Goldman Sachs International Bank Zweigniederlassung Frankfurt

Pillar 3 Disclosures

For the period ended December 31, 2022

Tabel of Contents

Index of Tables

1. Overview

Goldman Sachs International Bank Zweigniederlassung Frankfurt ("GIBF", "branch”, or “branch office") publishes the disclosure report as of December 31, 2022 according to Part Eight of the CRR, and Section 26a (1) sentence 1 KWG (German Banking Act).

GIBF’s regulatory capital requirement has been calculated in accordance with the E.U. Capital Requirements Directive (CRD) and the E.U. Capital Requirements Regulation (CRR). These are largely based on the Basel Committee on Banking Supervision’s (Basel Committee) final capital framework for strengthening international capital standards (Basel III), which is structured around three pillars: Pillar 1 “minimum capital requirements”, Pillar 2 “supervisory review process” and Pillar 3 “market discipline”.

The term “CRR” in this document refers to the applicable version of Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012; as amended by Regulation (EU) 2019/876 of the European Parliament and of the Council of 20 May 2019 (known as CRR2).

GIBF is entered in the commercial register of the district court in Frankfurt am Main under the registration number HRB 101336. The branch is included in the financial statements of Goldman Sachs International Bank ("GSIB"), having its registered office in London, United Kingdom (Companies House No. 01122503).

The ultimate parent company of the branch is The Goldman Sachs Group, Inc. located in New York, USA (“Group Inc.”). Group Inc. is a bank holding company and a financial holding company regulated by the Board of Governors of the Federal Reserve System.

The branch is supervised by the Federal Financial Supervisory Authority (BaFin) and the Deutsche Bundesbank.

2. Disclosure Requirements

According to Art. 431 CRR, institutions must disclose the information specified in Part 8 of the CRR (information on capital, risks taken and risk management processes). Internal processes, systems and controls have been put in place to ensure that GIBF's disclosures are appropriate and consistent with the requirements of Part 8 of the CRR.

The information contained in the report corresponds to the status of the reporting date on December 31 of the reporting year or the approved annual financial statements. The accounting standard used is HGB.[1]

The disclosure of the branch office takes place at the level of the individual institution. Disclosures for GIBF as of December 31, 2022 were prepared according to Art. 433c CRR.[2]

The disclosure report of GIBF is published as an independent report on the website of Group Inc.[3] in accordance with Art. 433 CRR.

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[1] Rounded numbers can generate slight differences.
[2] Based on GIBF’s balance sheet size, the branch is not in scope for remuneration disclosures as of December 31, 2022.
[3] Link to website: https://www.goldmansachs.com/disclosures.

3. Key Metrics

According to Art. 447 a) to g) CRR, table KM1 shows the key figures of GIBF. This enables market participants to obtain a general overview of the key regulatory parameters of the branch. These include information on own funds and own funds ratios, the total risk exposure amount and own funds requirements, the leverage ratio (LR) and total exposure measure as well as the liquidity coverage ratio (LCR) and the net stable funding ratio (NSFR) of GIBF.

Table 1: EU KM1 - Key metrics template

The table below provides an overview of key regulatory metrics as of December 31, 2022. Unless otherwise stated, all positions as of December 31, 2022 include audited earnings.

€ in millions		a As of December 2022	b As of December 2021
	Available own funds (amounts)		
1	Common Equity Tier 1 (CET1) capital	2,051	2,050
2	Tier 1 capital	2,051	2,050
3	Total capital	2,051	2,050
	Risk-weighted exposure amounts		
4	Total risk exposure amount	31	14
	Capital ratios (as a percentage of risk-weighted exposure amount)		
5	Common Equity Tier 1 ratio (%)	6,680.1%	14,947.0%
6	Tier 1 ratio (%)	6,680.1%	14,947.0%
7	Total capital ratio (%)	6,680.1%	14,947.0%
	Additional own funds requirements to address risks other than the risk of excessive leverage (as a percentage of risk-weighted exposure amount)		
EU 7a	Additional own funds requirements to address risks other than the risk of excessive leverage (%)	4.0%	4.0%
EU 7b	of which: to be made up of CET1 capital (percentage points)	2.3%	2.3%
EU 7c	of which: to be made up of Tier 1 capital (percentage points)	3.0%	3.0%
EU 7d	Total SREP own funds requirements (%)	12.0%	12.0%
	Combined buffer and overall capital requirement (as a percentage of risk-weighted exposure amount)		
8	Capital conservation buffer (%)	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%	0.0%
9	Institution specific countercyclical capital buffer (%)	1.0%	0.0%
EU 9a	Systemic risk buffer (%)	0.0%	0.0%
10	Global Systemically Important Institution buffer (%)	0.0%	0.0%
EU 10a	Other Systemically Important Institution buffer (%)	0.0%	0.0%
11	Combined buffer requirement (%)	3.5%	2.5%
EU 11a	Overall capital requirements (%)	15.5%	14.5%

12	CET1 available after meeting the total SREP own funds requirements (%)[4]	6,668.1%	14,935.0%
	Leverage ratio		
13	Total exposure measure	16,958	6,771
14	Leverage ratio (%)	12.1%	30.3%
	Additional own funds requirements to address the risk of excessive leverage (as a percentage of total exposure measure)		
EU 14a	Additional own funds requirements to address the risk of excessive leverage (%)	0%	0%
EU 14b	of which: to be made up of CET1 capital (percentage points)	0%	0%
EU 14c	Total SREP leverage ratio requirements (%)	3.0%	3.0%
	Leverage ratio buffer and overall leverage ratio requirement (as a percentage of total exposure measure)		
EU 14d	Leverage ratio buffer requirement (%)	0%	0%
EU 14e	Overall leverage ratio requirement (%)	3.0%	3.0%
	Liquidity Coverage Ratio		
15	Total high-quality liquid assets (HQLA) (Weighted value -average)	10,505	3,314
EU 16a	Cash outflows - Total weighted value	35	28
EU 16b	Cash inflows - Total weighted value	6	4
16	Total net cash outflows (adjusted value)	29	24
17	Liquidity coverage ratio (%)	45,826%	14,105%
	Net Stable Funding Ratio[5]		
18	Total available stable funding	16,874	6,628
19	Total required stable funding	79	12
20	NSFR ratio (%)	21,323%	57,512%

The total capital ratio decreased by 8,266.9pp vs. December 2021 to 6,680.1% driven by increase in exposure against GSIB. The increase in RWA resulted from increases in credit and counterparty credit RWA by €18m.

The leverage ratio decreased by 18.2pp vs. December 2021 to 12.1% mainly driven by the increase in deposit placements of EUR cash with the central bank.

As of December 2022, the institution specific countercyclical capital buffer increases the minimum CET1 ratio by 1% primarily driven by a newly introduced countercyclical buffer rate for the United Kingdom during 2022.

Liquidity coverage ratio increased by 31,720pp vs. December 2021 to 45,826%, mainly due to an increase in the HQLA by €7.2bn to €10.5bn.

Net stable funding ratio decreased by 36,189pp vs. December 2021 to 21,323%, due to an increase in Required Stable Funding by €67.6m to €79.1m, mainly driven by an increase in unsecured funding. This

[4] Prior period values have been conformed to reflect updated EBA format change to %-values.
[5] NSFR details (€ in millions) as at 31 March 2022 were as follows: Available Stable Funding 8,131, Required Stable Funding 25, and the NSFR ratio 32,632%; as at 30 June 2022 were as follows: Available Stable Funding 6,344, Required Stable Funding 84, and the NSFR ratio 7,547%; as at 30 September 2022 were as follows: Available Stable Funding 11,452, Required Stable Funding 84, and the NSFR ratio 13,608%.

was partially offset by an increase in Available Stable Funding by €10.2bn to €16.9bn, due to an increase in the operational loan.

4. Risk-Weighted Assets

RWAs are calculated based on measures of credit risk, market risk and operational risk. The table below presents a summary of the RWAs and capital requirements by type as of December 2022 and December 2021.

Table 2: EU OV1 - Overview of total risk exposure amounts

		Total risk exposure amounts (RWEAs)		Total own funds requirements
		a	b	c
€ in millions		December 2022	December 2021	December 2022
1	Credit risk (excluding CCR)	27	9	2
2	Of which the standardised approach	27	9	2
3	Of which the Foundation IRB (F-IRB) approach	-	-	-
4	Of which slotting approach	-	-	-
EU 4a	Of which equities under the simple riskweighted approach	-	-	-
5	Of which the Advanced IRB (A-IRB) approach	-	-	-
6	Counterparty credit risk - CCR	-	-	-
7	Of which the standardised approach	-	-	-
8	Of which internal model method (IMM)	-	-	-
EU 8a	Of which exposures to a CCP	-	-	-
EU 8b	Of which credit valuation adjustment - CVA	-	-	-
9	Of which other CCR	-	-	-
15	Settlement risk	-	-	-
16	Securitisation exposures in the non-trading book (after the cap)	-	-	-
17	Of which SEC-IRBA approach	-	-	-
18	Of which SEC-ERBA (including IAA)	-	-	-
19	Of which SEC-SA approach	-	-	-
EU 19a	Of which 1250% / deduction	-	-	-
20	Position, foreign exchange and commodities risks (Market risk)	1	1	0
21	Of which the standardised approach	1	1	0
22	Of which IMA	-	-	-
EU 22a	Large exposures	-	-	-
23	Operational risk	3	4	0
EU 23a	Of which basic indicator approach	3	4	0
EU 23b	Of which standardised approach	-	-	-
EU 23c	Of which advanced measurement approach	-	-	-

24	Amounts below the thresholds for deduction (subject to 250% risk weight)	-	-	-
29[6]	**Total**	**31**	**14**	**2**

5. Risk Management Approach

GIBF believes that effective risk management is critical to its success, and therefore has established an enterprise risk management framework which is integrated into the risk management framework of the GSIB head office and through which the risks associated with the branch's businesses are identified, assessed, monitored and managed.

Governance

Risk governance of GSIB starts with the Board of GSIB and the GIBF Branch Managers at the level of the branch, which both directly and through its committees, including the GSIB Board Risk Committee and the GSIB Risk Committee, oversee GSIB's and GIBF's risk management policies and practices, respectively. The GSIB Board is responsible for the annual review and approval of GSIB's risk appetite statement, which describes the levels and types of risk it is willing to accept, in order to achieve the objectives included in its strategic business plan, while remaining in compliance with regulatory requirements. GSIB's and GIBF's strategy is aligned with that of GS Group and GSIB's Board is ultimately responsible for overseeing and providing direction about GSIB's and thus GIBF's strategic business plan and risk appetite, with additional management oversight provided by GIBF Branch Managers for the activities of the branch.

GIBF's risk reporting and monitoring processes are commensurate and proportional to the branch's limited scope of activities and risk taking. The Senior Risk Officer ("SRO") of GIBF is primarily responsible for overseeing the management of the branch's risks.

Risk management arrangements

Consistent with GS Group and GSIB, GIBF 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, and senior management. While the first line of defence is responsible for management of their risk, the second line of defence ensures a strong oversight structure and an appropriate segregation of duties.

The risk management arrangements and systems are considered appropriate given the strategy and risk profile of the branch. These elements are reviewed at least annually and, where appropriate, updated to reflect best practice, evolving market conditions and changing regulatory requirements.

GIBF, both as a stand-alone branch as well as on a consolidated basis as part of GSIB and as part of the wider GS Group, monitors and controls risk exposure through a variety of separate but complementary financial, operational, and legal reporting systems in the second line of defence functions. In addition, each revenue division is responsible for monitoring risk as part of their first line of defence responsibilities.

Strategies and processes to manage risks

- **Credit risk**: GIBF aims to avoid or mitigate notable uncollateralised or unhedged credit risk exposure to third parties, with the exception of short term cash placement at the Deutsche Bundesbank, e.g., by usage of sub-participation of third party loans originated by the branch as well as adequate collaterialsation, e.g., in form of prefunding requested from sub-participation providers.
- **Market risk**: The branch has no appetite for trading book market risk exposures and only limited appetite for market risk in the banking book, e.g., in form of modest (non-material) FX risk arising

[6] EBA mapping rows from 10 to 14 and 25 to 28 are described as "Not Applicable" and hence are not shown in the table above.

from foreign currency denominated balance sheet positions (primarily intercompany claims) as well as interest rate risk in the banking book (IRRBB) arising from liquidity management activity.

- **Liquidity risk**: GIBF pursues a liquidity policy which requires the branch to pre-fund its estimated potential cash and collateral needs during a liquidity crisis and to hold this liquidity in the form of unencumbered, high-quality liquidity buffers.
- **Operational and compliance risk, including related concentration risks**: Are managed by qualified in-house personnel, also drawing on the support from, and systems provided by, other GS Group entities, including GSIB. GIBF aims to mitigate material risks by effective processes and controls as well as, where appropriate, the use of insurance contracts.

6. Credit Risk

As a branch and integrated part of GSIB and in turn the broader GS Group, GIBF's activities are selected and conducted in a manner which supports the broader business strategy of GSIB and GS Group.

The branch's exposure to credit risk comes mostly from deposit placements of EUR cash and contingent funding of securities inventory at the central bank, granting of select loans or lending facilities to existing clients of the firm and taking in select deposits for external clients or affiliates.

Structure and organisation of the credit risk management function

Credit Risk, which is independent of the revenue-producing units and reports to GS Group's chief risk officer, has primary responsibility for assessing, monitoring and managing GS Group's credit risk through oversight across GS Group's global businesses. The branch's framework for managing credit risk is consistent with the framework of GS Group.

Credit risk management and credit risk limits

For each material risk type, GIBF articulates a risk appetite and a risk management framework which define how its risk profile is managed within that risk appetite using qualitative and, where applicable, quantitative measures.

Given the limited activities and conservative risk management approach of GIBF, the branch expects to have minor credit risk exposures other than short-term central bank deposits, such as inter-company deposit placements, repo transactions or transfer pricing receivables.

Counterparty credit limits are set for potential exposure and settlement limits at the risk party and aggregate ultimate parent level. The limits are set by Credit Risk and are subject to the required approvals by the SRO and the branch managers.

Credit Risk is responsible for monitoring these limits and identifying and escalating to senior management and/or the appropriate risk committee, on a timely basis, instances where limits have been exceeded.

7. Market Risk

Market risk sensitive trades intended for the trading book are not expected to be booked and managed in GIBF. Based on the strategy and activity profile of the branch, any market risk exposure is expected to be only non-trading book interest rate risk and limited FX risk arising from non-EUR denominated balance sheet positions.

Structure and organisation of the market risk management function

The branch has no appetite for trading book market risk exposures, and only limited appetite for non-trading book market risk exposures. For IRRBB, the Branch has a monitoring process in place according to which the Market Risk department produces a quarterly assessment of the IRRBB risk in the branch positions. For FX risk, the Controllers department provides a quarterly summary of any FX exposures not directly arising from the deposit/lending business.

Scope and nature of risk reporting and measurement systems

GIBF's market risk scope is limited to the banking book. For interest rate risk in the banking book, the primary measure monitored by Market Risk is Economic Value of Equity (EVE) sensitivity. EVE sensitivity is a risk measure that evaluates the impact of an instantaneous rate shock on the present value of the current balance sheet. These measures are evaluated across a range of yield curve shocks, including parallel rally and sell-off scenarios, non-parallel scenarios and basis scenarios, to highlight tail risk and convexity profiles. GIBF does not have material Net Interest Income (NII) risk, as its net interest risk is effectively passed to the head office. The Net Interest Income and transfer pricing PnL items for GIBF are reviewed at least on a quarterly basis at the branch manager meeting.

8. Operational Risk

The operational risk capital requirements for GIBF are calculated under the Basic Indicator Approach in accordance with the CRR.

9. ICAAP information

Approach to assessing the adequacy of the internal capital

The appropriate level and composition of capital is determined by taking into account a number of factors including current and future regulatory capital requirements, the Internal Capital Adequacy Assessment Process (ICAAP) process, the results of stress tests, and the business and financial market environment.

GIBF conducts regular capital adequacy assessments as part of its ICAAP cycle to ensure capital adequacy relative to its risk profile. The ICAAP is an internal process, which is integrated into the governance structure of GIBF in accordance with the regulatory guidelines, including the process for risk identification and determination of material risks, the capital planning process and the framework for risk appetite.

In accordance with the BaFin guideline "Supervisory assessment of bank-internal capital adequacy concepts and their integration into the overall performance and risk management processes (ICAAP)" from May 2018, the ICAAP includes two complementary perspectives: the Normative Perspective and the Economic Perspective.

In the Normative Perspective capital adequacy is considered from a regulatory and accounting view, by comparing the regulatory definition of capital resources to regulatory capital requirements for material risks. The perspective includes a forward-looking 3-year forecast of the ability of GIBF to meet the regulatory capital requirements under certain planning assumptions (baseline scenario) and unfavorable developments (adverse scenario). The capital requirements are calculated in accordance with regulatory requirements over the planning horizon. As part of the analysis of impacts under the adverse scenario, GIBF projects additional losses and their impact on regulatory capital ratios. GIBF met its regulatory capital requirements at all times over the respective observation period in the Normative Perspective.

The Economic Perspective involves defining and quantifying the internal capitalisation and economic capital requirements that GIBF must maintain to mitigate risks that could have a significant impact on capitalisation from an economic perspective. GIBF uses its regulatory capital as a starting point for quantifying internal capital in the Economic Perspective and makes adjustments to reflect economic considerations. For risk quantification, GIBF uses, among other things, internal methods that make it possible to capture an economic view of the risk over a targeted risk horizon of one year.

The economic capital requirements for market risk, which GIBF has classified as not material, result mainly from foreign currency risks, which are determined using the standardised approach. The economic capital requirements for credit risk are determined using a credit risk model based on internal assessments (including internal credit ratings). The economic capital requirements for operational risk are quantified using the internal Advanced Measurement Approach (AMA) calibrated to a 99.9% confidence level and assuming a one-year holding period. The risk potential reflects the activities of GIBF compared to the operational risk resulting from the overall activities of GSIB.

The economic capital requirements are conservatively aggregated across the risk categories without taking diversification effects into account. The limit system of GIBF requires compliance with the minimum requirement for the economic capital adequacy ratio of 100%.[7]

Result of the internal capital adequacy assessment process

The following table shows the comparison of the internal available capital to the economic capital requirement as of December 31, 2022:

Table 3: Economic Internal Perspective

€ in millions	**December 2022**
Internal capital resources	
Regulatory own funds	2,051
Further adjustments between regulatory capital and internal capital	0
Internal capital	**2,051**
Risk parameters	
Market risk	0
Credit risk	90
Operational risk	4
Economic capital requirements	**94**
Economic capital adequacy ratio	**2,189%[8]**

As of December 31, 2022, GIBF had sufficient capital, which consisted of the endowment capital in the amount of T€ 2,050,000 and the annual retained earnings for financial years 2020 and 2021 in the amount of T€ 587.

[7] Liquidity risks are considered in GIBF's annual ILAAP submission to the Bundesbank.
[8] Ratio shows internal capital resources over economic capital requirements, ratio subject to rounding.

10. Regulatory Own Funds

The table below presents further information on the detailed capital position of GIBF.

Table 4: EU CC1 - Composition of regulatory own funds

	€ in millions	*As of December 2022* (a) Amounts	(b) 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	2,050	(h)
	of which: Instrument type 1		
	of which: Instrument type 2		
	of which: Instrument type 3		
2	Retained earnings	1	
3	Accumulated other comprehensive income (and other reserves)		
EU-3a	Funds for general banking risk		
4	Amount of qualifying items referred to in Article 484 (3) CRR and the related share premium accounts subject to phase out from CET1		
5	Minority interests (amount allowed in consolidated CET1)		
EU-5a	Independently reviewed interim profits net of any foreseeable charge or dividend		
6	**Common Equity Tier 1 (CET1) capital before regulatory adjustments**	**2,051**	
	Common Equity Tier 1 (CET1) capital: regulatory adjustments		
7	Additional value adjustments (negative amount)		
8	Intangible assets (net of related tax liability) (negative amount)		(a)minus (d)
9	Not applicable		
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) CRR are met) (negative amount)		
11	Fair value reserves related to gains or losses on cash flow hedges of financial instruments that are not valued at fair value		
12	Negative amounts resulting from the calculation of expected loss amounts		
13	Any increase in equity that results from securitised assets (negative amount)		
14	Gains or losses on liabilities valued at fair value resulting from changes in own credit standing		
15	Defined-benefit pension fund assets (negative amount)		
16	Direct, indirect and synthetic holdings by an institution of own CET1 instruments (negative amount)		
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)		

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)		
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)		
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		
EU-20b	of which: qualifying holdings outside the financial sector (negative amount)		
EU-20c	of which: securitisation positions (negative amount)		
EU-20d	of which: free deliveries (negative amount)		
21	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability where the conditions in Article 38-(3) CRR are met) (negative amount)		
22	Amount exceeding the 17,65% threshold (negative amount)		
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		
24	Not applicable		
25	of which: deferred tax assets arising from temporary differences		
EU-25a	Losses for the current financial year (negative amount)		
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)		
26	Not applicable		
27	Qualifying AT1 deductions that exceed the AT1 items of the institution (negative amount)		
27a	Other regulatory adjustments		
28	**Total regulatory adjustments to Common Equity Tier 1 (CET1)**		
29	**Common Equity Tier 1 (CET1) capital**	**2,051**	
Additional Tier 1 (AT1) capital: instruments			
30	Capital instruments and the related share premium accounts		(i)
31	of which: classified as equity under applicable accounting standards		
32	of which: classified as liabilities under applicable accounting standards		
33	Amount of qualifying items referred to in Article 484 (4) CRR and the related share premium accounts subject to phase out from AT1		
EU-33a	Amount of qualifying items referred to in Article 494a(1) CRR subject to phase out from AT1		
EU-33b	Amount of qualifying items referred to in Article 494b(1) CRR subject to phase out from AT1		
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		
35	of which: instruments issued by subsidiaries subject to phase out		

36	**Additional Tier 1 (AT1) capital before regulatory adjustments**		
	Additional Tier 1 (AT1) capital: regulatory adjustments		
37	Direct, indirect and synthetic holdings by an institution of own AT1 instruments (negative amount)		
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)		
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)		
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)		
41	Not applicable		
42	Qualifying T2 deductions that exceed the T2 items of the institution (negative amount)		
42a	Other regulatory adjustments to AT1 capital		
43	**Total regulatory adjustments to Additional Tier 1 (AT1) capital**		
44	**Additional Tier 1 (AT1) capital**		
45	**Tier 1 capital (T1 = CET1 + AT1)**	**2,051**	
	Tier 2 (T2) capital: instruments		
46	Capital instruments and the related share premium accounts		
47	Amount of qualifying items referred to in Article 484(5) CRR and the related share premium accounts subject to phase out from T2 as described in Article 486(4) CRR		
EU-47a	Amount of qualifying items referred to in Article 494a(2) CRR subject to phase out from T2		
EU-47b	Amount of qualifying items referred to in Article 494b(2) CRR subject to phase out from T2		
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		
49	of which: instruments issued by subsidiaries subject to phase out		
50	Credit risk adjustments		
51	**Tier 2 (T2) capital before regulatory adjustments**		
	Tier 2 (T2) capital: regulatory adjustments		
52	Direct, indirect and synthetic holdings by an institution of own T2 instruments and subordinated loans (negative amount)		
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)		
54	Direct, indirect and synthetic 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)		
54a	Not applicable		

55	Direct, indirect and synthetic 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)		
56	Not applicable		
EU-56a	Qualifying eligible liabilities deductions that exceed the eligible liabilities items of the institution (negative amount)		
EU-56b	Other regulatory adjustments to T2 capital		
57	**Total regulatory adjustments to Tier 2 (T2) capital**		
58	**Tier 2 (T2) capital**		
59	**Total capital (TC = T1 + T2)**	**2,051**	
60	**Total Risk exposure amount**	**31**	
Capital ratios and requirements including buffers			
61	Common Equity Tier 1 capital	6,680.1%	
62	Tier 1 capital	6,680.1%	
63	Total capital	6,680.1%	
64	Institution CET1 overall capital requirements	10.2%	
65	of which: capital conservation buffer requirement	2.5%	
66	of which: countercyclical capital buffer requirement	1.0%	
67	of which: systemic risk buffer requirement	0.0%	
EU-67a	of which: Global Systemically Important Institution (G-SII) or Other Systemically Important Institution (O-SII) buffer requirement	0.0%	
EU-67b	of which: additional own funds requirements to address the risks other than the risk of excessive leverage	2.3%	
68	**Common Equity Tier 1 capital (as a percentage of risk exposure amount) available after meeting the minimum capital requirements**	6,668.1%	
National minima (if different from Basel III)			
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)		
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)		
74	Not applicable		
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) CRR are met)		
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)		
77	Cap on inclusion of credit risk adjustments in T2 under standardised approach		
78	Credit risk adjustments included in T2 in respect of exposures subject to internal ratings-based approach (prior to the application of the cap)		

79	Cap for inclusion of credit risk adjustments in T2 under internal ratings-based approach		
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		
81	Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)		g
82	Current cap on AT1 instruments subject to phase out arrangements		
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)		
84	Current cap on T2 instruments subject to phase out arrangements		
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)		

Following table presents the balance sheet of the branch. There are no differences in consolidation methodology under the accounting and regulatory frameworks.

Table 5: EU CC2 - Reconciliation of regulatory own funds to balance sheet in the audited financial statements

		a	b	c
		Balance sheet as in audited financial statements	**Under regulatory scope of consolidation**	**Reference**
€ in millions		**As at period end**	**As at period end**	
Assets - *Breakdown by asset clases according to the balance sheet in the audited financial statements*				
1	Cash and cash equivalents	0	0	
2	Receivables from credit institutions	16,825	16,825	
3	Receivables from customers	0	0	
4	Other assets	0	0	
	Total assets	16,826	16,826	
Liabilities - *Breakdown by liability clases according to the balance sheet in the audited financial statements*				
1	Liabilities to credit institutions	0	0	
2	Liabilities to customers	160	160	
3	Other liabilities	0	0	
4	Provisions	3	3	
5	Head office account	14,611	14,611	
	Total liabilities	14,775	14,775	
Shareholders' Equity				
1	Endowment capital	2,050	2,050	(h)
2	Retained earnings	1	1	
	Total shareholders' equity	2,051	2,051	

11. Liquidity Risk

Liquidity risk is the risk that GIBF will be unable to fund itself or meet its liquidity needs in the event of bank-specific, broader industry, or market liquidity stress events. GIBF'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 Liquidity Risk function, which is independent of the commercial and liquidity management functions, and reports to the branch's Senior Risk Officer, has primary responsibility for identifying, assessing, monitoring and managing the liquidity risk of GIBF, through regular monitoring of activities, implementation of stress tests, and monitoring of the various liquidity ratios.

GIBF 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 Framework ("Stress Test")

In order to determine the appropriate size of the liquidity pool of GIBF, an internal liquidity model is used, called the "Modelled Liquidity Outflow", which captures and quantifies GIBF'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.

Modelled Liquidity Outflow (MLO): This is based on conducting multiple scenarios that include combinations of market-wide and firm-specific stress. These scenarios are characterised 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, litigation and/or rating downgrades.

The following are key modelling elements of the MLO which are most relevant for GIBF:

- Liquidity needs over a 30-day scenario;
- A two-notch downgrade of the long-term senior unsecured credit ratings of GS Group Inc. and its rated subsidiaries;
- A combination of contractual and contingent outflows.

Intraday Liquidity Model: This measures GIBF's intraday liquidity needs using a scenario analysis characterized by the same qualitative elements as our MLO. The model assesses the risk of increased intraday liquidity needs in a scenario where access to intraday liquidity sources may become limited.

Long Term Stress Testing: GIBF utilises longer-term stress tests to take a forward view on its liquidity position through prolonged stress periods in which the branch experiences a severe liquidity stress and recovers in an environment that continues to be challenging.

Liquidity Regulatory Framework

Implementation of the Basel Committee's international framework for liquidity risk management, standards and monitoring requires a LCR and a NSFR.

The 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. GIBF is subject to a minimum LCR of 100% under the LCR rule approved by the European Parliament and Council. As of December 2022, GIBF's LCR exceeded the minimum regulatory requirement.

The NSFR is designed to support stable medium to long-term funding of the assets over a one-year horizon. The Basel Committee NSFR framework requires maintaining an NSFR of 100%. GIBF is subject to the NSFR requirement applicable in the EU, which came into force in June 2021. As of December 2022, GIBF's NSFR exceeded the minimum regulatory requirement. The implementation of these rules and any amendments adopted by regulatory authorities could affect GIBF's liquidity and funding requirements and practices in the future.

Further details on GIBF’s LCR and NSFR can be found in the Key Metrics template (Table 1). The results of the LCR, NSFR, MLO and Intraday Liquidity Model are regularly reported to GIBF’s branch managers.

12. Governance Arrangements

GIBF is managed by its branch managers under their own responsibility. The branch managers carry the full responsibility for the management of the branch in accordance with the German Banking Act[9]. They are appointed and dismissed by the board of directors of GSIB.

Corporate governance disclosures for GSIB are available at https://www.goldmansachs.com/disclosures.

As of the date of this publication, the branch managers of GIBF do not hold any other directorships.

As part of the Goldman Sachs Group, GIBF implements the global principles, measures, and goals for diversity at Goldman Sachs. In the selection of the branch managers, a candidate for each role is considered when, in addition to the actual knowledge, capabilities and experience required by regulations, professional and personal competence of the candidates is also demonstrated. GIBF thereby places the highest requirements on persons who are considered for selection.

GIBF considers diversity to be a priority and is committed to promoting the participation of qualified women in leadership positions. Female and male candidates are given equal consideration.

With a view to the nature, scale, and complexity of the risk profile of the activities, GIBF has not set up a separate risk committee. Information on risk is monitored on an ongoing basis by one of the branch managers, the SRO of GIBF, who is responsible for risk management of the branch, and is reported to all branch managers by way of periodic risk reports that comprise, among others, updates on credit, market, liquidity, and operational risk. Risk information is further shared with the GSIB Board Risk Committee as required. Please refer to the GSIB corporate governance disclosures referenced above for further information.

13. Supplementary Information

Effective March 14, 2023 BaFin set the additional capital requirement (P2R) as part of the bank supervisory review and evaluation process (SREP) in the amount of 5.5%, an increase from the 4.0% requirement established on the initial licensing of GIBF on December 1, 2020.

On April 1, 2023 Mario Kohl replaced Phil Parsons as Branch Manager of GIBF.

[9] Kreditwesengesetz - KWG.

14. Attestation by the Branch Managers according to Art. 431 (3) CRR

To the best of our knowledge, we attest that the Pillar 3 Disclosures of Goldman Sachs International Bank Zweigniederlassung Frankfurt for the period ended December 31, 2022, prepared according to Part Eight of the CRR, have been prepared in accordance with the formal policies and internal processes, systems and controls agreed upon at the management body level.

Goldman Sachs International Bank Zweigniederlassung Frankfurt

Martin Ettl

Mario Kohl