
For the fifth consecutive year, insurers' consideration of ESG in the investment process has grown. Today, 83% of global insurers evaluate ESG in their investment processes, in comparison to only 32% of insurers in 2017.

Notably, the growth year-over-year is driven by increased adoption in the Americas.

Please rank your primary motivation for implementing (or considering implementing) ESG and/or Impact Investing strategies?

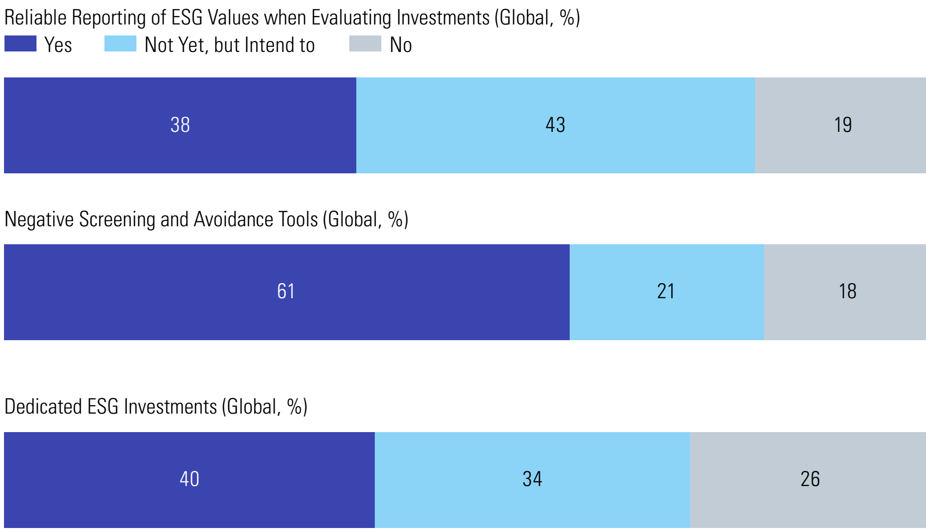


Motivations for ESG strategy implementation were largely similar year-over-year, with some regional nuances. Global insurers consider the primary driver to be current and future regulation, versus last year's outsized driver being risk mitigation. Globally, risk mitigation was a near second this year.

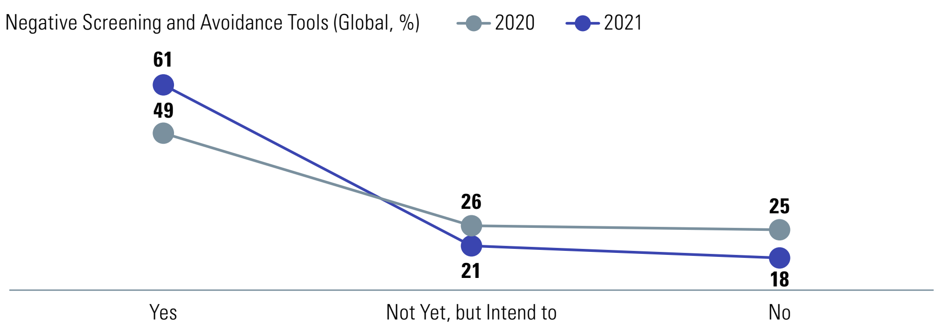


Current and future regulation was the primary motivator in Europe and the Americas. Consistent with 2020, Asian insurers reported shareholder, creditor and customer considerations as the dominant drivers of implementation.

Do you apply the following ESG considerations in your investment portfolio?

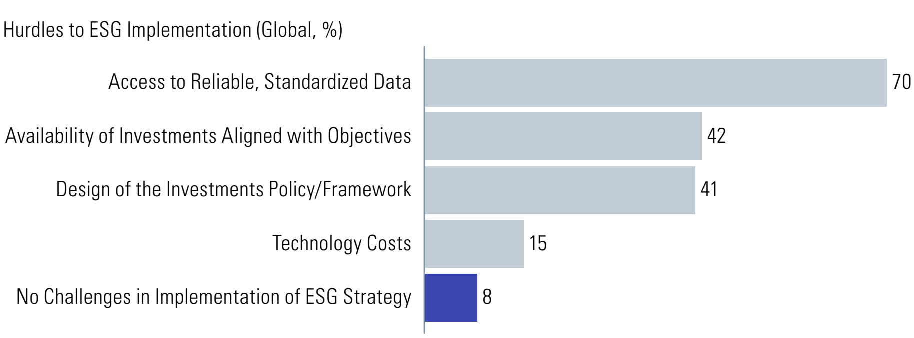


Consistent with 2020, negative screening and avoidance tools are most utilized across regions. Globally, insurers most commonly cited the intention to implement reliable reporting of ESG values in the portfolio over other ESG considerations.



Negative screening and avoidance tools were noted to be the most common ESG consideration across insurer portfolios. Year-over-year, respondent implementation increased 12%, driven by increased utilization in Europe and Asia. In Europe, 77% of insurers employ negative screening and avoidance tools, and in Asia, 73% reported utilization.

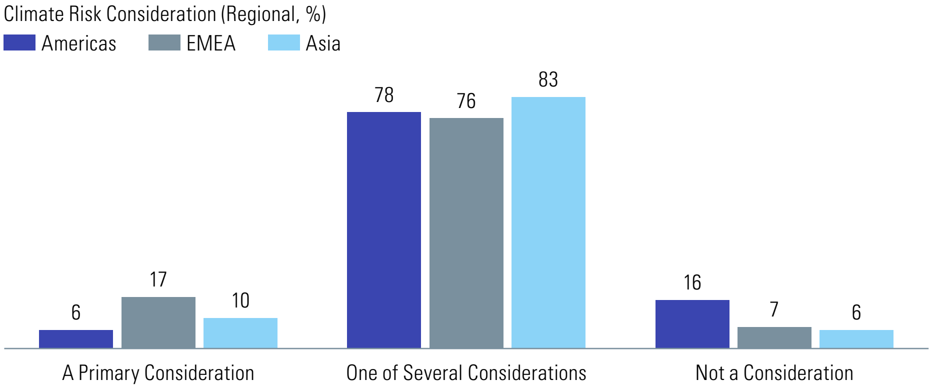
What would you consider to be the main hurdles in implementing an ESG strategy?

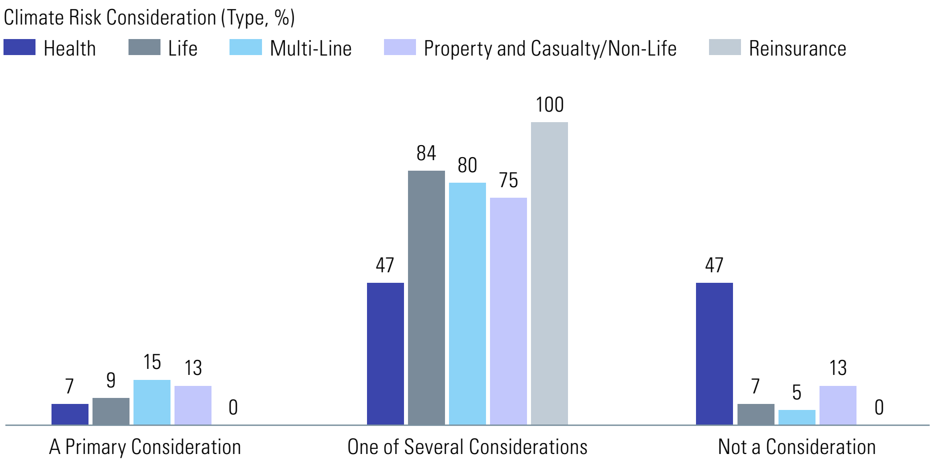


In nearly identical results to 2020, a majority consensus finds that access to reliable, standardized data is the primary hindrance to ESG implementation.

Only 8% of insurers report no challenges to adoption. This represents a 3% increase year-over-year.

To what extent is climate risk a consideration in your investment process?

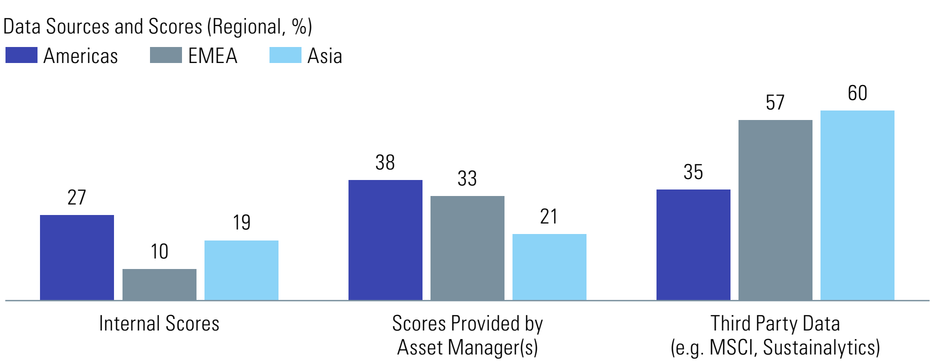




A minority of global respondents deem climate risk a primary portfolio consideration. However, the vast majority of global respondents do consider climate risk in the investment process.

Similar to previous years, health companies consider climate risk least in the investment process. In contrast, 100% of reinsurer respondents consider climate risk in the investment process.

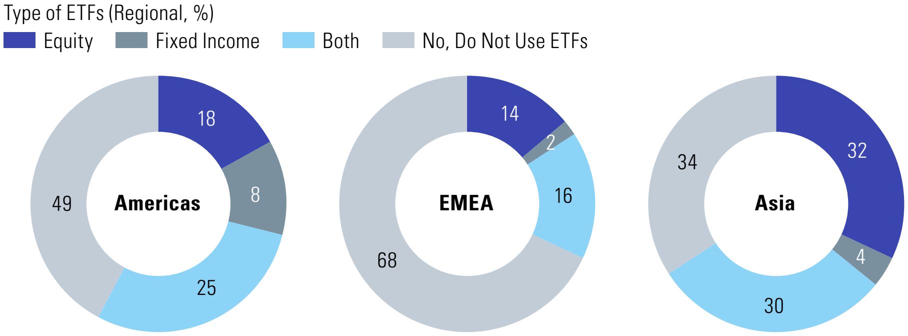
What ESG data sources and scores do you primarily employ in the management and reporting of your investment portfolios' ESG profile?



While global insurers reportedly use a variety of data sources and scores, the majority of European and Asian insurers employ third party data as their primary information source.

Do you use ETFs?

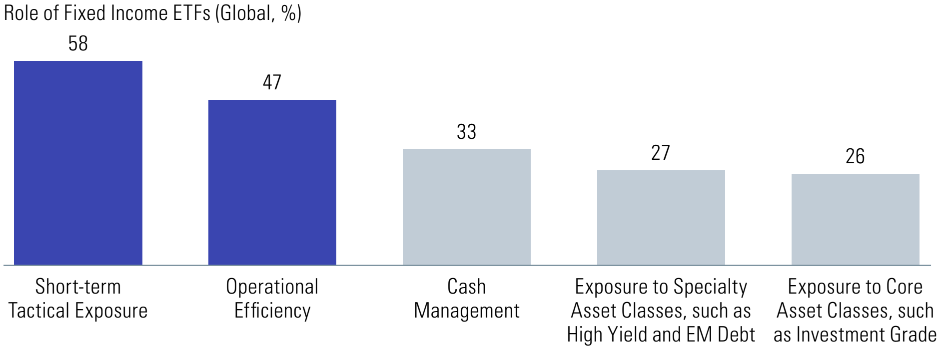
Type of ETFs (Regional, %)



Many global insurers use ETFs as a portion of their equity and/or fixed income allocations. This is particularly observed in Asia, where 66% of respondents reported ETF usage.

What role do fixed income ETFs play in your investment process? Please select all that apply.

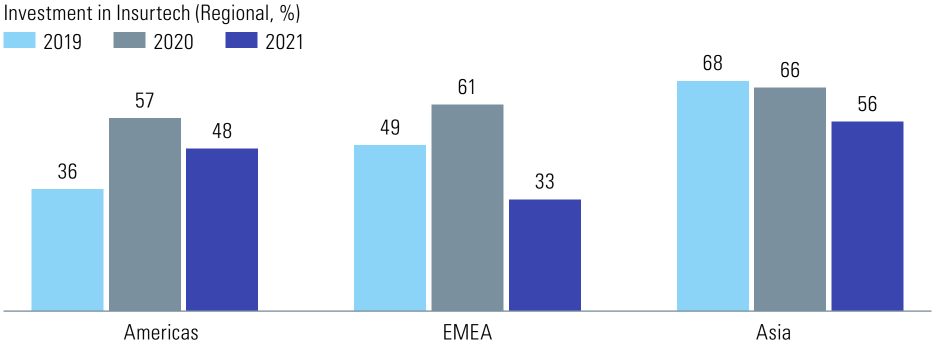
Role of Fixed Income ETFs (Global, %)



Consistent with 2020, insurers who invest in fixed income ETFs most commonly use the allocations for short-term tactical exposure and/or operational efficiency.

Do you invest in insurtech?

Investment in Insurtech (Regional, %)

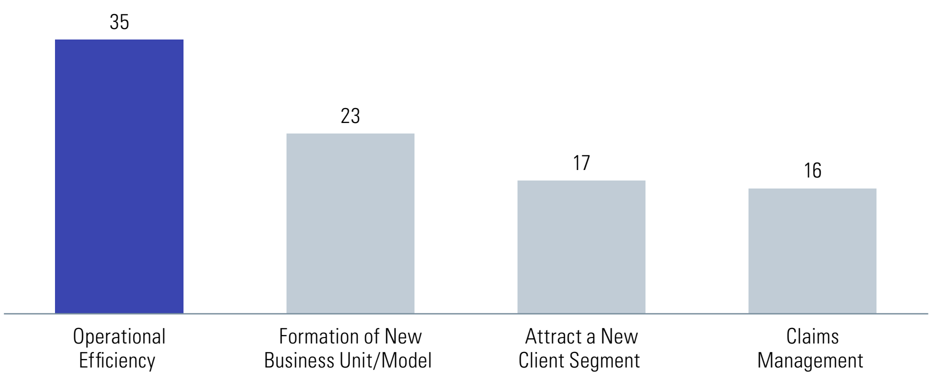


This year, reported investments in insurtech actually fell across all regions. We attribute this decline to the uncertain investment climate of the global pandemic.

Asian insurers continue to lead the charge in insurtech investments.

Which of the following factors do you most strongly consider when evaluating potential investments in insurtech? Please select all that apply.

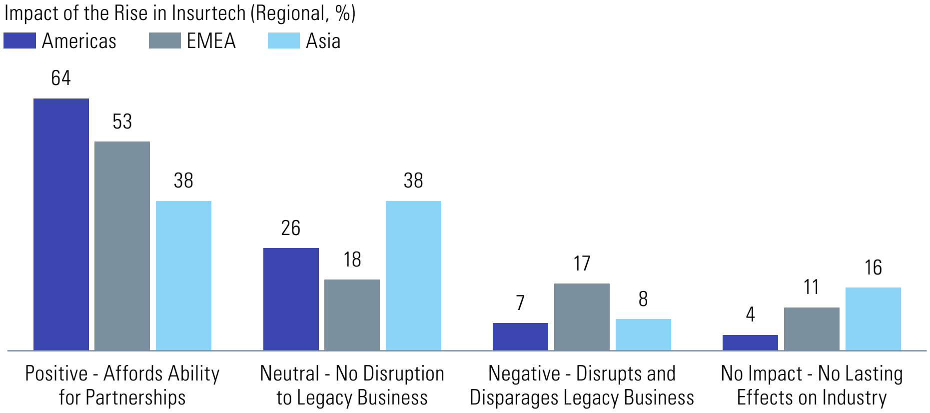
Insurtech Investment Considerations (Global, %)



Similar to 2020, of those that invest in insurtech, insurers cited their interest to be centered around operational efficiency.

Which statement best describes how you evaluate the impact of the rise in insurtech on the insurance industry?

Impact of the Rise in Insurtech (Regional, %)



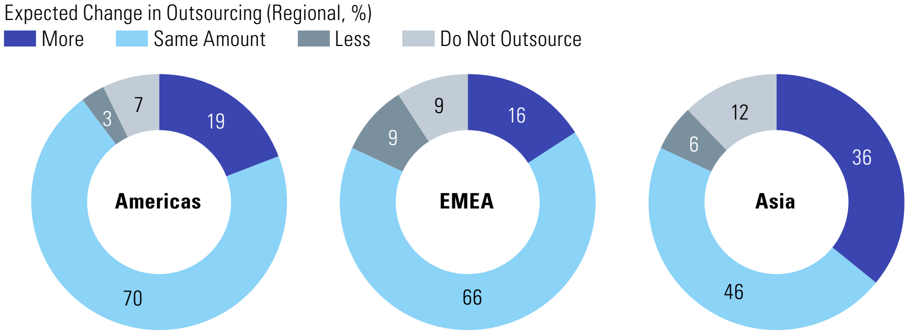
Overall, the majority of respondents view the rise of insurtech positively. Specifically, the vast majority of insurers in the Americas and Europe believe it affords the ability for partnerships. In comparison, Asian insurers are split on whether insurtech will be positive or neutral for the industry.

OUTSOURCING

Outsourcing trends are largely consistent with previous years.

Do you anticipate outsourcing more, the same amount, or less of your investment portfolio in the next 12 months?

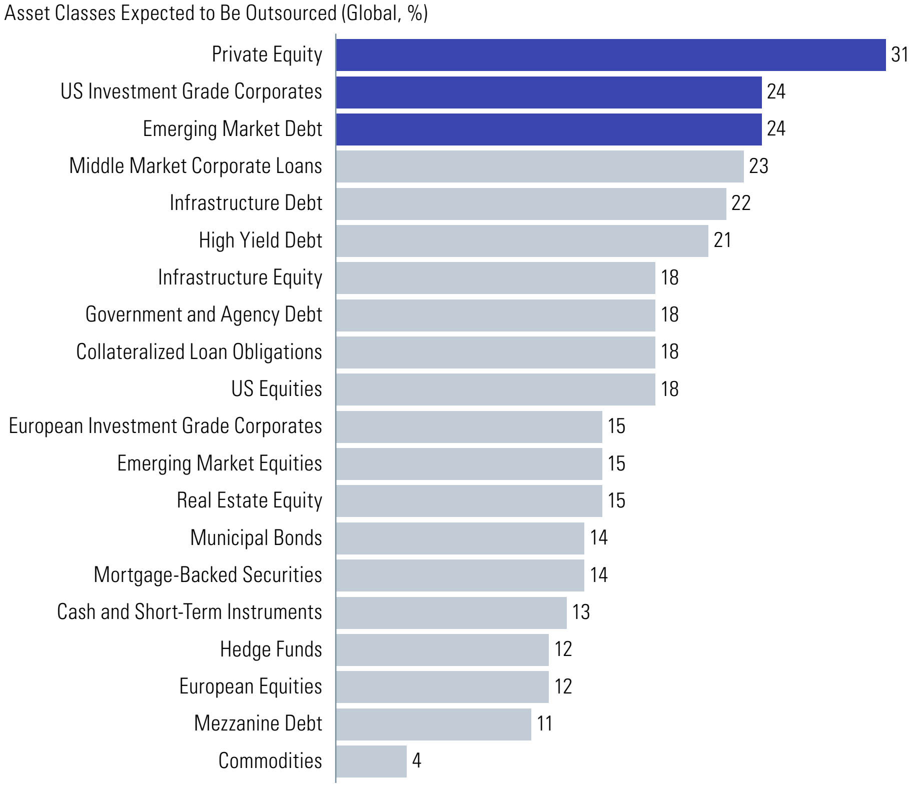
Expected Change in Outsourcing (Regional, %)



The vast majority of respondents in the Americas and Europe plan to maintain outsourcing levels in 2021. Asia is comparatively more strongly considering increasing outsourcing, yet the majority still plan to maintain current outsourcing levels.

Which of the following asset classes are you considering outsourcing to a third party asset manager in the next 12 months? Please select all that apply.

Asset Classes Expected to Be Outsourced (Global, %)



In alignment with previous results, insurers are most often considering third party asset managers for their private equity, US investment grade corporates and opportunistic credit allocations.

Disclosures

Views expressed discussed are those of survey respondents, compiled by GSAM as of March 4, 2021.

2021 survey results as of March 4, 2021. 2020 survey results as of February 28, 2020. 2019 survey results as of February 26, 2019. 2018 survey results as of February 28, 2018. 2017 survey results as of February 22, 2017. 2016 survey information as of February 24, 2016. 2015 survey results as of February 25, 2015. 2014 survey results as of March 6, 2014. 2013 survey results as of March 5, 2013. 2012 survey results as of May 24, 2012.

This material is provided for educational purposes only and should not be construed as investment advice or an offer or solicitation to buy or sell securities. This material is provided at your request for informational purposes only. It is not an offer or solicitation to buy or sell any securities.

Views and opinions expressed are for informational purposes only and do not constitute a recommendation by GSAM to buy, sell, or hold any security. Views and opinions are current as of the date of this presentation and may be subject to change, they should not be construed as investment advice.

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

This information discusses general market activity, industry or sector trends, or other broad-based economic, market or political conditions and should not be construed as research or investment advice. This material has been prepared by GSAM and is not financial research nor a product of Goldman Sachs Global Investment Research (GIR). It was not prepared in compliance with applicable provisions of law designed to promote the independence of financial analysis and is not subject to a prohibition on trading following the distribution of financial research. The views and opinions expressed may differ from those of Goldman Sachs Global Investment Research or other departments or divisions of Goldman Sachs and its affiliates. Investors are urged to consult with their financial advisors before buying or selling any securities. This information may not be current and GSAM has no obligation to provide any updates or changes.

THIS MATERIAL DOES NOT CONSTITUTE AN OFFER OR SOLICITATION IN ANY JURISDICTION WHERE OR TO ANY PERSON TO WHOM IT WOULD BE UNAUTHORIZED OR UNLAWFUL TO DO SO. Prospective investors should inform themselves as to any applicable legal requirements and taxation and exchange control regulations in the countries of their citizenship, residence or domicile which might be relevant.

GSAM does not provide legal, tax or accounting advice and thereore expresses no view as to the legal, tax or accounting treatment of the information described herein or any related transaction, nor are we providing any assurance as to the adequacy or appropriateness of this information or our procedures for your purposes. This material is not a substitute for the professional advice or services of your own financial, tax, accounting and legal advisors.

Environmental, Social, and Governance ("ESG") strategies may take risks or eliminate exposures found in other strategies or broad market benchmarks that may cause performance to diverge from the performance of these other strategies or market benchmarks. ESG strategies will be subject to the risks associated with their underlying investments' asset classes. Further, the demand within certain markets or sectors that an ESG strategy targets may not develop as forecasted or may develop more slowly than anticipated.

Although certain information has been obtained from sources believed to be reliable, we do not guarantee its accuracy, completeness or fairness. We have relied upon and assumed without independent verification, the accuracy and completeness of all information available from public sources.

United Kingdom: In the United Kingdom, this material is a financial promotion and has been approved by Goldman Sachs Asset Management International, which is authorized and regulated in the United Kingdom by the Financial Conduct Authority.

European Economic Area (EEA): This financial promotion is provided by Goldman Sachs Bank Europe SE. This material is a financial promotion disseminated by Goldman Sachs Bank Europe SE, including through its authorised branches ("GSBE"). GSBE is a credit institution incorporated in Germany and, within the Single Supervisory Mechanism established between those Member States of the European Union whose official currency is the Euro, subject to direct prudential supervision by the European Central Bank and in other respects supervised by German Federal Financial Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufischt, BaFin) and Deutsche Bundesbank.

Switzerland: For Qualified Investor use only – Not for distribution to general public. This is marketing material. This document is provided to you by Goldman Sachs Bank AG, Zürich. Any future contractual relationships will be entered into with affiliates of Goldman Sachs Bank AG, which are domiciled outside of Switzerland. We would like to remind you that foreign (Non-Swiss) legal and regulatory systems may not provide the same level of protection in relation to client confidentiality and data protection as offered to you by Swiss law.

Asia Pacific: Please note that neither Goldman Sachs Asset Management International nor any other entities involved in the Goldman Sachs Asset Management (GSAM) business maintain any licenses, authorizations or registrations in Asia (other than Japan), except that it conducts businesses (subject to applicable local regulations) in and from the following jurisdictions: Hong Kong, Singapore and Malaysia. This material has been issued for use in or from Hong Kong by Goldman Sachs Asset Management (Hong Kong) Limited, in or from Singapore by Goldman Sachs Asset Management (Singapore) Pte. Ltd. (Company Number: 201329851H) and in or from Malaysia by Goldman Sachs (Malaysia) Sdn Berhad (880767W).

Australia: This material is distributed in Australia and New Zealand by Goldman Sachs Asset Management Australia Pty Ltd ABN 41 006 099 681, AFSL 228948 ('GSAMA') and is intended for viewing only by wholesale clients in Australia for the purposes of section 761G of the Corporations Act 2001 (Cth) and to clients who either fall within any or all of the categories of investors set out in section 3(2) or sub-section 5(2CC) of the Securities Act 1978, fall within the definition of a wholesale client for the purposes of the Financial Service Providers (Registration and Dispute Resolution) Act 2008 (FSPA) and the Financial Advisers Act 2008 (FAA),and fall within the definition of a wholesale investor under one of clause 37, clause 38, clause 39 or clause 40 of Schedule 1 of the Financial Markets Conduct Act 2013 (FMCA) of New Zealand (collectively, a “NZ Wholesale Investor”). GSAMA is not a registered financial service provider under the FSPA. GSAMA does not have a place of business in New Zealand. In New Zealand, this document, and any access to it, is intended only for a person who has first satisfied GSAMA that the person is a NZ Wholesale Investor. This document is intended for viewing only by the intended recipient. This document may not be reproduced or distributed to any person in whole or in part without the prior written consent of GSAMA. This information discusses general market activity, industry or sector trends, or other broad based economic, market or political conditions and should not be construed as research or investment advice. The material provided herein is for informational purposes only. This presentation does not constitute an offer or solicitation to any person in any jurisdiction in which such offer or solicitation is not authorized or to any person to whom it would be unlawful to make such offer or solicitation.

Canada: This presentation has been communicated in Canada by GSAM LP, which is registered as a portfolio manager under securities legislation in all provinces of Canada and as a commodity trading manager under the commodity futures legislation of Ontario and as a derivatives adviser under the derivatives legislation of Quebec. GSAM LP is not registered to provide investment advisory or portfolio management services in respect of exchange-traded futures or options contracts in Manitoba and is not offering to provide such investment advisory or portfolio management services in Manitoba by delivery of this material.

Japan: This material has been issued or approved in Japan for the use of professional investors defined in Article 2 paragraph (31) of the Financial Instruments and Exchange Law by Goldman Sachs Asset Management Co., Ltd.

Colombia: Esta presentación no tiene el propósito o el efecto de iniciar, directa o indirectamente, la adquisición de un producto a prestación de un servicio por parte de Goldman Sachs Asset Management a residentes colombianos. Los productos y/o servicios de Goldman Sachs Asset Management no podrán ser ofrecidos ni promocionados en Colombia o a residentes Colombianos a menos que dicha oferta y promoción se lleve a cabo en cumplimiento del Decreto 2555 de 2010 y las otras reglas y regulaciones aplicables en materia de promoción de productos y/o servicios financieros y /o del mercado de valores en Colombia o a residentes colombianos.

Al recibir esta presentación, y en caso que se decida contactar a Goldman Sachs Asset Management, cada destinatario residente en Colombia reconoce y acepta que ha contactado a Goldman Sachs Asset Management por su propia iniciativa y no como resultado de cualquier promoción o publicidad por parte de Goldman Sachs Asset Management o cualquiera de sus agentes o representantes. Los residentes colombianos reconocen que (1) la recepción de esta presentación no constituye una solicitud de los productos y/o servicios de Goldman Sachs Asset Management, y (2) que no están recibiendo ninguna oferta o promoción directa o indirecta de productos y/o servicios financieros y/o del mercado de valores por parte de Goldman Sachs Asset Management.

Esta presentación es estrictamente privada y confidencial, y no podrá ser reproducida o utilizada para cualquier propósito diferente a la evaluación de una inversión potencial en los productos de Goldman Sachs Asset Management o la contratación de sus servicios por parte del destinatario de esta presentación, no podrá ser proporcionada a una persona diferente del destinatario de esta presentación.”

Confidentiality

No part of this material may, without GSAM’s prior written consent, be (i) copied, photocopied or duplicated in any form, by any means, or (ii) distributed to any person that is not an employee, officer, director, or authorized agent of the recipient.

Compliance Code: 238488-OTU-1398488.

Goldman Sachs | Asset Management