

## STATEMENT ON MODERN SLAVERY AND HUMAN TRAFFICKING

This Statement on Modern Slavery and Human Trafficking for the year ended December 31, 2017 sets out the steps we have taken and are taking to ensure that slavery and human trafficking (defined in the UK Modern Slavery Act 2015 (the “MSA”)) are not taking place within our business and our supply chain.

### ***Our Business***

Goldman Sachs is a leading global investment banking, securities and investment management firm that provides a wide range of financial services to a substantial and diversified client base that includes corporations, financial institutions, governments and individuals. We report our activities in the following four business segments: Investment Banking; Institutional Client Services; Investment & Lending; and Investment Management. As of December 2017, we had offices in over 30 countries. Our clients are located worldwide and we are an active participant in financial markets around the world. Further details on our business are set out in our [2017 Annual Report](#), which is available on our website.<sup>1</sup>

### ***Respect for Human Rights***

As set out in our [Statement on Human Rights](#), as a global financial institution, Goldman Sachs recognizes and takes seriously our responsibility to help protect, preserve and promote human rights around the world. Examples of such rights are articulated in the United Nations Universal Declaration of Human Rights. While national governments bear the primary responsibility for ensuring human rights, we believe that the private sector can and should play a role in championing these fundamental rights.

Our respect for human rights is fundamental to and informs our broader business; it guides us in how we treat and train our employees, and how we work with clients and our vendors. In tandem with our [Business Principles](#), our [Code of Business Conduct and Ethics](#) articulates Goldman Sachs’ commitment to integrity and honesty in everything we do, and plays an important role in determining our responsibilities as corporate citizens. They help to inform our business selection process and to guide our business decisions and judgments. An example of this is articulated in our [Environmental Policy Framework](#), which as part of our approach to environmental and social risk management provides that we will not knowingly finance any potential transactions where there is credible evidence of child labor, forced labor or human trafficking. Our [Anti-Money Laundering Program](#) supports this approach by specifically including human rights as one of the components of the country risk analysis, thereby underpinning our commitment to combat money laundering, terrorist financing, securities fraud and other financial crimes (collectively, “money laundering”) and to comply fully with all applicable laws and regulations relating to combating money laundering. With respect to any of our clients or counterparties, the firm reserves the right to terminate immediately any business relationship that violates or presents the risk of violating such money laundering laws, regulations or policies of the firm.

---

<sup>1</sup> When we use the terms “Goldman Sachs,” “the firm,” “we,” “us” and “our”, we mean The Goldman Sachs Group, Inc., a Delaware corporation, and its consolidated subsidiaries.

In response to the introduction of the MSA, in 2016 we convened, and in 2017 continued to maintain a cross-divisional working group to assess potential risks within our business and our supply chain, review our policy frameworks against the requirements of the MSA, and coordinate the implementation of any necessary enhancements.

### **Employees**

Goldman Sachs is dedicated to creating a workplace that respects each employee's human rights, and ensures that the interactions of our people with clients, vendors and other business partners are consistent with the regulations and laws in the jurisdictions in which we operate.

We are committed to equality of opportunity in employment to all qualified persons. Although particular legal provisions and formulations may differ in the various locations in which we do business, our principles are the same worldwide. Our [Equal Employment Principles](#) encompass our firmly-held belief that concern for the personal dignity and individual worth of every person is an indispensable element in the standard of conduct that we have set for ourselves.

The firm's anti-discrimination, compensation and conduct-related policies illustrate the emphasis which the firm places on fair treatment of its people. Relevant policies are reinforced through regular diversity training. We take conduct that fails to conform to these standards extremely seriously.

We invest in the health and wellbeing of our staff, providing a range of wellness-related resources, including onsite medical professionals.

### **Supply Chain**

Goldman Sachs has a firm-wide vendor management policy and program, which provides a robust governance framework designed to manage vendor risk. We do not tolerate slavery, forced labor, child labor or human trafficking in any form and will not knowingly work with vendors who engage in these practices. We screen all vendors both during the on-boarding process and on an ongoing basis, including for any slavery, forced labor, child labor and human trafficking violations. At a minimum, we expect our vendors and their supply chain to fully comply with all applicable laws and regulations in the conduct of their business, including in relation to slavery, forced labor, child labor and human trafficking. In addition, we expect our vendors to meet appropriate standards related to labor practices, wages and workplace safety.

In 2017, as part of our continued commitment to responsible supply chain management and sustainable procurement, and in response to the MSA, we enhanced our vendor management program by implementing a [Vendor Code of Conduct](#) (the "Code"). The Code, which is available on our website in ten languages, applies, and has been sent to, all vendors in our supply chain globally. It describes the expectations we have of our vendors to conduct business responsibly, including with respect to compliance with the requirements of applicable slavery, forced labor, child labor and human trafficking laws. It also addresses the following areas: ethical business practices, environmental stewardship, management systems and governance and vendor diversity and inclusion. All vendors engaged in providing products and services to Goldman Sachs are encouraged to act in accordance with the Code, including by aligning their guidelines, policies and practices with the Code and by communicating and enforcing the Code provisions throughout their organizations and supply chains. A violation of the requirements of the Code by a vendor may lead to review or termination of our relationship.

We have also continued our risk assessment of our supply chains, focusing on the vendor relationships in industries and geographies that we perceive to be of higher risk, including real estate, construction, facilities management, the manufacture of hardware and provision of building and other materials and equipment, as well as services performed off-site.

Based on this risk assessment and in advance of the launch of the Code in 2017, we introduced mandatory training and briefing sessions, and provided background resources to our key procurement and vendor management staff, specifically addressing the identification of risks of slavery and human trafficking within our supply chain.

In 2017, we also updated our relevant standard procurement and principal investment due diligence procedures and contractual provisions to specifically address slavery and human trafficking.

We will continue to assess the risks associated with our supply chain and expand the scope of our focus, as necessary.

### ***Training***

Our people receive training on a variety of human rights-related issues, including but not limited to, equal employment opportunity, diversity, money laundering, bribery and corruption. They are reminded and encouraged to identify potential violations in these areas, and to report behavior that does not comply with internal policies and external regulations and laws.

In response to the MSA, we enhanced our mandatory global annual compliance training materials to make our people aware of the MSA and the risk of slavery and human trafficking in our business and our supply chain. As noted above, in 2017, focused mandatory training and briefing sessions were introduced, and additional background resources were provided to our key procurement and vendor management employees.

### ***Monitoring and Reporting***

As set out in our Code of Business Conduct and Ethics, Goldman Sachs is committed to conducting every element of our business according to the highest standards of integrity. Our processes, both in our business and our supply chain, are designed to ensure that we, and those in our supply chain, are taking the steps required to ensure that slavery and human trafficking are not taking place. Key to this is maintaining robust governance processes for the purposes of on-going monitoring of our effectiveness in this area.

Pursuant to our governance processes, employees are obligated to report immediately any business conduct or other conduct of which they become aware that might raise a legal or ethical issue (including human rights issues, such as slavery and human trafficking) for the firm and any instance where it is observed that anyone is being treated in a manner inconsistent with the firm's non-discrimination policies. To encourage reporting, we provide a number of internal reporting channels for dealing with potential adverse matters on a divisional basis.

As part of our [Business Integrity Program](#), we also provide our people and the public with various channels through which integrity concerns can be raised. Concerns can be communicated 24 hours a day, seven days a week globally, either on an anonymous or disclosed basis, through a specialized independent third party, via toll free hotlines or a web form. All reports are handled in accordance with our confidentiality protocols, and retaliation for reporting a possible violation of law, ethics or firm policy is strictly prohibited.

Critically, there is also a specific and robust governance framework in relation to vendor management. We have a global Vendor Management Operating Committee, comprised of senior leadership, including representatives from Compliance and other key control functions. Vendor-related risks, inclusive of issues related to human rights, such as slavery and human trafficking, are documented, managed and escalated to divisional leadership and/or senior governance groups as appropriate. This escalation model is designed to ensure that monitoring, reporting and incidence matters are dealt with quickly and at the appropriate level within the firm.

### ***Our Continuing Commitment***

We will continue to engage with our people and our vendors to raise awareness and to take further steps to ensure that slavery and human trafficking are not taking place in our business and our supply chain.

This Statement on Modern Slavery and Human Trafficking for the year ended December 31, 2017 has been approved by the board of directors of The Goldman Sachs Group, Inc. on February 22, 2018 and the board of directors of each of its subsidiaries that are required to make an annual statement pursuant to section 54 of the MSA.<sup>2</sup>



**Lloyd C. Blankfein**  
Chairman and CEO  
The Goldman Sachs Group, Inc.

---

<sup>2</sup> The signatures of the subsidiaries of The Goldman Sachs Group, Inc. that are required to make an annual statement pursuant to the MSA are available on request from our Company Secretary Group, Legal, Goldman Sachs International, Daniel House, 133 Fleet Street, London, United Kingdom, EC4A 2BB.