
Summary of the Product Governance Policy

Goldman Sachs International – Investment Banking

As of January 3, 2018

Goldman Sachs International's Investment Banking ("IB") offers a wide range of financial services and investment products to its issuer clients, trading counterparties and end investors under the revised Markets in Financial Instruments Directive ("MiFID II").

The Product Governance requirements of MiFID II aim to ensure that firms which manufacture and distribute financial instruments ("Products") act in the best interests of investors at all stages of a Product's development and distribution life-cycle. Product Governance requirements apply to all MiFID II Products traded on both primary and secondary markets. Our appropriate and proportionate approach to Product Governance requirements is reflected in IB's Product Governance Policy. The purpose of this summary is to inform our issuer clients and potential distributors about IB's Product Governance arrangements.

We have created a proportionality framework for Products which IB manufactures based on the type of Product, its complexity and the type of investor to which the Product will be sold. IB will use "Proportionality Categories" to apply Product Governance requirements accordingly.

The Proportionality Categories will define the Target Market of the Product, the Distribution Strategy for the Product, how to apply Scenario Analysis and Stress Testing and the Product approval and review process.

Below is a summary of the key IB proportionality categories:

Products for all investor types (including Retail)

Based on the industry-wide approach that ordinary shares and simple cash bonds are deemed non-complex Products, the high degree of transparency and liquid nature of the markets, the amount of information available through regulatory and mandatory disclosures and that the knowledge and experience requirements for such Products are generally low, we believe that these Products are compatible for all investor types, including Retail where an investor's objectives and needs as well as risk tolerance are in line with the nature of those Products.

These Products are eligible for all distribution channels (e.g. investment advice, portfolio management, non-advised sales and pure execution services).

Products for Professional investors only

Professional investors (including Eligible Counterparties) are appropriate target investors for all bond types (including securitized debt products) and OTC derivatives. Professional investors are knowledgeable and experienced with sophisticated investment or hedging strategies, consequently seeking unhindered access to the full range of Products on the market. Professional investors have the

required knowledge and experience of these Products and have sufficient understanding of the risk of loss and the risk/reward profile associated with them. Professional investors have carefully considered and developed investment or hedging objectives and have a sufficient understanding how such Products meet their needs and expectations. However, we may distinguish between *per se* Professional investors and elective Professional investors according to the level of knowledge and experience of highly complex or packaged Products as the latter type of investors may be less sophisticated.

IB as a manufacturer (or co-manufacturer in case of assisting MiFID II issuers or acting in an active role in a syndicate) will make appropriate arrangements to assign Professional investor-only Target Markets for these Products to ensure appropriate distribution.

These Products are eligible for all distribution channels (e.g. investment advice, portfolio management, non-advised sales and pure execution services).

Complex and / or packaged products for all investor types (including Retail)

Complex bonds, securitized or packaged Products and OTC derivatives are categorised as Packaged Retail Insurance-based Investment Products (“PRIIPs”) under the Regulation (EU) No 1286/2014 (as amended, the “PRIIPs Regulation”) and a key information document (“KID”) is required for distribution to of these Products Retail investors. As IBD is not able to undertake the production of a KID on behalf of third party issuers or manufacturers, unless the issuer or manufacturer provides the KID, the Target Market will be designated for Professional investors only.

For issuers which are exempt from the PRIIPs Regulation and are advised by IB, whether the Product is compatible with Retail market will be determined on a case-by-case basis and the Target Market will be agreed with the issuer and syndicate members, where relevant.

Information on target market and distribution strategy

The Target Market information may be made available in issuer disclosure documents such as prospectuses, term sheets, internal sales memos, screen announcements, issuer websites, stock exchange websites and / or GS external website, or provided to the investor directly, where applicable.

Distributor feedback

Distributors can provide their feedback about the products manufactured by IB as communicated on GS external website www.gs.com.