

GS Small/Mid Cap Value Fund – I Shares (GSMVX)

Performance Update

- We would like to provide you an update on the GS Small/Mid Cap Value Fund’s performance in light of the significant market correction and recent market volatility spurred by COVID-19 and oil price shocks.
 - From February 20, 2020 through the close of March 13, 2020, in an environment in which its benchmark the Russell 2500 Value Index has declined -28.32%, GSMVX has outperformed by +92 bps net of I-shares fees, declining -27.39%.
 - YTD, the Fund has outperformed its benchmark by +196 bps, net of I-share fees¹.
- As active managers, we seek to capitalize on opportunities of market dislocations. In accordance with our “price and prospects” philosophy, we seek to invest in companies that are undervalued or indiscriminately punished by the market (“price”), yet have quality characteristics or catalysts for positive change (“prospects”). We believe now, amid heightened volatility, is an attractive time to increase our quality statement at a discounted price.
- While we continue to have a long-term perspective, we have re-positioned our portfolio more defensively. We reduced our exposure to riskier assets that have higher financial leverage, while we have increased our positions in companies that have strong balance sheets and greater transparency to future cash-flow potential. More specifically, at a sector level:
 - In Consumer Discretionary, we have been underweight to more secularly challenged areas of auto and apparel retail. With respect to virus contagion, we have increased our exposure to more ‘essential’ purchases (an overweight to food in Consumer Staples and companies that have delivery capabilities), while we have held neutral positions or decreased our exposure to companies with an abundance of social interaction (casinos).
 - In Energy, we are underweight the sector amid the backdrop of a \$30 per barrel oil environment and uncertainty over the timing of a resolution between Saudi Arabia and Russia. We own companies that we believe are well-positioned to survive a prolonged low price environment with solid balance sheets and low break-evens
 - In Financials, we are overweight insurers and capital markets, as we believe these businesses could be less impacted by low rates and could benefit from the pick-up of volatility.
 - In Health Care, we continue to hold the supporting infrastructure to biotechnology or pharmaceutical drug companies, which could potentially be more resilient.
 - In Industrials, we have reduced more cyclical exposure in favor of companies more exposed to defense spending.
 - Similarly, in Technology, we have increased our exposure to government information technology outsourcing, which tends to have resilient revenue streams through contracts.
- At the same time, we remain vigilant about areas of the market where we could see further deterioration before improvement, closely monitoring positions and managing risk while maintaining our focus on companies that could weather pullbacks better than their peers due to strength of balance sheets and management teams. As always, we continue to maintain a balanced perspective with a focus on quality stocks with the potential to perform well over the long-term, as our +20-year investment philosophy has guided us through strong performance over various market cycles.

¹Source: GSAM as of 03/13/2020. **GSMVX Standardized Total Returns as of December 31, 2019: 1 Yr: 26.63%, 5 Year: 6.91%, 10 Years 7.74%. The returns represent past performance. Past performance does not guarantee future results. The Fund's investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance quoted above. Please visit our Web site at: www.GSAMFUNDS.com to obtain the most recent month-end returns.**

The Standardized Total Returns are average annual total returns or cumulative total returns (only if the performance period is one year or less) as of the most recent calendar quarter-end. They assume reinvestment of all distributions at net asset value. Because Institutional Shares do not involve a sales charge, such a charge is not applied to their Standardized Total Returns.

Performance reflects cumulative total returns for periods of less than one year and average annual total returns for periods of greater than one year. All Fund performance data reflect the reinvestment of distributions.

Expense Ratios: 1.17% Gross/0.84% Net. The expense ratios of the Fund, both current (net of any fee waivers or expense limitations) and before waivers (gross of any fee waivers or expense limitations) are as set forth above. Pursuant to a contractual arrangement, the Fund's waivers and/or expense limitations will remain in place through at least December 27, 2020, and prior to such date the Investment Adviser may not terminate the arrangements without the approval of the Fund's Board of Trustees.

Fund Risk Considerations:

The **Goldman Sachs Small/Mid Cap Value Fund** invests primarily in mid- and small- capitalization U.S. equity investments. The Fund's investments are subject to **market risk**, which means that the value of the securities in which it invests may go up or down in response to the prospects of individual companies, particular sectors or governments and/or general economic conditions. The securities of **mid- and small-capitalization companies** involve greater risks than those associated with larger, more established companies and may be subject to more abrupt or erratic price movements. **Different investment styles** (e.g., "quantitative") tend to shift in and out of favor, and at times the Fund may underperform other funds that invest in similar asset classes. **Investing in REITs** involves certain unique risks in addition to those risks associated with investing in the real estate industry in general. REITs whose underlying properties are focused in a particular industry or geographic region are also subject to risks affecting such industries and regions. The securities of REITs involve greater risks than those associated with larger, more established companies and may be subject to more abrupt or erratic price movements because of interest rate changes, economic conditions and other factors. The Fund may have a **high rate of portfolio turnover**, which involves correspondingly greater expenses which must be borne by the Fund, and is also likely to result in short-term capital gains taxable to shareholders.

General Disclosures

A summary prospectus, if available, or a Prospectus for the Fund containing more information may be obtained from your authorized dealer or from Goldman Sachs & Co. LLC by calling (retail - 1-800-526-7384) (institutional – 1-800-621-2550). Please consider a fund's objectives, risks, and charges and expenses, and read the summary prospectus, if available, and the Prospectus carefully before investing. The summary prospectus, if available, and the Prospectus contains this and other information about the Fund.

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

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The portfolio risk management process includes an effort to monitor and manage risk, but does not imply low risk.

The Russell 2500 Value Index offers investors access to the small- to mid-cap value segment of the US equity universe. The Russell 2500 Value Index is constructed to provide a comprehensive and unbiased barometer of the small- to mid-cap value market. Based on ongoing empirical research of investment manager behavior, the methodology used to determine value probability approximates the aggregate small- to mid-cap value manager's opportunity set. The Index figures do not reflect any deduction for fees, expenses or taxes. It is not possible to invest directly in an unmanaged Index.

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