Goldman Sachs Paris Inc. et Cie

Pillar 3 Disclosures

For the period ended December 31, 2023

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Introduction

Overview

The Goldman Sachs Group, Inc. (Group Inc. or parent company), a Delaware corporation, together with its consolidated subsidiaries (collectively, the firm), is a leading global financial institution that delivers a broad range of financial services across investment banking, securities, investment management and consumer banking to a large and diversified client base that includes corporations, financial institutions, governments, and individuals. Goldman Sachs Paris Inc. et Cie (GSPIC) is a majority owned subsidiary of Group Inc. When we use the terms “Goldman Sachs”, “GS Group” and “the firm”, we mean Group Inc. and its consolidated subsidiaries and when we use the terms “GSPIC”, “the company”, “we”, “us” and “our”, we mean Goldman Sachs Paris Inc. et Cie.

Basel III was implemented within the European Union through the “CRD IV Package” consisting of Directive 2013/36/EU on capital adequacy (“CRD IV – Capital Requirements Directive IV”) and EU Regulation 575/2013 on prudential requirements (“CRR2”) and directly applicable in France.

As at the reporting date, GSPIC is subject to the CRR/CRD framework. The following document sets out the qualitative and quantitative requirements set by the CRR. Additional information required under Pillar III may also be obtained from the Annual Report of The Goldman Sachs Group, Inc. (“GS Group”). The information published in the GS Group Annual Report on Accounting Principles (“Accounting Policy”), Risk Management (“Risk Management”) and Equity Capital (“Equity Capital”), is applicable to GSPIC, an integrated subsidiary of GS Group.

Following its classification by the Autorité de Controle Prudentiel et Reglementaire (ACPR) as a class II investment firm in December 2023, GSPIC will be subject to the EU Investment Firms Regulation (IFR) and Investment Firms Directive (IFD) starting March 31, 2024.

The IFR and IFD is a bespoke EU prudential regime for MiFID investment firms that became applicable from June 2021. The regime was designed to better reflect the nature, size, and complexity of investment firms’ activities compared to the CRR/CRD framework.

For information on Group Inc.’s financial statements and regulatory capital ratios, please refer to the firm’s annual Pillar 3 Disclosures and Annual Report on Form 10-K. References to the “2023 Form 10-K” are to the firm’s Annual Report on Form 10-K for the year ended December 31, 2023. All references to December 2023 refer to the period ended, or the date, as the context requires, December 31, 2023.

https://www.goldmansachs.com/investor-relations/financials/other-information/2023/4q-pillar3-2023.pdf

https://www.goldmansachs.com/investor-relations/financials/10k/2023/2023-10-k.pdf

The information published below relates to Goldman Sachs Paris Inc. et Cie, which has no subsidiaries and does not publish consolidated financial statements.

Regulatory Developments

The firm’s businesses are subject to extensive regulation and supervision worldwide.

From 2024, GSPIC will be subject to new requirements under the IFR/IFD framework for own funds, liquid assets, remuneration, governance, reporting and disclosures.

GSPIC will no longer be subject to capital ratios calculated based on the CRR but to capital requirements based on “K-factors” which aim to measure the risks posed by the company to its customers, to the market generally and to the company itself.

Other Developments

Business Environment

In 2023, the global economy grew, but was impacted throughout the year by broad macroeconomic and geopolitical concerns. Concerns about persistent inflation and the economic outlook were somewhat eased by improvement in inflationary measures over the course of the year and increased expectations for a soft landing for the U.S. economy amid a slowdown in the pace of monetary policy tightening, both contributing to improved market sentiment. During the early part of the year, momentum was temporarily disrupted by stress in the banking sector, which led to the failure of certain regional banks in the U.S. and the combination of Switzerland's two largest financial institutions, resulting in a period of high interest rate volatility before concerns subsided after regional banks showed stability. Geopolitical stresses that carried over into 2023, including the conflict in Ukraine and ongoing tensions with China, remained elevated. Additionally, the renewed onset of conflict in the Middle East added to the uncertainty of global stability. The above factors contributed to higher global equity prices compared with the end of 2022 and pressure in the commercial real estate market.

Attestation

To the best of my knowledge, I attest that the Pillar 3 Disclosures of Goldman Sachs Paris Inc et Cie for the period ended December 31, 2023, prepared according to Part Eight of the CRR, have been prepared in accordance with the formal policies and internal processes, systems and controls agreed at the senior management level.

Petra Leveton
Gérant

Key Metrics

The tables below represent an overview of prudential regulatory positions measured by key regulatory metrics for GSPIC as at December 31, 2023, December 31, 2022 and December 31, 2021.

Table 1: Key Metric Template

€'000		As of December 2023	As of December 2022	As of December 2021
	Available own funds (amounts)			
1	Common Equity Tier 1 (CET1) capital	1, 247, 642	1,123,226	400,611
2	Tier 1 capital	1, 247, 642	1,123,226	400,611
3	Total capital	1, 247, 642	1,123,226	400,611
	Risk-weighted exposure amounts			
4	Total risk-weighted exposure amount	1,988,818	1,989,786	1,696,773
	Capital ratios (as a percentage of risk-weighted exposure amount)[1]			
5	Common Equity Tier 1 ratio (%)	62.7%	56.4%	23.6%
6	Tier 1 ratio (%)	62.7%	56.4%	23.6%
7	Total capital ratio (%)	62.7%	56.4%	23.6%
	Additional own funds requirements based on SREP (as a percentage of risk-weighted exposure amount)			
EU 7a	Additional own funds requirements to address risks other than the risk of excessive leverage (%)	0%	0%	0%
EU 7b	of which: to be made up of CET1 capital (percentage points)	0%	0%	0%
EU 7c	of which: to be made up of Tier 1 capital (percentage points)	0%	0%	0%
EU 7d	Total SREP own funds requirements (%)	8.0%	8.0%	8.0%
	Combined buffer requirement (as a percentage of risk-weighted exposure amount)			
8	Capital conservation buffer (%)	2.5%	2.5%	2.5%
EU 8a	Conservation buffer due to macro-prudential or systemic risk identified at the level of a Member State (%)	0%	0%	0%
9	Institution specific countercyclical capital buffer (%)	0.2%	0%	0%
EU 9a	Systemic risk buffer (%)	0%	0%	0%
10	Global Systemically Important Institution buffer (%)	0%	0%	0%
EU 10a	Other Systemically Important Institution buffer	0%	0%	0%
11	Combined buffer requirement (%)	2.7%	2.5%	2.5%
EU 11a	Overall capital requirements (%)	10.7%	10.5%	10.5%
12	CET1 available after meeting the total SREP own funds requirements (%)	58.2%	51.9%	19.1%
	Leverage ratio			
13	Leverage ratio total exposure measure[2]	4,074,848	7,034,275	5,795,935
14	Leverage ratio %	30.6%	16%	7%
	Additional own funds requirements to address risks of excessive leverage (as a percentage of leverage ratio total exposure amount)			
EU 14a	Additional own funds requirements to address the risk of excessive leverage (%)	0%	0%	0%
EU 14b	of which: to be made up of CET1 capital (percentage points)	0%	0%	0%
EU 14c	Total SREP leverage ratio requirements (%)	0%	0%	0%
	Leverage ratio buffer and overall leverage ratio requirement (as a percentage of total exposure measure*			
EU 14d	Total SREP leverage ratio requirements (%)	3%	0%	0%
EU 14e	Applicable leverage buffer (%)	0%	0%	0%

* Row EU 14d-EU14f "Overall leverage ratio requirement" will no longer be applicable as of 1Q2024.

EU 14f	Overall leverage ratio requirements (%)	3%	0%	0%
	Liquidity Coverage Ratio[3]			
15	Total high-quality liquid assets (HQLA) (Weighted value - average)	2,409,000	2,944,000	774,000
EU 16a	Cash outflows - Total weighted value	1,680,000	1,287,000	271,000
EU 16b	Cash inflows - Total weighted value	207,000	420,000	104,000
16	Total net cash outflows (adjusted value)	1,474,000	1,053,000	167,000
17	Liquidity coverage ratio (%)	174%	463%	507%
	Net Stable Funding Ratio[4]			
18	Total available stable funding	1,917,906	4,612,000	2,641,355
19	Total required stable funding	188,831	1,818,000	393,807
20	NSFR ratio (%)	1,016%	254%	671%

Notes:

1. GSPIC's Total Capital ratio has increased from 56.4% in December 2022 to 62.7% in December 2023 due to the recognition of 2023 earnings and a decrease in Credit Risk RWAs partially offset by an increase in Counterparty Credit Risk RWAs.
2. GSPIC's leverage exposure has decreased from €7bn in December 2022 to €4bn in December 2023 primarily driven by decreased on-balance sheet amounts within derivative exposures.
3. LCR Ratio decreased from 463% to 174% driven by an increase in Total Net Cash Outflows and a decrease in High Quality Liquid Assets. Net Cash Outflows increase was mainly driven by an increase in Outflows related to derivative exposures.
4. NSFR Ratio increased from 254% to 1,016% driven by €1.6bn decrease in Required Stable Funding driven by intercompany loans and derivatives partially offset by €2.7bn decrease in Available Stable Funding driven by a decrease in surety deposits and other intercompany loans.

Risk-Weighted Assets

RWAs are calculated based on measures of credit risk, market risk and operational risk. The tables below represent a summary of the RWAs and capital requirements for GSPIC by type as of December 31, 2023 and December 31,2022.

Table 2: EU OV1 - Overview of RWAs

€'000

		RWAs		Minimum capital requirements
		December 2023	December 2022	
1	**Credit risk (excluding CCR)**	**€ 234,173**	**€ 527,441**	**€ 18,734**
2	Of which the standardised approach	26,923	25,915	2,154
3	Of which the foundation IRB (FIRB) approach	0	0	0
4	Of which slotting approach	0	0	0
EU 4a	Of which equities under the simple risk weighted approach	0	0	0
5	Of which the advanced IRB (AIRB) approach	207,250	501,526	16,580
6	**Counterparty credit risk - CCR**	**€ 1,523,975**	**€ 1,229,651**	**€ 121,918**
7	Of which the standardised approach	1,201,986	962,104	96,159
8	Of which internal model method (IMM)	0	0	0
EU 8a	Of which exposures to a CCP	0	0	0
EU 8b	Of which credit valuation adjustment – CVA	321,989	267,547	25,759
9	Of which other CCR	0	0	
15	**Settlement risk**	**0**	**0**	**0**
16	**Securitisation exposures in the non-trading book (after the cap)**	**0**	**0**	**0**
17	Of which SEC-IRBA approach	0	0	0
18	Of which SEC-ERBA (including IAA)	0	0	0
19	Of which SEC-SA approach	0	0	0
EU 19a	Of which 1250%/deduction	0	0	0
20	**Position, foreign exchange and commodities risks (Market risk)**	**€ 12,577**	**€ 14,837**	**€ 1,006**
21	Of which the standardised approach	12,577	14,837	1,006
22	Of which IMA	0	0	0
EU 22a	**Large exposures**	**0**	**0**	**0**
23	**Operational risk**	**€ 218,093**	**€ 217,857**	**€ 17,447**
EU 23a	Of which basic indicator approach	218,093	217,857	17,447
EU 23b	Of which standardised approach	0	0	0
EU 23c	Of which advanced measurement approach	0	0	0
24	**Amounts below the thresholds for deduction (subject to 250% risk weight)**	**0**	**0**	**0**
29	**Total**	**€ 1,988,818**	**€ 1,989,786**	**€ 159,105**

GSPIC risk weighted assets remains stable from December 2022 to December 2023. Decrease in RWAs are primarily driven by Credit and Counterparty credit risk RWAs:

- GSPIC Counterparty Credit Risk RWAs increased from €1.2bn in December 2022 to €1.5bn in December 2023 driven by an increase in commodities business exposures.
- GSPIC Credit Risk RWAs decreased from €0.5bn in December 2022 to €0.2bn in December 2023 driven by a decrease in other receivables mainly from GS Group and external counterparties on the derivatives business.

Own Funds Template

The table below presents further information on the detailed capital position of GSPIC as at December 31, 2023.

Table 3: EU CC1 - Composition of regulatory own funds

€'000			As of December 2023
		(a)	**(b)**
		Amounts	**Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation**
Common Equity Tier 1 (CET1) capital: instruments and reserves			
1	Capital instruments and the related share premium accounts	€ 1,079,546	Row 11 and 12 of "EU CC2"
	of which: Ordinary Shares	1,014,124	Row 11 of "EU CC2"
	of which: Share premium	65,422	Row 12 of "EU CC2"
	of which: Instrument type 3	0	
2	Retained earnings	183,355	Row 13 and 14 of "EU CC2"
3	Accumulated other comprehensive income (and other reserves)		
EU-3a	Funds for general banking risk	0	
4	Amount of qualifying items referred to in Article 484 (3) and the related share premium accounts subject to phase out from CET1	0	
5	Minority interests (amount allowed in consolidated CET1)	0	
EU-5a	Independently reviewed interim profits net of any foreseeable charge or dividend	0	
6	**Common Equity Tier 1 (CET1) capital before regulatory adjustments**	**€ 1,262,901**	
Common Equity Tier 1 (CET1) capital: regulatory adjustments			
7	Additional value adjustments (negative amount)	0	
8	Intangible assets (net of related tax liability) (negative amount)	0	
9	Not applicable	0	
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability where the conditions in Article 38 (3) are met) (negative amount)	0	
11	Fair value reserves related to gains or losses on cash flow hedges of financial instruments that are not valued at fair value	0	
12	Negative amounts resulting from the calculation of expected loss amounts	(15,259)	
13	Any increase in equity that results from securitised assets (negative amount)	0	
14	Gains or losses on liabilities valued at fair value resulting from changes in own credit standing	0	
15	Defined-benefit pension fund assets (negative amount)	0	
16	Direct and indirect holdings by an institution of own CET1 instruments (negative amount)	0	
17	Direct, indirect and synthetic holdings of the CET 1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	0	
18	Direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	0	
19	Direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	0	
20	Not applicable		
EU-20a	Exposure amount of the following items which qualify for a RW of 1250%, where the institution opts for the deduction alternative	0	
EU-20b	of which: qualifying holdings outside the financial sector (negative amount)	0	
EU-20c	of which: securitisation positions (negative amount)	0	
EU-20d	of which: free deliveries (negative amount)	0	
21	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability where the conditions in Article 38 (3) are met) (negative amount)	0	
22	Amount exceeding the 17,65% threshold (negative amount)	0	
23	of which: direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities	0	
24	Not applicable		
25	of which: deferred tax assets arising from temporary differences	0	

EU-25a	Losses for the current financial year (negative amount)	0
EU-25b	Foreseeable tax charges relating to CET1 items except where the institution suitably adjusts the amount of CET1 items insofar as such tax charges reduce the amount up to which those items may be used to cover risks or losses (negative amount)	0
26	Not applicable	
27	Qualifying AT1 deductions that exceed the AT1 items of the institution (negative amount)	0
27a	Other regulatory adjustments	0
28	**Total regulatory adjustments to Common Equity Tier 1 (CET1)**	**€ (15,259)**
29	**Common Equity Tier 1 (CET1) capital**	**€ 1,247,642**
Additional Tier 1 (AT1) capital: instruments		
30	Capital instruments and the related share premium accounts	0
31	of which: classified as equity under applicable accounting standards	0
32	of which: classified as liabilities under applicable accounting standards	0
33	Amount of qualifying items referred to in Article 484 (4) and the related share premium accounts subject to phase out from AT1	0
EU-33a	Amount of qualifying items referred to in Article 494a(1) subject to phase out from AT1	0
EU-33b	Amount of qualifying items referred to in Article 494b(1) subject to phase out from AT1	0
34	Qualifying Tier 1 capital included in consolidated AT1 capital (including minority interests not included in row 5) issued by subsidiaries and held by third parties	0
35	of which: instruments issued by subsidiaries subject to phase out	0
36	**Additional Tier 1 (AT1) capital before regulatory adjustments**	0
Additional Tier 1 (AT1) capital: regulatory adjustments		
37	Direct and indirect holdings by an institution of own AT1 instruments (negative amount)	0
38	Direct, indirect and synthetic holdings of the AT1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	0
39	Direct, indirect and synthetic holdings of the AT1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	0
40	Direct, indirect and synthetic holdings by the institution of the AT1 instruments of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions) (negative amount)	0
41	Not applicable	0
42	Qualifying T2 deductions that exceed the T2 items of the institution (negative amount)	0
42a	Other regulatory adjustments to AT1 capital	0
43	**Total regulatory adjustments to Additional Tier 1 (AT1) capital**	0
44	**Additional Tier 1 (AT1) capital**	0
45	**Tier 1 capital (T1 = CET1 + AT1)**	**€ 1,247,642**
Tier 2 (T2) capital: instruments		
46	Capital instruments and the related share premium accounts	0
47	Amount of qualifying items referred to in Article 484 (5) and the related share premium accounts subject to phase out from T2 as described in Article 486 (4) CRR	0
EU-47a	Amount of qualifying items referred to in Article 494a (2) subject to phase out from T2	0
EU-47b	Amount of qualifying items referred to in Article 494b (2) subject to phase out from T2	0
48	Qualifying own funds instruments included in consolidated T2 capital (including minority interests and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties	0
49	of which: instruments issued by subsidiaries subject to phase out	0
50	Credit risk adjustments	0
51	**Tier 2 (T2) capital before regulatory adjustments**	0
Tier 2 (T2) capital: regulatory adjustments		
52	Direct and indirect holdings by an institution of own T2 instruments and subordinated loans (negative amount)	0
53	Direct, indirect and synthetic holdings of the T2 instruments and subordinated loans of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	0
54	Direct and indirect holdings of the T2 instruments and subordinated loans of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	0

54a	Not applicable	
55	Direct and indirect holdings by the institution of the T2 instruments and subordinated loans of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions) (negative amount)	0
56	Not applicable	
EU-56a	Qualifying eligible liabilities deductions that exceed the eligible liabilities items of the institution (negative amount)	0
56b	Other regulatory adjustments to T2 capital	0
57	**Total regulatory adjustments to Tier 2 (T2) capital**	0
58	**Tier 2 (T2) capital**	0
59	**Total capital (TC = T1 + T2)**	**€ 1,247,642**
60	**Total risk exposure amount**	**€ 1,988,818**
Capital ratios and requirements including buffers		
61	Common Equity Tier 1	62.7%
62	Tier 1	62.7%
63	Total capital	62.7%
64	Institution CET1 overall capital requirements	10.7%
65	of which: capital conservation buffer requirement	2.5%
66	of which: countercyclical capital buffer requirement	0.2%
67	of which: systemic risk buffer requirement	0
EU-67a	of which: Global Systemically Important Institution (G-SII) or Other Systemically Important Institution (O-SII) buffer requirement	0
EU-67b	of which: additional own funds requirements to address the risks other than the risk of excessive leverage	0
68	**Common Equity Tier 1 capital (as a percentage of risk exposure amount) available after meeting the minimum capital requirements**	58.2%
69	Not applicable	
70	Not applicable	
71	Not applicable	
Amounts below the thresholds for deduction (before risk weighting)		
72	Direct and indirect holdings of own funds and eligible liabilities of financial sector entities where the institution does not have a significant investment in those entities (amount below 10% threshold and net of eligible short positions)	0
73	Direct and indirect holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount below 17.65% thresholds and net of eligible short positions)	0
74	Not applicable	0
75	Deferred tax assets arising from temporary differences (amount below 17.65% threshold, net of related tax liability where the conditions in Article 38 (3) are met)	0
Applicable caps on the inclusion of provisions in Tier 2		
76	Credit risk adjustments included in T2 in respect of exposures subject to standardised approach (prior to the application of the cap)	0
77	Cap on inclusion of credit risk adjustments in T2 under standardised approach	0
78	Credit risk adjustments included in T2 in respect of exposures subject to internal ratings-based approach (prior to the application of the cap)	0
79	Cap for inclusion of credit risk adjustments in T2 under internal ratings-based approach	0
Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2014 and 1 Jan 2022)		
80	Current cap on CET1 instruments subject to phase out arrangements	0
81	Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)	0
82	Current cap on AT1 instruments subject to phase out arrangements	0
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)	0
84	Current cap on T2 instruments subject to phase out arrangements	0
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)	0

Table 4: EU CC2 - Reconciliation of regulatory own funds to balance sheet in the audited financial statements

Following table represents balance sheet as in published consolidated French GAAP Financial Information prepared in accordance with the applicable accounting framework and under regulatory scope of consolidation. There are no differences in consolidation methodology under the accounting and regulatory frameworks.

		A	B	c
		Balance sheet as in published French GAAP Financial Information	**Under regulatory scope of consolidation**	**Reference**
€ in millions		**As at period end**	**As at period end**	
Assets - Breakdown by asset classes according to the balance sheet in the published financial statements				
1	Cash, central banks, CCP	13	13	
2	Receivables from credit institutions	9	9	
3	Customer operations	2,011	2,011	
4	Intangible assets	-	-	
5	Fixed assets	25	25	
6	Other assets	391	391	
7	Trading assets	1,713	1,713	
	Total assets	**4,162**	**4,162**	
Liabilities - Breakdown by liability classes according to the balance sheet in the published financial statements				
8	Customer operations	1,047	1,047	
9	Other liabilities	131	131	
10	Trading liabilities	1,722	1,722	
	Total liabilities	**2,900**	**2,900**	
Shareholders' Equity				
11	Share capital	1,014	1,014	Row 1 of “EU CC1”
12	Share premium account	65	65	Row 1 of “EU CC1”
13	Retained earnings	135	135	Row 2 of “EU CC1”
14	Result of exercise	48	48	Row 2 of “EU CC1”
	Total shareholders' equity	**€ 4,162**	**€ 4,162**	

Risk Management

Overview

The firm believes that effective risk management is critical to the success of the firm and its subsidiaries including GSPIC. Accordingly, the group has established a risk management framework that employs a comprehensive, integrated approach to risk management, and is designed to enable comprehensive risk management processes through which the risks associated with the company's business are identified, assessed, monitored and managed.

These risks include liquidity, market, credit, operational, cybersecurity, climate, model, legal, compliance, conduct, regulatory and reputational risks. The following section covers the risk management structure which is built around three core components: governance, processes and people.

Governance

Risk management governance of the Goldman Sachs Group starts with the Board of Directors of the firm (Board), which both directly and through its committees, including its Risk Committee, oversees the risk management policies and practices implemented through the enterprise risk management framework. The risk appetite statement of the GS Group describes the levels and types of risk the firm is willing to accept or to avoid, in order to achieve strategic business objectives included in the strategic business plan, while remaining in compliance with regulatory requirements. The GS Group Board reviews the strategic business plan and is ultimately responsible for overseeing and providing direction about strategy and risk appetite.

The implementation of the firm's risk governance structure and core risk management processes are overseen at the group level by Enterprise Risk which reports to the firm's Chief Risk Officer and is responsible for ensuring that the firm's enterprise risk management framework provides the board, the firm's risk committees and senior management with a consistent and integrated approach to managing the various risks in a manner consistent with the firm's risk appetite.

The firm's revenue-producing units, as well as Treasury, Human Capital Management, Operations, and Corporate and Workplace Solutions, are considered the first line of defence and are accountable for the outcomes of the risk-generating activities, as well as for assessing and managing those risks within the firm's risk appetite.

The independent risk oversight and control functions are considered the second line of defence and provide independent assessment, oversight and challenge of the risks taken by the first line of defence, as well as lead and participate in risk committees. Independent risk oversight and control functions include Compliance, Conflicts Resolution, Controllers, Legal, Risk and Tax.

Internal Audit is considered the third line of defence and reports to the directors of the entity. Internal Audit includes professionals with a broad range of audit and industry experience, including risk management expertise. Internal Audit is responsible for independently assessing and validating the effectiveness of key controls, including those within the risk management framework, and providing timely reporting to the senior management and regulators.

The three lines of defence structure promotes the accountability of first line risk takers, provides a framework for effective challenge by the second line and empowers independent review from the third line.

The firm maintains strong and proactive communication about risk and it has a culture of collaboration in decision-making among the first and second lines of defence, committees and senior management. While the first line of defence is responsible for management of their risk, the firm dedicates extensive resources to the second line of defence in order to ensure a strong oversight structure and an appropriate segregation of duties. The firm regularly reinforces its strong culture of escalation and accountability across all functions.

Processes

The firm maintains various processes that are critical components of its risk management framework, including (i) risk identification and control assessment, (ii) limits thresholds and alerts setting, (iii) risk metrics reporting and monitoring, and (iv) risk decision-making.

To effectively assess and monitor risks, the firm maintains a discipline of marking substantially all of its inventory to current market levels. The firm does so because of its belief that this discipline is one of the most effective tools for assessing and managing risk and that it provides transparent and realistic insight into its inventory exposures. The firm also applies a rigorous framework of limits and thresholds to control and monitor risk across transactions, products, businesses and markets. See “Credit Risk”, “Market Risk” and “Liquidity Risk”, “Operational Risk”, for further information.

The firm’s governance and processes, as described above, equally applies to GSPIC.

People

GSPIC relies on the global firmwide organisation and leverages firmwide resources to implement best controls and processes.

Even the best technology serves only as a tool for helping to make informed decisions in real time about the risks the firm is taking. Ultimately, effective risk management requires people to interpret risk data on an ongoing and timely basis and adjust risk positions accordingly. The experience of the company’s professionals, and their understanding of the nuances and limitations of each risk measure, guides the company in assessing exposures and maintaining them within prudent levels.

The firm reinforces a culture of effective risk management, consistent with its risk appetite, in its training and development programmes, as well as in the way it evaluates performance, and recognises and rewards people. The firm’s training and development programmes, including certain sessions led by the most senior leaders, are focused on the importance of risk management, client relationships and reputational excellence. As part of the firm’s annual performance review process, the firm assesses reputational excellence, including how an employee exercises good risk management and reputational judgement, and adheres to the firm’s code of conduct and compliance policies. The firm’s review and reward processes are designed to communicate and reinforce to its professionals the link between behaviour and how people are recognised, the need to focus on clients and reputation, and the need to always act in accordance with the highest standards of the firm.

Structure

Ultimate oversight of risk in the company is the responsibility of GSPIC’s Board, who oversee risk, at GSPIC level, both directly and through its committees, including its Compliance and Risk Committee. The key committees with oversight of our activities, at GSPIC’s level, are described below.

Management Board (MB). The MB oversees all GSPIC activities. It is chaired by the directors of the entity and its membership includes senior managers from the revenue-producing divisions and control functions.

GSPIC Compliance and Risk Committee. The GSPIC Compliance and Risk Committee is responsible for the ongoing monitoring and control of all financial and non-financial risks associated with each entity’s activities. This includes reviewing key financial and risk metrics, including but not limited to profit and loss, capital (including the Internal Capital Adequacy Assessment Process (ICAAP), funding, liquidity, credit risk, market risk, compliance and operational risk, strategic and business environment risk. Its membership includes senior managers from control functions. The Compliance and Risk Committee report directly to the Management Board.

In addition to Committees referenced above, GSPIC benefits from the firm’s broader governance forums, as detailed in the in the firm’s 2023 Form 10-K.

Risk Profile and Strategy

In the normal course of activities in serving clients, we commit capital, engage in derivative, and otherwise incur risk as an inherent part of our business. However, we endeavour not to undertake risk in form or amount that could potentially and materially impair our capital and liquidity position or the ability to generate revenues, even in a stressed environment. Where possible we employ mitigants and hedges, such as collateral, netting arrangements and other controls, in order to manage such risks and risk concentrations within our risk appetite levels.

The company’s overall risk profile is established through an assessment of opportunities relative to potential loss, and is calibrated to GSPIC’s respective capital, liquidity and earnings capability. The primary means of evaluating loss-taking capacity is through the ICAAP. The key aspects of risk management documented through the ICAAP process also form part of GSPIC’s day-to-day decision making culture.

The Risk Appetite Statement (RAS) of the firm articulates the risk philosophy, the identification of risks generated by its business activities, as well as the appetite limits and thresholds set in order to manage effectively those risks. Consistent with this objective, we pay particular attention to evaluating risks that are concentrated, correlated, illiquid, or have other adverse characteristics. The intention is to mitigate or eliminate these risks, limiting them to such an extent that they could not, individually or collectively, materially and adversely affect the firm, including its affiliates. GSPIC regularly reviews risk exposure at the entity level.

The GSPIC Management Board and Compliance and Risk Committee are actively engaged in reviewing and approving our overall risk limits, as well as in reviewing the risk profile. They receive quarterly updates on risk as well as ad-hoc updates, as appropriate.

The consideration of the risk management framework ensures that GSPIC's businesses are congruent with our strategy under both normal and stressed environments. We believe that the risk management framework and the associated risk policies, procedures and systems in place are comprehensive and effective with regard to our profile and strategy. The framework is evaluated on an ongoing basis and subject to independent internal audit assessments to ensure our risk management arrangements remain effective.

Risk Measurement

We measure risk using a suite of metrics, as relevant to each type of risk, including stress metrics to calculate the potential loss from a wide range of scenarios and sensitivity analysis. These risks are tracked systematically.

A number of specialist committees and governance bodies sit within the broader risk management framework with responsibilities for the monitoring of specific risks against limits or tolerances and the escalation of any breaches. Specific governance bodies are in place for the management of credit, market, liquidity, model and operational risk.

The firm's risk management framework, which relies on oversight from the Management Board, operates independently of revenue producing divisions and other non-revenue producing units such as compliance, finance, legal, internal audit and operations. GSPIC is fully integrated into the broader firmwide organizational structure and risk governance, and applies a risk philosophy and risk management principles consistent with GS Group. For an overview of the firm's risk management framework, including Board governance, processes and committee structure, see "Risk Management – Overview and Structure of Risk Management" in Part II, Item 7 "Management's Discussion and Analysis of Financial Condition and Results of Operations" in the firm's 2023 Form 10-K.

Adequacy of Risk Management Arrangements

The Firm is satisfied that the risk management arrangements and systems, as described above, are appropriate given the strategy and risk profile of GSPIC. These elements are reviewed at least annually and, where appropriate, updated to reflect best practice, evolving market conditions and changing regulatory requirements.

Credit Risk

Credit risk management and governance

Goldman Sachs Paris Inc. et Cie manages its credit risk in a manner that is consistent with the approach taken across the rest of the firm, leveraging existing Firmwide risk management systems, models and processes used across the group.

To measure and manage our credit exposures, we use a variety of tools, including credit limits on potential exposures. Potential exposure is an estimated exposure, at a given confidence interval, that may exist during the life of a transaction based on market movements. To complement our standard credit exposure measurements, we also use scenario analyses, such as stress tests and other quantitative tools.

Our global credit risk management systems monitor credit exposure on an individual basis for each counterparty, and on a consolidated basis for counterparties and their affiliates. These systems also provide management, in particular the Firmwide Risk Appetite Committee and other committees, with information on credit risk by product, business sector, country and region.

The Credit Risk ("CR") department is responsible for managing credit risk at GS Group. CR is independent of the business units and reports directly to the Chief Credit Officer. It assigns internal credit ratings to all counterparties, based on credit reviews specific to each.

A counterparty's credit review represents the independent assessment of Goldman Sachs' risk appetite for dealing with that counterparty, and takes into account, among other factors, a counterparty's ability and willingness to meet its commitments. Counterparty reviews are conducted under guidelines established by the various CR Industry Councils, and the extent of the reviews depends on several factors, including the industry sector and the amount of exposure.

There is a global and regional governance structure with responsibility for approving all significant aspects of credit ratings and assessment processes. This structure includes committees at global and regional level, the "Firmwide Risk Appetite Committee" (FRAC). The Firmwide Risk Appetite Committee, by delegation from the Firmwide Enterprise Risk Committee, approves, among other things, credit risk limits at the Firm level, by product, division and entity. The FRAC also establishes and reviews the global credit procedures and parameters used by CR. CR also benefits internally from an independent group (the "Credit Review"), in charge of auditing the credit review process, which reports to the Group Chief Risk Officer. This control function is in addition to the firm's Internal Audit department. Internal Audit assesses the compliance of overall credit procedures with regulatory requirements and internal procedures and conducts reviews of credit systems.

Measurement, monitoring and reporting of credit risk

Exposures are measured on the basis of potential exposure, i.e. the maximum potential value of exposure over the lifetime of the portfolio, measured with a 95% confidence interval, taking into account the benefit of collateral received, from an external counterparty. This exposure is measured daily, for each counterparty and for all products in the portfolio.

Each quarter, a complete analysis of the portfolio is carried out and presented to the Compliance and Risks Committee of GSPIC, which validates the level of credit risk and discusses important issues related to its management. This analysis is also presented to the GSPIC Management Board.

Risk communication to the Compliance and Risk Committee and to the Management Board includes an analysis of current and potential exposure risks, a detailed breakdown of risk concentrations by product, business sector, country and internal rating ("Investment Grade" and "non-Investment Grade").

Models and Methodologies

Goldman Sachs Paris Inc. et Cie obtained, , the authorization of the French Prudential Control and Resolution Authority ("ACPR") to use, for the calculation of the regulatory capital, the advanced internal ratings-based approach to credit risk (Advanced Internal Ratings Based or "AIRB").

Since the end of December 2021, GSPIC uses the SA-CCR method ("Standardized Approach for measuring Counterparty Credit Risk") to calculate Credit Risk on the mark-to-market of OTC derivatives.

SA-CCR RWAs held in GSPIC's are included in the Counterparty credit risk within row 7 of Table 2 as of December 31, 2023.

Risk Weighted Assets ("RWAs") or weighted exposures to credit risk are calculated for balance sheet and off-balance sheet exposures. The calculations comply with the "AIRB" and SA-CCR (derivatives)/standardised approach (repo) approaches under Basel III, and are based on the value exposed to risk ("Exposure at Default" or "EAD"), which is an estimate of the amount that would be due to Goldman Sachs Paris Inc. et Cie at the time of default, multiplied by the risk weighting of each counterparty ("Risk Weight").

Under the Basel III AIRB approach, a counterparty's risk weight is derived from a combination of Probability of Default (PD), Loss Given Default (LGD), correlation and maturity of the transaction or the portfolio of transactions, where:

- The Probability of Default (PD) is an estimate of the probability that a debtor will default over a one-year horizon. The PD derives from the use of internally determined ratings, equivalent to ratings from external rating agencies.

- Loss Given Default ("Loss Given Default" - LGD) is an estimate of the rate of economic loss in the event that the default occurs in a degraded economic environment. The LGD is determined on the basis of data by sector of activity.

Finally, the Risk Weighted Assets ("RWA") is derived by applying the Basel formula: RWA = Risk Weight * 12.5 * EAD.

Credit Risk Reduction

In addition to a conservative risk-taking policy, Goldman Sachs Paris Inc. et Cie relies on legal documentation allowing netting, obtaining security (collateral), and early termination, as important techniques for reducing risk. Other credit risk mitigants may include the use of a surety deposit. A general presentation of credit risk reduction procedures and techniques is provided in the GS Group Annual Report.

Operational Risk

Overview

Operational risk is the risk of an adverse outcome resulting from inadequate or failed internal processes, people, systems or from external events. The firm's exposure to operational risk arises from routine processing errors, as well as extraordinary incidents, such as major systems failures or legal and regulatory matters.

Potential types of loss events related to internal and external operational risk include:

- Clients, products and business practices;
- Execution, delivery and process management;
- Business disruption and system failures;
- Employment practices and workplace safety;
- Damage to physical assets;
- Internal fraud; and
- External fraud.

Operational Risk, which is independent of the firm's revenue-producing units and reports to the firm's Chief Risk Officer, has primary responsibility for developing and implementing a formalised framework for assessing, monitoring and managing operational risk with the goal of maintaining the firm's exposure to operational risk at levels that are within its risk appetite. Goldman Sachs Paris Inc. et Cie's framework for managing operational risk is consistent with and part of GS Group's framework.

Operational Risk Management Process

The firm's process for managing operational risk includes the critical components of the risk management framework described in "Risk Management – Overview and Structure of Risk Management" in Part II, Item 7 "Management's Discussion and Analysis of Financial Condition and Results of Operations" in the firm's 2023 Form 10-K, including a comprehensive data collection process, as well as firmwide policies and procedures, for operational risk events.

The firm combines top-down and bottom-up approaches to manage and measure operational risk. From a top-down perspective, senior management assesses firmwide and business-level operational risk profiles. From a bottom-up perspective, the first and second lines of defence are responsible for risk identification and risk management on a day-to-day basis, including escalating operational risks to senior management.

The firm maintains a comprehensive control framework designed to provide a well-controlled environment to minimise operational risks. The EMEA Operational Risk and Resilience Committee is responsible for overseeing the company's operational risk, and for ensuring the operational resilience of the company's business.

The firm's operational risk management framework is designed to comply with the operational risk measurement rules under the Capital Framework and has evolved based on the changing needs of the firm's businesses and regulatory guidance.

The firm has established policies that require all employees and consultants to report and escalate operational risk events. When operational risk events are identified, the policies require that the events be documented and analysed to determine whether changes are required in the systems and/or processes to further mitigate the risk of future events.

The firm uses operational risk management applications to capture, analyse, aggregate and report operational risk event data and key metrics. One of the key risk identification and assessment tools is an operational risk and control self-assessment process, which is performed by the firm's managers. This process consists of the identification and rating of operational risks, on a forward-looking basis, and the related controls. The results from this process are analysed to evaluate operational risk exposures and identify businesses, activities or products with heightened levels of operational risk.

Risk Measurement

The firm measures operational risk exposure using both statistical modelling and scenario analyses, which involves qualitative and quantitative assessments of internal and external operational risk event data and internal control factors for each of our businesses. Operational risk measurement also incorporates an assessment of business environment factors, including:

- Evaluations of the complexity of business activities;
- The degree of automation in our processes;
- New activity information;
- The legal and regulatory environment; and
- Changes in the markets for our products and services, including the diversity and sophistication of customers and counterparties.

The results from these scenario analyses are used to monitor changes in operational risk and to determine business lines that may have heightened exposure to operational risk.

Goldman Sachs Paris Inc. et Cie has adopted the basic indicator approach for calculating capital requirements for operational risk.

Model Review and Validation

The models used to measure operational risk exposure are independently reviewed, validated, and approved by Model Risk.

Market Risk

Market risk is the risk of an adverse impact to the earnings due to changes in market conditions.

Derivative transactions entered into by GSPIC are systematically and immediately backed (back-to-back) with other affiliates in the Goldman Sachs group.

As of December 31, 2023, we have immaterial market risk exposures in the company.

Liquidity Risk

Liquidity risk is the risk that GSPIC will be unable to fund itself or meet its liquidity needs in the event of bank-specific, broader industry, or market liquidity stress events. We have in place a comprehensive and conservative set of liquidity and funding policies. GSPIC’s principal objective is to be able to fund itself and to enable its core businesses to continue to serve clients and generate revenues, even under adverse circumstances.

The role of the Liquidity Risk function, independent of the commercial and liquidity management functions, supervised by the risk management of Goldman Sachs (GS), is to assess, monitor and manage the liquidity risk of GSPIC, through regular monitoring of activities, implementation of stress tests, and monitoring of the various liquidity ratios.

GSPIC has a robust liquidity risk management framework in place, which we consider adequate. It leverages this framework to maintain a sufficient amount of liquidity to ensure we remain appropriately funded and liquid in the event of stress.

Internal Stress Tests (“Stress Test”)

In order to determine the appropriate size of the liquidity pool of GSPIC, an internal liquidity model is used, called the “Modelled Liquidity Outflow”, which captures and quantifies the GSPIC’s liquidity risks over a 30-day stress scenario.

We also consider other factors, including, but not limited to, an assessment of our potential intraday liquidity needs through an additional “Intraday Liquidity Model”, and other applicable regulatory requirements and a qualitative assessment of our condition, as well as the financial markets.

Modeled Liquidity Outflow: This is based on conducting multiple scenarios that include combinations of market- wide and firm-specific stress. These scenarios are characterized by the following qualitative elements:

- Severely challenging market environments, which include low consumer and business confidence, financial and political instability and adverse changes in market values, including potential declines in equity markets and widening of credit spreads; and
- A GS Group-specific crisis potentially triggered by material losses, reputational damage (including, as a result of, the dissemination of negative information through social media), litigation and/or rating downgrades.

Modeled Liquidity Outflow (MLO) models the liquidity needs over a 30-day scenario. Key modelling element of MLO relevant for GSPIC is combination of contractual outflows and contingent outflows. Contingent outflows include, among other things, increase in variation margin requirements due to adverse changes in the value of our exchange-traded and OTC-cleared derivatives.

Intraday Liquidity Model: This measures GSPIC's intraday liquidity needs using a scenario analysis characterized by the same qualitative elements as our Modelled Liquidity Outflow. The model assesses the risk of increased intraday liquidity needs in a scenario where access to intraday liquidity sources may become constrained. The intraday liquidity model considers a variety of factors, including historical settlement activity.

Limits: We use liquidity risk limits at various levels to manage the size of our liquidity exposures. Limits are measured relative to acceptable levels of risk given our liquidity risk tolerance. See “Overview and Structure of Risk Management” for information about the limit approval process.

Limits are monitored by Treasury and Liquidity Risk. Liquidity Risk is responsible for identifying and escalating to senior management and/or the appropriate risk committee, on a timely basis, instances where limits have been exceeded.

Liquidity Regulatory Framework

Implementation of the Basel Committee's international framework for liquidity risk management, standards and monitoring requires a Liquidity Coverage Ratio (LCR) and a Net Stable Funding Ratio (NSFR).

The Liquidity Coverage Ratio (LCR) is designed to ensure that financial institutions maintain a sufficient level of High Quality Liquid Assets to absorb expected net cash outflows in a period of stress 30-day liquidity. GSPIC is subject to a minimum LCR of 100% under the LCR rule approved by the European Parliament and Council. As of December 2023, GSPIC's LCR exceeded the minimum regulatory requirement.

The NSFR is designed to support stable medium to long-term funding of the assets and off-balance sheet activities over a one-year horizon. The Basel Committee NSFR framework requires maintaining an NSFR of 100%. GSPIC is subject to the NSFR requirement applicable in the EU, which came into force in June 2021. As of December 2023, GSPIC's NSFR exceeded the minimum regulatory requirement. The implementation of these rules and any amendments adopted by regulatory authorities could affect GSPIC's liquidity and funding requirements and practices in the future.

The results of the LCR, NSFR, Modelled Liquidity Outflow and Intraday Liquidity Model are regularly reported to GSPIC management.

Capital Adequacy

Overview

Capital adequacy is of critical importance to us. GSPIC has in place a comprehensive capital management policy that provides a framework, defines objectives and establishes guidelines to assist us in maintaining the appropriate level and composition of capital in both business-as-usual and stressed conditions.

We determine the appropriate amount and composition of capital by considering multiple factors, including current and future regulatory capital requirements.

Internal Capital Adequacy Assessment Process

We perform an ICAAP with the objective of ensuring that GSPIC is appropriately capitalised relative to the risks in our business. The ICAAP is a comprehensive assessment of the risks to which we are or may be exposed and covers both the risks for which we consider capital to be an appropriate mitigant, and those for which we consider mitigants other than capital to be appropriate.

As part of our ICAAP, we perform an internal risk-based capital assessment. We evaluate capital adequacy based on the result of our internal risk-based capital assessment, which includes the results of stress tests and our regulatory capital ratios.

Stress testing is an integral component of our ICAAP. It is designed to measure our estimated performance under stressed market conditions and assists us in analysing whether GSPIC holds an appropriate amount of capital relative to the risks of our business.

Our goal is to hold sufficient capital to ensure we remain adequately capitalised after experiencing a severe stress event. Our assessment of capital adequacy is viewed in tandem with our assessment of liquidity adequacy and is integrated into our overall risk management structure, governance and policy framework.

GSPIC will be subject to the EU Investment Firms Regulation (IFR) and Investment Firms Directive (IFD) starting March 31, 2024. Hence, GSPIC will be performing an "Internal Capital Adequacy and Risk Assessment Process" (ICARAP) for the next capital adequacy assessment.

Governance Arrangements

Management and Management Board

Management, which includes the Executive Managers within the meaning of the decree of November 3, 2014 (all Managers being Executive Managers), is responsible for defining GSPIC's policy in terms of risk management and measurement (market risks, counterparty, etc.) and, to this end, to assess the risks incurred by GSPIC and to set the overall limits. Management is also responsible for setting up an internal control system. It ensures the consistency and efficiency of this system. In particular, it ensures that periodic checks are carried out on the validity and consistency of the parameters and assumptions used to assess the various risks.

Since June 2002, a Management Board has been in place to facilitate and formalize collective management action. It is made up of Managers representing the various divisions of GSPIC and meets once a quarter.

During the year 2023, the college of GSPIC Managers consisted of Petra Leveton and Marc d'Andlau, Pierre Brunet and John Chartres.

The effective Management of GSPIC is ensured by Marc d'Andlau and Pierre Brunet, both based in Paris. They are assisted by John Chartres and Petra Leveton, both in control functions.

Supervisory body

The Supervisory Body of GSPIC is the General Meeting of Shareholders, which is made up of representatives of our limited shareholders (The Goldman Sachs Group, Inc.) and our general shareholders (Goldman Sachs Global Holdings L.L.C.).

Compliance and Risk Committee

The management of GSPIC has set up a “Compliance and Risk Committee” (CRC), made up of members belonging to different departments of the Goldman Sachs group, whose main responsibility is to monitor compliance with risk limits. The CRC can also make any recommendation or proposal useful to management in terms of risk management and monitoring. The Compliance Manager is responsible for coordinating it.

The CRC is also responsible for assessing the impact on GSPIC of changes in activity, as well as the impact of legislative or regulatory changes or any other factor likely to have an effect on the risks incurred by GSPIC. In this regard, the CRC may also make any recommendation or proposal useful to management.

The CRC meets quarterly with the aim in particular of reviewing the risks associated with the activity of GSPIC, including those related to outsourced functions within the Goldman Sachs group, and to monitor compliance with the limits set. The CRC reports regularly to the management.

More generally, risk monitoring in GSPIC is carried out by dedicated Risk Officers (in the 2nd line of defence) who are mainly located in London and New York, and also rely on resources from the Risk division at the Group scale.

The Remuneration Committee

The Partners of GSPIC have set up a "Compensation Committee" ("RemCo"), made up of members belonging to different departments of the Goldman Sachs group, whose main responsibility is to monitor compensation proposals and identify persons having a significant impact on the risks for GSPIC, and to verify that the remuneration of these persons is in accordance with the principles of GSPIC's remuneration policy. The RemCo can also make any useful recommendation or proposal to the Shareholders and the Management on all elements related to remuneration.

The RemCo is also responsible for assessing the impact on GSPIC of legislative or regulatory changes or any other factor likely to influence GSPIC's compliance with remuneration. In this regard, the RemCo may also make any useful recommendation or proposal to the Shareholders and the Management.

The RemCo generally meets as needed for the purpose of reviewing compensation and compliance with policies and procedures and regulatory requirements related to GSPIC business. It meets at least once a year before the communication of compensation to employees. The RemCo reports to GSPIC shareholders' meeting.

The Nominations Committee

The Partners of GSPIC have set up a “Nominations Committee” (“NomCo”), made up of members belonging to different departments of the Goldman Sachs group. They are responsible for providing guidance and recommendations to the Management and shareholders of GSPIC concerning the new appointments of Managers of GSPIC, who make up the Management Board of GSPIC, and to evaluate the performance of the Management Board and other Committees of GSPIC at least once a year.

The committee is responsible for compliance with standards and practices, including those relating to reputational risk management.

Description of the risk information flow

Supervisory body

Based on the information provided to it by management and by the Head of Internal Control and Risk Management, the Supervisory Body examines:

- the activity of GSPIC;
- overall risk limits set by management;
- the parameters and assumptions used to assess market risks and other risks, and
- the results of internal control.

Compliance and Risk Committee and Management Board

The CRC includes representatives from the following departments:

- Regulatory Reporting
- Controllers (Financial Control)
- Credit Risk (Credit risk management)
- Market Risk (market risk management)
- Liquidity Risk (liquidity risk management)
- Operational Risk
- Compliance (representing the Compliance groups assigned to the various businesses)
- Legal
- Tax
- Corporate Treasury
- Operations (Middle/Back Office)
- Technology (IT)
- The holders of the various control functions (Internal Controller and Head of Risk Management, Head of Compliance)
- Internal Audit, as an observer.

Recruitment and diversity policy

During the selection of the members of the Management and the Supervisory body, a candidate for each function is taken into consideration when, in addition to the actual knowledge, abilities and experience required by the regulations, the professional and personal competence of the candidates is also demonstrated. GSPIC thus places the highest demands on those who are considered for selection. GSPIC considers diversity a priority to ensure the representation of qualified women in leadership positions. As part of the Goldman Sachs group, GSPIC implements the Global Diversity Principles, Measures and Goals at Goldman Sachs. Women and men candidates are treated on an equal footing. There are no targets or targets to achieve a specific ratio of women members of the Management and Supervisory body.

Management of GSPIC

Name	Background	Number of management positions
Marc d'Andlau	While he is Responsible for "Global Markets" activities in France, he is also responsible for the GSI Paris branch in France, which only carries out Global Markets activities.	1
John Chartres	He is based in New York at Goldman Sachs & Co. His role is to oversee and coordinate all communications with the Goldman Sachs group's regulatory authorities around the world, and to follow up on these requests. Accordingly, he is a member of the Regulatory Practice Group. Within GSPIC, he participates in the definition of the compliance risk management policy and serves as a point of contact within Global Compliance NY for the Head of Compliance of GSPIC.	1
Petra Leveton	She is based in London at GSI. Her role includes helping to design policies for risk management and measurement (market risks, counterparty risks, credit risks, liquidity risks, etc.) and, to this end, is responsible for assessing the risks incurred and setting overall limits. More generally, her role includes following regulatory and prudential issues in all Goldman Sachs offices in Europe, including for GSPIC.	1
Pierre Brunet	Responsible for physical Commodities activities in France within the Global Markets (or also named Global Banking and Markets Public) division.	1

Remuneration Disclosures

Introduction

Pursuant to Article 199 of the order of November 3, 2014, (the "Order"), Goldman Sachs Paris Inc et Cie (hereinafter "GSPIC") is not required to comply with Articles L. 511-81 and L. 511-82, and the second paragraph of Article L.511-84 of the French Monetary and Financial Code (the "FMFC"), which can be disapplied due to GSPIC having a 4 year average of balance sheet assets below €5 billion. It identified the people having a significant impact on GSPIC's risk profile (the "Material Risk Takers" or "MRTs") according to the criteria defined in the Delegated Regulation (EU) 2021/923 and set up and implemented rules for limiting, deferring and diversifying the payment instruments for the variable part of the compensation of these people, rules which also apply to all of the company's personnel, while respecting the company's long-term interests and subject to not limiting the company's ability to strengthen its equity.

The decision of the GSPIC general meeting on 15 January 2024 re-affirmed the implementation within GSPIC of the Compensation Policy Statement and Compensation Principles of The Goldman Sachs Group, Inc. ("GS Group").

Remuneration Programme Philosophy

Retention of talented employees is critical to executing the firm's business strategy successfully. Compensation is, therefore, a key component of the costs the firm incurs to generate revenues, similar to cost of goods sold or manufacturing costs in other industries.

The compensation philosophy and the objectives of the compensation programme for the firm are reflected in the Compensation Principles for GS Group, as posted on the Goldman Sachs public website:

http://www.goldmansachs.com/investor-relations/corporate-governance/corporate-governance-documents/compensation-principles.pdf

In particular, effective compensation practices should:

(i) Encourage a real sense of teamwork and communication, binding individual short-term interests to the institution's long-term interests;

(ii) Evaluate performance on a multi-year basis;

(iii) Discourage excessive or concentrated risk-taking;

(iv) Allow an institution to attract and retain proven talent;

(v) Align aggregate compensation for the firm with performance over the cycle; and

(vi) Promote a strong risk management & control environment

Compensation Frameworks

The Firmwide Performance Assessment & Variable Compensation Framework ("Firmwide Compensation Framework"), revisions to which were approved in December 2023 by the Group Board Compensation Committee, formalises the variable compensation practices of the firm.

The primary purpose of this Firmwide Compensation Framework is to assist the firm in assuring that its variable compensation program does not provide "covered employees" (i.e., senior executives as well as other employees of the firm, who, either individually or as part of a group, have the ability to expose the firm to material amounts of risk) with incentives to take imprudent risks and is consistent with the safety and soundness of the firm. Each business (e.g., Asset & Wealth Management, Global Banking & Markets) maintains a Performance Assessment & Variable Compensation Framework that is specific to the business and that is consistent with the Firmwide Compensation Framework (collectively, the "Compensation Frameworks").

Remuneration Governance

The Compensation Committee

The Board of Directors of GS Group (the "Board") oversees the development, implementation and effectiveness of the firm's global compensation practices, which it generally exercises directly or through delegation to the Compensation Committee of the Board (the "Compensation Committee"). The responsibilities of the Compensation Committee include:

- Review and approval of (or recommendation to the Board to approve) the firm's variable compensation structure, including the portion to be paid as share-based awards, all year-end share-based grants for eligible employees (including those employed by GSPIC), and the terms and conditions of such awards.

- Assisting the Board in its oversight of the development, implementation and effectiveness of policies and strategies relating to the Human Capital Management (“HCM”) function, including recruiting, retention, career development and progression, management succession (other than that within the purview of the Corporate Governance and Nominating Committee) and diversity.

The Compensation Committee held 10 meetings in 2023 to discuss and make determinations regarding compensation.

The members of the Compensation Committee at the end of 2023 were Kimberley D. Harris (Chair), M. Michele Burns , Kevin R. Johnson, Ellen J. Kullman, Lakshmi N. Mittal and Adebayo O. Ogunlesi (ex-officio). None of the members of the Compensation Committee was an employee of the firm. All members of the Compensation Committee were “independent” within the meaning of the New York Stock Exchange Rules and the GS Group Board Policy on Director Independence.

Other Stakeholders

In carrying out the responsibilities of the Compensation Committee, the Chair of the Compensation Committee met multiple times with senior management during the year, including the firm’s Chief Operating Officer (“COO”), the Executive Vice President, the Global Head of HCM and other members of senior management.

The firm’s Chief Risk Officer (“CRO”) presented an annual compensation-related risk assessment to the Compensation Committee, meeting jointly with the Risk Committee of the GS Group Board, to assist the Compensation Committee in its assessment of the effectiveness of the firm’s compensation programme, and particularly, whether the programme is consistent with the principle that variable compensation does not encourage employees to expose the firm to imprudent risk. This assessment most recently occurred in December 2023.

External Consultants

The Compensation Committee recognises the importance of using a compensation consultant that is appropriately qualified and is determined to be independent, which independence is confirmed by the Compensation Committee annually.

For 2023, the Compensation Committee received the advice of a compensation consultant from Frederic W. Cook & Co. (FW Cook).

The GSPIC Remuneration Committees

The responsibilities of the GSPIC Remuneration Committee, established on January 17, 2023, include:

- Overseeing the development and implementation of the remuneration policies of GSPIC insofar as they relate to employees of GSPIC whose remuneration is subject to the relevant provisions of the Monetary and Financial Code.

- To take steps to satisfy itself that the remuneration policies of GSPIC are in accordance with the relevant provisions of the Monetary and Financial Code, including in particular that:
  - the remuneration policies of GSPIC appropriately take into account the long-term interests of shareholders, investors and other stakeholders in GSPIC; and
  - the remuneration policies of GSPIC are consistent with and promote sound and effective risk management and do not encourage risk-taking that exceeds the level of tolerated risk of GSPIC

- Making recommendations at the General Meeting of GSPIC for approval and adoption of the remuneration policies of GSPIC once satisfied that the policies are in accordance with the Monetary and Financial Code.

The GSPIC Remuneration Committee held a meeting on 15 January 2024, to approve 2023 remuneration and confirmed that it was in accordance with Goldman Sachs' remuneration policy and principles.

The members of the GSPIC Remuneration Committee were Robert Charnley (Chair) and David Fitch.

Global Compensation Determination Process

The firm’s global process for setting variable compensation (including the requirement to consider risk and compliance issues) applies to GSPIC employees in the same way as to employees in other regions and is subject to oversight by senior management of the firm in the region. The firm uses a highly disciplined and robust process for setting variable compensation across all regions following the process outlined in the Compensation Frameworks.

This process involves compensation managers and compensation committees at various levels in the firm, along with the business and business unit heads, HCM and the Firmwide Management Committee (the firm's most senior leaders), as appropriate.

In addition, as part of the compensation determination process, members of the firm's Compliance, Risk, Employment Law Group and Employee Relations functions make arrangements for divisional management to take into consideration certain compliance, risk or control matters when determining compensation of individuals. Before any individual compensation decisions are finalised, Employee Relations and the Employment Law Group assess the recommended compensation for relevant individuals in the context of overall performance and other factors, and recommendations are reviewed with respect to comparators.

Link Between Pay and Performance

In 2023, annual compensation for employees generally comprised fixed compensation (including base salary and, for certain roles, role-based allowances) and variable compensation. The firm's compensation practices provide for variable compensation determinations to be made on a discretionary basis. Variable compensation is based on multiple factors and is not set as a fixed percentage of revenue or by reference to any other formula, consistent with the process outlined in the Compensation Frameworks. Firmwide performance is a key factor in determining variable compensation.

The firm is committed to aligning variable compensation with performance. To do so, the performance of the firm, business, business unit and desk (if applicable) and individual over the past year, as well as over prior years, are taken into account. The firm believes that the firm's senior leaders have responsibility for overall performance and, as a result, senior employees have experienced more volatility in their compensation year-over-year, particularly in periods when the firm's performance changed significantly.

The firm believes that multi-year guarantees should be avoided as they risk misaligning compensation and performance.

Guaranteed variable compensation

Guaranteed variable compensation should be awarded in exceptional circumstances only (for example, for certain new hires).

Severance

Except as may be required by applicable law (such as contractual notice pay, and any legal indemnities which are due pursuant to French statute or the applicable (Banking) Collective Bargaining Agreement), severance is discretionary and the terms for dismissals in cases such as redundancy or poor performance are generally agreed with employees and will depend on the circumstances of the particular case.

Performance Measurement

Variable remuneration determinations take into account firm, relevant business and/or, business unit, desk (if applicable) and individual performance.

Firmwide performance

The following metrics are among the firmwide financial performance measures, considered in determining amounts, although the firm does not use specific measures/targets as part of a formula:

- Net revenues;
- Provision for credit losses;
- Revenues net of provision for credit losses;
- Compensation and benefits expense;
- Non-compensation expenses;
- Pre-tax earnings;
- Net earnings;
- Ratio of compensation and benefits to revenues net of provision for credit losses;
- Efficiency ratio;
- Diluted earnings per share;
- Return on average common equity;
- Return on average tangible common equity; and
- Book value per common share

Business, business unit, desk performance

Additionally, at both the business and business unit level, quantitative and/or qualitative metrics specific to such levels, respectively, and below are used to evaluate the performance of the business/business unit and their respective employees.

Individual performance

Employees are evaluated annually as part of the performance review feedback process. This process reflects input from a number of employees, including managers, peers and those who are junior to the employee, regarding an array of performance measures. The performance evaluations for 2023 included assessments of Teamwork and Collaboration (One GS); Compliance, Risk Management, Code of Conduct and Firm Reputation; Sensitivity to Risk and Control (revenue-producing employees); Control Side Empowerment (control functions) and Culture. As part of the performance review feedback process, managers with three or more direct reports are assessed and receive feedback on their performance as a manager.

Risk Adjustment

Prudent risk management is a hallmark of the firm's culture and sensitivity to risk and risk management are key elements in assessing employee performance, including as part of the performance review feedback process noted above.

The firm takes risk, including conduct risk, into account both on an ex-ante and ex-post basis when setting the amount and form of variable compensation for employees. As documented in the Compensation Frameworks, different lines of business have different risk profiles and these are taken into account when determining compensation. These include credit, market, liquidity, operational, reputational, legal, compliance and conduct risks. Guidelines are provided to assist compensation managers when applying discretion during the compensation process to promote consistent consideration of the different risks presented by the firm's businesses. Further, to ensure the independence of control function employees, compensation for those employees is not determined by individuals in revenue-producing positions but rather by the management of the relevant control function.

Consistent with prior years, for 2023 certain employees receive a portion of their variable compensation as a share-based award that is subject to a number of terms and conditions that could result in forfeiture or recapture. For further details, see "Structure of Compensation" below.

In the 2023 annual compensation-related risk assessment presented to the Compensation Committee, meeting jointly with the Risk Committee of the GS Group Board, and separately to the Compensation Committees, the CRO confirmed that the various components of the firm's compensation programmes and policies (for example, process, structure and governance) balanced risk and incentives in a manner that does not encourage imprudent risk-taking. In addition, the CRO stated that the firm has a risk management process that, among other things, is consistent with the safety and soundness of the firm and focuses on our:

(i) *Risk management culture*: the firm's culture emphasises continuous and prudent risk management;

(ii) *Risk-taking authority*: there is a formal process for identifying employees who, individually or as part of a group, have the ability to expose the firm to material amounts of risk;

(iii) *Upfront risk management*: the firm has tight controls on the allocation, utilisation and overall management of risk-taking, as well as comprehensive profit and loss and other management information which provide ongoing performance feedback. In addition, in determining variable remuneration, the firm reviews performance metrics that incorporate ex-ante risk adjustments; and

(iv) *Governance*: the oversight of the Group Board, management structure and the associated processes all contribute to a strong control environment and control functions have input into remuneration structure and design.

Structure of Compensation

Fixed Remuneration

The firm has a global salary approach to ensure consistency in salary levels and to achieve an appropriate balance between fixed and variable remuneration.

Variable Remuneration

For employees with total compensation and variable compensation above specific thresholds, variable compensation is generally paid in a combination of cash and share-based compensation. In general, the portion paid in the form of a share-based award increases as variable compensation increases.

The variable compensation programme is flexible to allow the firm to respond to changes in market conditions and to maintain its pay-for-performance approach. Variable compensation is discretionary (even if paid consistently over a period of years).

Maximum ratio of fixed to variable compensation

Pursuant to the Capital Requirements Directive (EU)

2019/878 ("CRD V") and Article L. 511-78, paragraph 1 of the FMFC, GSPIC must set in advance appropriate ratios between the variable and fixed components of the total compensation for staff. Variable compensation may not exceed 100 per cent. of fixed compensation for each individual identified as an MRT. Pursuant to Article L. 511-78, paragraph 2 of the FMFC, shareholders are entitled to approve a higher variable compensation which shall not exceed 200% of the fixed compensation for each individual MRT. GSPIC has obtained approval from its relevant shareholders for an increase of the approved ratio so that variable compensation can be up to 200% of the fixed component of the total compensation for each MRT. The approval was passed unanimously by the relevant group holding companies that comprise GSPIC's shareholders on 14 December 2021. The results of GSPIC's shareholders general meeting were communicated to the ACPR on 20 December 2021.

Whereas under the Capital Requirements Directive (EU) 2013/36 ("CRD IV"), GSPIC was able to disapply the requirement to cap the ratio of fixed compensation to variable compensation on the basis of proportionality, this is no longer possible under CRD V and Article 199 of the Order (as amended by the order of 22 December 2020 implementing CRD V). The aim in formally increasing the ratio of fixed to variable compensation is for GSPIC to use an option available to it (which, in the past under CRD IV was not necessary but now appears appropriate) in order to maintain the current level of variable compensation.

Share-Based Compensation

The firm believes that compensation should encourage a long-term, firmwide approach to performance and discourage imprudent risk-taking. Paying a significant portion of variable compensation in the form of share-based compensation that delivers over time, changes in value according to the price of shares of common stock (shares) of GS Group and is subject to forfeiture or recapture encourages a long-term, firmwide focus because its value is realised through long-term responsible behaviour and the financial performance of the firm.

The firm imposes transfer restrictions, retention requirements, and anti-hedging policies to further align the interests of the firm's employees with those of the firm's shareholders. The firm's retention and transfer restriction policies, coupled with the practice of paying senior employees a significant portion of variable compensation in the form of share-based awards, leads to a considerable investment in shares of GS Group over time.

In addition, from time to time, the firm may make awards consisting of unfunded, unsecured promises to deliver other instruments on terms and conditions that are substantially similar to those applicable to Restricted Stock Units ("RSUs") described below.

- **Deferral Policy**: The deferred portion of fiscal year 2023 annual variable compensation was generally awarded in the form of RSUs. An RSU is an unfunded, unsecured promise to deliver a share on a predetermined date. RSUs awarded in respect of fiscal year 2023 generally deliver in three equal instalments on or about each of the first, second and third anniversaries of the grant date, assuming the employee has satisfied the terms and conditions of the award at each such date.

- **Transfer Restrictions**: The firm generally requires certain individuals to hold a material portion of the shares they receive in respect of RSUs granted as part of their year-end compensation according to the firm's global deferral table. These transfer restrictions apply to the lower of 50% of the shares delivered before reduction for tax withholding.

  An employee generally cannot sell, exchange, transfer, assign, pledge, hedge or otherwise dispose of any RSUs or shares that are subject to transfer restrictions.

- **Forfeiture and Recapture Provisions**: The RSUs and shares delivered thereunder in relation to variable compensation are subject to forfeiture or recapture if the Compensation Committee or its delegate(s) determines that during 2023 the employee participated (or otherwise oversaw or was responsible for, depending on the circumstances, another individual's participation) in the structuring or marketing of any product or service, or participated on behalf of the firm or any of its clients in the purchase or sale of any security or other property, in any case without appropriate consideration of the risk to the firm or the broader financial system as a whole (for example, if the employee improperly analyses risk or fails sufficiently to raise concerns about such risk) and, as a result of such action or omission, the Compensation Committee or its delegate(s) determine(s) there has been, or reasonably could be expected to be, a material adverse impact on the firm, the employee's business unit or the broader financial system.

  This provision is not limited to financial risks and is designed to encourage the consideration of the full range of risks associated with the activities (for example, legal, compliance or reputational). The provision also does not require that a material adverse impact actually occur, but rather may be triggered if the firm determines that there is a reasonable expectation of such an impact.

The Compensation Committee previously adopted guidelines that set forth a formal process regarding determinations to forfeit or recapture awards for failure to consider risk appropriate upon the occurrence of certain pre-determined events (for example, in the event of annual firmwide, divisional, business unit or individual losses). The review of whether forfeiture or recapture is appropriate includes input from the CRO, as well as representatives from Finance, Legal and Compliance. Determinations are made by the Compensation Committee or its delegates, with any determinations made by delegates reported to the Compensation Committee.

An employee's RSUs may also be forfeited, and shares delivered thereunder recaptured if the employee engages in conduct constituting "cause" at any time before the RSUs are delivered and any applicable transfer restrictions lapse. Cause includes, among other things, any material violation of any firm policy, any act or statement that negatively reflects on the firm's name, reputation or business interests and any conduct detrimental to the firm.

With respect to all of the forfeiture conditions, if the firm determines after delivery or release of transfer restrictions that an RSU or share delivered thereunder should have been forfeited or recaptured, the firm can require return of any shares delivered or repayment to the firm of the fair market value of the shares when delivered (including those withheld to pay taxes) or any other amounts paid or delivered in respect thereof.

- **Hedging**: The firm's anti-hedging policy ensures employees maintain the intended exposure to the firm's stock performance. In particular, all employees are prohibited from hedging RSUs, shares that are subject to transfer restrictions, and, to the extent applicable, retention shares. In addition, executive officers of GS Group (as defined under the Securities Exchange Act of 1934) are prohibited from hedging any shares that they can freely sell. Employees, other than executive officers, may hedge only shares that they can otherwise sell. However, no employee may enter into uncovered hedging transactions or sell short any shares. Employees may only enter into transactions or otherwise make investment decisions with respect to shares during applicable "window periods".

- **Treatment upon Termination or Change-in-Control:** As a general matter, delivery schedules are not accelerated, and transfer restrictions are not removed, when an employee leaves the firm. The limited exceptions include death and "conflicted employment". A change in control alone is not sufficient to trigger acceleration of any deliveries or removal of transfer restrictions; only if the change in control is followed within 18 months by a termination of employment by the firm without "cause" or by the employee for "good reason" will delivery and release of transfer restrictions be accelerated.

Quantitative Disclosures

The following tables show aggregate quantitative compensation information for individuals categorised as MRTs pursuant to EU Delegated Regulation no. 2021/923 in respect of their duties for GSPIC. The tables exclude the compensation awarded to additional individuals who are considered MRTs for both GSPIC and a UK or German regulated company. These individuals are not employed by GSPIC and their total annual compensation is included in the public disclosure pertaining to the UK or German company, as required by Article 450 of the EU Capital Requirements Regulation No. 575/2013 ("CRR")[2]

Aggregate compensation: split between fixed and variable remuneration and forms of variable remuneration

Compensation paid or awarded for the financial year ended December 31, 2023 comprised fixed compensation and variable compensation.

As required by Article 450(2) of CRR and paragraph 308 of the European Banking Authority ("EBA") Guidelines on sound remuneration policies and disclosures under article 450 CRR (EBA/GL/2015/22), the quantitative information referred to in Article 450(1)(h) of CRR has been provided separately for the major business area, internal control and corporate functions, and at the level of the management body in its management and supervisory function of GSPIC (i.e., members of the GSPIC Board). In addition, the deferred compensation shown in the table below includes compensation subject to deferral. The amounts relate only to those employees who were MRTs at the end of the fiscal year, December 31, 2023. All elements of compensation are disclosed in USD in millions, unless otherwise stated.

[2]Applicable in the UK pursuant to the European Union (Withdrawal) Act in 2018.

Table 5: EU REM1 - Remuneration awarded for the financial year

$ in millions

			MB Supervisory function	MB Management function	Other senior management	Other identified staff
1	Fixed remuneration	Number of identified staff	-	4	-	9
2		Total fixed remuneration	**-**	**1.88**	**-**	**2.05**
3		Of which: cash-based	-	1.88	-	2.05
EU-4a		Of which: shares or equivalent ownership interests	-	-	-	-
5		Of which: share-linked instruments or equivalent non-cash instruments	-	-	-	-
EU-5x		Of which: other instruments	-	-	-	-
7		Of which: other forms	-	-	-	-
9	Variable remuneration	Number of identified staff	-	4	-	9
10		Total variable remuneration	**-**	**1.92**	**-**	**1.66**
11		Of which: cash-based	-	0.80	-	1.09
12		Of which: deferred	-	-	-	-
EU-13a		Of which: shares or equivalent ownership interests	-	1.12	-	0.57
EU-14a		Of which: deferred	-	1.12	-	0.57
EU-13b		Of which: share-linked instruments or equivalent non-cash instruments	-	-	-	-
EU-14b		Of which: deferred	-	-	-	-
EU-14x		Of which: other instruments	-	-	-	-
EU-14y		Of which: deferred	-	-	-	-
15		Of which: other forms	-	-	-	-
16		Of which: deferred	-	-	-	-
17	**Total remuneration (2 + 10)**		**-**	**3.80**	**-**	**3.71**

Table 6: EU REM2 - Special payments to staff whose professional activities have a material impact on institutions' risk profile (identified staff)

$ in millions

		MB Supervisory function	MB Management function	Other senior management	Other identified staff
	Guaranteed variable remuneration awards				
1	Guaranteed variable remuneration awards - Number of identified staff	-	-	-	-
2	Guaranteed variable remuneration awards -Total amount	-	-	-	-
3	Of which guaranteed variable remuneration awards paid during the financial year, that are not taken into account in the bonus cap	-	-	-	-
	Severance payments awarded in previous periods, that have been paid out during the financial year				
4	Severance payments awarded in previous periods, that have been paid out during the financial year - Number of identified staff	-	-	-	-
5	Severance payments awarded in previous periods, that have been paid out during the financial year - Total amount	-	-	-	-
	Severance payments awarded during the financial year				
6	Severance payments awarded during the financial year - Number of identified staff	-	-	-	2
7	Severance payments awarded during the financial year - Total amount	-	-	-	-
8	Of which paid during the financial year	-	-	-	-
9	Of which deferred	-	-	-	-
10	Of which severance payments paid during the financial year, that are not taken into account in the bonus cap	-	-	-	-
11	Of which highest payment that has been awarded to a single person	-	-	-	-

Table 7: EU REM3 - Deferred remuneration

$ in millions

	Deferred and retained remuneration	Total amount of deferred remuneration awarded for previous performance periods	Of which due to vest in the financial year	Of which vesting in subsequent financial years	Amount of performance adjustment made in the financial year to deferred remuneration that was due to vest in the financial year	Amount of performance adjustment made in the financial year to deferred remuneration that was due to vest in future performance years	Total amount of adjustment during the financial year due to ex post implicit adjustments (i.e. changes of value of deferred remuneration due to the changes of prices of instruments)	Total amount of deferred remuneration awarded before the financial year actually paid out in the financial year	Total of amount of deferred remuneration awarded for previous performance period that has vested but is subject to retention periods
1	MB Supervisory function	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
2	Cash-based	-	-	-	-	-	-	-	-
3	Shares or equivalent ownership interests	-	-	-	-	-	-	-	-
4	Share-linked instruments or equivalent non-cash instruments	-	-	-	-	-	-	-	-
5	Other instruments	-	-	-	-	-	-	-	-
6	Other forms	-	-	-	-	-	-	-	-
7	MB Management function	**1.14**	**0.38**	**0.76**	**-**	**-**	**0.09**	**0.38**	**0.38**
8	Cash-based	-	-	-	-	-	-	-	-
9	Shares or equivalent ownership interests	1.14	0.38	0.76	-	-	0.09	0.38	0.38
10	Share-linked instruments or equivalent non-cash instruments	-	-	-	-	-	-	-	-
11	Other instruments	-		-	-	-	-	-	-
12	Other forms	-	-	-	-	-	-	-	-
13	Other senior management	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
14	Cash-based	-	-	-	-	-	-	-	-
15	Shares or equivalent ownership interests	-	-	-	-	-	-	-	-
16	Share-linked instruments or equivalent non-cash instruments	-	-	-	-	-	-	-	-
17	Other instruments	-	-	-	-	-	-	-	-
18	Other forms	-	-	-	-	-	-	-	-
19	Other identified staff	**0.38**	**0.16**	**0.23**	**-**		**0.03**	**0.16**	**0.04**
20	Cash-based	-	-	-	-	-	-	-	-
21	Shares or equivalent ownership interests	0.38	0.16	0.23	-	-	0.03	0.16	0.04
22	Share-linked instruments or equivalent non-cash instruments	-	-	-	-	-	-	-	-
23	Other instruments	-	-	-	-	-	-	-	-
24	Other forms	-	-	-	-	-	-	-	-
25	**Total amount**	**1.52**	**0.54**	**0.99**	**-**	**-**	**0.12**	**0.54**	**0.42**

Table 8: EU REM4 - Remuneration of 1 million EUR or more per year

EUR	Identified staff that are high earners as set out in Article 450(1)(i) of CRR
1 000 000 and above	2

Table 9: EU REM5 - Information on remuneration of staff whose professional activities have a material impact on institutions' risk profile (identified staff)

$ in millions										
		Management body remuneration			**Business areas**					
		MB Supervisory function	**MB Management function**	**Total MB**	**Retail banking**	**Investment Banking & Asset management[1]**	**Corporate functions**	**Ind. internal control functions**	**All other**	**Total**
1	**Total number of identified staff**									**13**
2	Of which: members of the MB	-	4	4						
3	Of which: other senior management				-	-	-	-	-	
4	Of which: other identified staff				-	4	-	5	-	
5	**Total remuneration of identified staff**	**-**	**3.80**	**3.80**	**-**	**2.58**	**-**	**1.13**	**-**	
6	Of which: variable remuneration	-	1.92	1.92	-	1.25	-	0.41	-	
7	Of which: fixed remuneration		1.88	1.88	-	1.33	-	0.72	-	

1. Reflects MRTs in Global Banking & Markets and Asset & Wealth Management, grouped for data privacy reasons

Cautionary Note on Forward-Looking Statements

We have included in these disclosures, and our management may make, statements that may constitute “forward-looking statements.” Forward-looking statements are not historical facts or statements of current conditions, but instead represent only our beliefs regarding future events, many of which, by their nature, are inherently uncertain and outside of our control. These statements may relate to, among other things, (i) our future plans and results, (ii) the objectives and effectiveness of our risk management and liquidity policies, and (iii) the effect of changes to the regulations, and our future status, activities or reporting under banking and financial regulation.

It is possible that our actual results and financial condition may differ, possibly materially, from the anticipated results and financial condition in these forward-looking statements. Important factors that could cause our actual results and financial condition to differ from those in these statements include, among others, those discussed in “Risk Factors” in Part I, Item 1A in the firm’s 2023 Form 10-K.