GOLDMAN SACHS INTERNATIONAL
(*Incorporated with unlimited liability in England*)

Series K Programme for the issuance of Warrants, Notes and Certificates

---

Issue of up to SEK 100,000,000 Five-Year Quanto SEK Worst of Phoenix Autocallable Certificates linked to a Share Basket, due June 13, 2023
(the "Securities" or the "Certificates")

(ISIN: SE0010948869)

Prospectus

This document constitutes a prospectus (this "**Prospectus**") for the purposes of Article 5.3 of Directive 2003/71/EC as amended, including by Directive 2010/73/EU (the "**Prospectus Directive**") relating to the above-referenced Securities issued by Goldman Sachs International (the "**Issuer**" or "**GSI**"). This Prospectus should be read together with any documents incorporated by reference within it.

Programme

The Securities are being issued under the Series K Programme for the issuance of Warrants, Notes and Certificates (the "**Programme**") of the Issuer.

Status of the Securities

The Securities are unsecured and unsubordinated general obligations of the Issuer and not of any affiliate of the Issuer. The Securities are not bank deposits and are not insured or guaranteed by the UK Financial Services Compensation Scheme or any other government or governmental or private agency or deposit protection scheme in any jurisdiction. The payment obligations of the Issuer in respect of the Securities are not guaranteed by any entity.

Information incorporated by reference

This Prospectus incorporates by reference certain information from: the base prospectus in relation to the Programme dated November 15, 2017 (the "**Original Base Prospectus**") and the supplement(s) thereto (and the Original Base Prospectus as supplemented, the "**Base Prospectus**"). See the section entitled "*Documents Incorporated by Reference*" below. You should read this Prospectus together with such information from the Base Prospectus.

Statements in relation to prospects and financial or trading position

In this Prospectus, where GSI makes statements that "there has been no material adverse change in the prospects" and "no significant change in the financial or trading position" of GSI, references in these statements to the "prospects" and "financial or trading position" of GSI are specifically to the Issuer's ability to meet its full payment obligations under the Securities in a timely manner.

Risk warning

You could lose some, and up to all, of your investment. Before purchasing Securities, you should carefully consider the information in this Prospectus, in particular, the section entitled "*Risk Factors*" below.

The date of this Prospectus is April 5, 2018.

TABLE OF CONTENTS

Page

IMPORTANT NOTICES

Approval and passporting under the EU Prospectus Directive

Application has been made to the Luxembourg *Commission de Surveillance du Secteur Financier* (the "**CSSF**"), which is the Luxembourg competent authority for the purpose of the Prospectus Directive for approval of this Prospectus, as a prospectus issued in compliance with the Prospectus Directive and relevant implementing measures in Luxembourg for the purpose of giving information with regard to the Securities. This Prospectus constitutes a prospectus for the purposes of Article 5.3 of the Prospectus Directive relating to the Securities, and should be read together with any documents incorporated by reference within it.

Application will be made for the Securities to be (i) admitted to trading on the NASDAQ OMX Stockholm Stock Exchange and (ii) listed on the Official List and admitted to trading on the Luxembourg Stock Exchange (each a regulated market for the purposes of Directive 2014/65/EU on Markets in Financial Instruments). This Prospectus will be published on the websites of the Luxembourg Stock Exchange (*www.bourse.lu*) and the Issuer (*www.gspip.info*). On the approval of this Prospectus as a prospectus for the purpose of Article 5.3 of the Prospectus Directive by the CSSF, notification of such approval will be made to the Swedish Financial Supervisory Authority (*Sw. Finansinspektionen*) in its capacity as the competent authority of the Kingdom of Sweden.

CSSF disclaimer

Pursuant to Article 7(7) of the Luxembourg Law on Prospectuses for Securities dated July 10, 2005 (as amended), by approving this Prospectus, the CSSF gives no undertakings as to the economic and financial characteristics of the Securities or the quality or solvency of the Issuer.

Credit ratings

The credit ratings of GSI[1] referred to in this Prospectus have been issued by Fitch, Inc. ("**Fitch**"), Moody's Investors Service, Inc. ("**Moody's**") and Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc. ("**S&P**"), none of which entities is established in the European Union or registered under

---

[1] The information for this rating has been extracted from information made available by each rating agency referred to below. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by such ratings agencies, no facts have been omitted which would render the reproduced information inaccurate or misleading.

As at the date of this Prospectus the ratings for GSI were:

Short-term debt:

Fitch, Inc. rating was F1: An 'F1' rating indicates the highest short-term credit quality and the strongest intrinsic capacity for timely payment of financial commitments; may have an added '+' to denote any exceptionally strong credit feature.

Moody's rating was P-1: 'P-1' Issuers (or supporting institutions) rated Prime-1 have a superior ability to repay short-term debt obligations.

S&P rating was A-1: A short-term obligation rated 'A-1' is rated in the highest category by Standard & Poor's. The obligor's capacity to meet its financial commitment on the obligation is strong. Within this category, certain obligations are designated with a plus sign (+). This indicates that the obligor's capacity to meet its financial commitment on these obligations is extremely strong.

Long-term debt:

Fitch, Inc. rating was A: An 'A' rating indicates high credit quality and denotes expectations of low default risk. The capacity for payment of financial commitments is considered strong. This capacity may, nevertheless, be more vulnerable to adverse business or economic conditions than is the case for higher ratings.

Moody's rating was A1: Obligations rated 'A' are considered upper-medium grade and are subject to low credit risk. Note: Moody's appends numerical modifiers 1, 2, and 3 to each generic rating classification from 'Aa' through 'Caa'. The modifier 1 indicates that the obligation ranks in the higher end of its generic rating category; the modifier 2 indicates a mid-range ranking; and the modifier 3 indicates a ranking in the lower end of that generic rating category.

S&P rating was A+: An obligation rated 'A' is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligations in higher-rated categories. However, the obligor's capacity to meet its financial commitment on the obligation is still strong. The ratings from 'AA' to 'CCC' may be modified by the addition of a plus (+) or minus (-) sign to show relative standing within the major rating categories.

Regulation (EC) No. 1060/2009, as amended by Regulation (EU) No. 513/2011 (the "**CRA Regulation**"). In general, European regulated investors are restricted from using a rating for regulatory purposes if such rating is not either (1) issued or validly endorsed by a credit rating agency established in the European Union and registered with the European Securities and Markets Authority ("**ESMA**") under the CRA Regulation or (2) issued by a credit rating agency established outside the European Union which is certified under the CRA Regulation.

The EU affiliates of Fitch, Moody's and S&P are registered under the CRA Regulation. The ESMA has approved the endorsement by such EU affiliates of credit ratings issued by Fitch, Moody's and S&P. Accordingly, credit ratings issued by Fitch, Moody's and S&P may be used for regulatory purposes in the EU.

Credit ratings may be adjusted over time, and there is no assurance that these credit ratings will be effective after the date of this Prospectus. A credit rating is not a recommendation to buy, sell or hold the Securities.

The list of credit rating agencies registered under the CRA Regulation (as updated from time to time) is published on the website of the ESMA (www.esma.europa.eu/page/list-registered-and-certified-CRAs).

Important U.S. Notices

The Securities have not been, nor will be, registered under the United States Securities Act of 1933, as amended (the "**Securities Act**"), or any state securities laws. Except as provided below, Securities may not be offered, sold or delivered within the United States or to U.S. persons (as defined in Regulation S under the Securities Act ("**Regulation S**")). The Securities have not been approved or disapproved by the Securities and Exchange Commission or any state securities commission in the United States nor has the Securities and Exchange Commission or any state securities commission passed upon the accuracy or the adequacy of this Prospectus. Any representation to the contrary is a criminal offence in the United States.

Post-issuance Information

The Issuer does not intend to provide any post-issuance information, except if required by any applicable laws and regulations, and has not authorised the making or provision of any representation or information regarding the Issuer or the Securities other than as contained or incorporated by reference in this Prospectus, in any other document prepared in connection with the Programme or as expressly approved for such purpose by the Issuer. Any such representation or information should not be relied upon as having been authorised by the Issuer. The delivery of this Prospectus shall not, in any circumstances, create any implication that there has been no adverse change in the financial situation of the Issuer since the date hereof or, as the case may be, the date upon which this Prospectus has been most recently supplemented.

Restrictions and distribution and use of this Prospectus

The distribution of this Prospectus and the offering, sale and delivery of the Securities in certain jurisdictions may be restricted by law. Persons into whose possession this Prospectus comes are required by the Issuer to inform themselves about and to observe any such restrictions. This Prospectus may not be used for the purpose of an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation, and no action has been taken or will be taken to permit an offering of the Securities or the distribution of this Prospectus in any jurisdiction where any such action is required.

Prospects and financial or trading position

In the Summary section and elsewhere in this Prospectus, references to the "prospects" and "financial or trading position" of the Issuer, are specifically to the ability of the Issuer to meet its full payment obligations under the Securities in a timely manner. In addition, all such statements should be read in conjunction with and are qualified by the information contained in the documents incorporated by reference in this Prospectus.

SUMMARY

Summaries are made up of disclosure requirements known as "Elements". These elements are numbered in Sections A – E (A.1 – E.7).

This summary contains all the Elements required to be included in a summary for this type of security and Issuer. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements.

Even though an Element may be required to be inserted in the summary because of the type of security and Issuer, it is possible that no relevant information can be given regarding the Element. In this case a short description of the Element is included in the summary with the mention of "not applicable".

SECTION A – INTRODUCTION AND WARNINGS		
A.1	**Introduction and warnings**	This summary should be read as an introduction to this Prospectus. Any decision to invest in the Securities should be based on consideration of this Prospectus as a whole by the investor. Where a claim relating to the information contained in this Prospectus is brought before a court, the plaintiff investor might, under the national legislation of the Member States, have to bear the costs of translating this Prospectus before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of this Prospectus or it does not provide, when read together with the other parts of this Prospectus, key information in order to aid investors when considering whether to invest in such Securities.
A.2	**Consents**	Subject to the conditions set out below, in connection with a Non-exempt Offer (as defined below) of Securities, the Issuer consents to the use of this Prospectus by Garantum Fondkommission AB, Norrmalmstorg 16, Box 7364, 103 90 Stockholm, Sweden (the "**Authorised Offeror**" or "**Distributor**"). The consent of the Issuer is subject to the following conditions: (i) the consent is only valid during the period from (and including) April 5, 2018 to (and including) May 14, 2018 (the "**Offer Period**"); and (ii) the consent only extends to the use of this Prospectus to make Non-exempt Offers (as defined below) of the tranche of Securities in the Kingdom of Sweden. A "**Non-exempt Offer**" of Securities is an offer of Securities that is not within an exemption from the requirement to publish a prospectus under Directive 2003/71/EC, (as amended, including by Directive 2010/73/EU). **Any person (an "Investor") intending to acquire or acquiring any Securities from an Authorised Offeror will do so, and offers and sales of Securities to an Investor by an Authorised Offeror will be made, in accordance with any terms and other arrangements in place between such Authorised Offeror and such Investor including as to price, allocations and settlement arrangements. The Issuer will not be a party to any such arrangements with Investors in connection with the offer or sale of the Securities and, accordingly, this Prospectus will not contain such information and an Investor must obtain such information from the Authorised Offeror. Information in relation to an offer to the public will be made available at the time such sub-offer is made, and such information will also be provided by the relevant Authorised Offeror at the time of such offer.**
SECTION B – ISSUER		
B.1	**Legal and commercial name**	Goldman Sachs International ("**GSI**" or the "**Issuer**").

	of the Issuer	
B.2	**Domicile, legal form, legislation and country of incorporation of the Issuer**	GSI is a private unlimited liability company incorporated in England and Wales. GSI mainly operates under English law. The registered office of GSI is Peterborough Court, 133 Fleet Street, London EC4A 2BB, England.
B.4b	**Known trends with respect to the Issuer**	GSI's prospects will be affected, potentially adversely, by developments in global, regional and national economies, including in the United Kingdom, movements and activity levels, in financial, commodities, currency and other markets, interest rate movements, political and military developments throughout the world, client activity levels and legal and regulatory developments in the United Kingdom and other countries where GSI does business.
B.5	**The Issuer's group**	Goldman Sachs Group UK Limited, a company incorporated under English law has a 100 per cent. shareholding in GSI. Goldman Sachs (UK) L.L.C. is established under the laws of the State of Delaware and holds 100 per cent. of the ordinary shares of Goldman Sachs Group UK Limited. The Goldman Sachs Group, Inc. is established in Delaware and has a 100 per cent. shareholding in Goldman Sachs (UK) L.L.C.
B.9	**Profit forecast or estimate**	Not applicable; GSI has not made any profit forecasts or estimates.
B.10	**Audit report qualifications**	Not applicable; there are no qualifications in the audit report of GSI on its historical financial information.
B.12	**Selected historical key financial information of the Issuer**	The following table shows selected key historical financial information in relation to GSI:

	As at and for the year ended (audited)	
(*in USD millions*)	**December 31, 2017**	**December 31, 2016**
Operating Profit	2,389	2,280
Profit on ordinary activities before taxation	2,091	1,943
Profit for the financial period	1,557	1,456

	As of (audited)	
(*in USD millions*)	**December 31, 2017**	**December 31, 2016**
Fixed Assets	210	140
Current Assets	939,863	934,129
Total Shareholder's	31,701	27,533

		funds There has been no material adverse change in the prospects of GSI since December 31, 2017. Not applicable; there has been no significant change in the financial or trading position particular to GSI subsequent to December 31, 2017.
B.13	**Recent events material to the evaluation of the Issuer's solvency**	Not applicable; there have been no recent events particular to GSI which are to a material extent relevant to the evaluation of GSI's solvency.
B.14	**Issuer's position in its corporate group**	Please refer to Element B.5 above. GSI is part of a group of companies of which The Goldman Sachs Group, Inc. is the holding company (the "**Goldman Sachs Group**") and transacts with, and depends on, entities within such group accordingly.
B.15	**Principal activities**	The principal activities of GSI consist of securities underwriting and distribution, trading of corporate debt and equity services, non-U.S. sovereign debt and mortgage securities, execution of swaps and derivative instruments, mergers and acquisitions, financial advisory services for restructurings/private placements/lease and project financings, real estate brokerage and finance, merchant banking, stock brokerage and research.
B.16	**Ownership and control of the Issuer**	Goldman Sachs Group UK Limited, a company incorporated under English law has a 100 per cent. shareholding in GSI. Goldman Sachs (UK) L.L.C. is established under the laws of the State of Delaware and holds 100 per cent. of the ordinary shares of Goldman Sachs Group UK Limited. The Goldman Sachs Group, Inc. is established in Delaware and has a 100 per cent. shareholding in Goldman Sachs (UK) L.L.C.
SECTION C – SECURITIES		
C.1	**Type and class of Securities**	Cash settled Securities comprised of Share Linked Securities, being Five-Year Quanto SEK Worst of Phoenix Autocallable Certificates linked to a Share Basket, due June 13, 2023 (the "**Securities**"). ISIN: SE0010948869 / Valoren: 40796672.
C.2	**Currency of the Securities**	The currency of the Securities will be Swedish Krona ("**SEK**").
C.5	**Restrictions on the free transferability**	The Securities may not be offered, sold or delivered within the United States or to U.S. persons as defined in Regulation S under the Securities Act ("**Regulation S**"), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities law. Rights arising under the Securities (if applicable) will be exercisable by the holder of Securities only upon certification as to non-U.S. beneficial ownership. Further, the Securities may not be acquired by, on behalf of, or with the assets of any plans subject to ERISA or Section 4975 of the U.S. Internal Revenue Code of 1986, as amended, other than certain insurance company general accounts. Subject to the above, the Securities will be freely transferable.
C.8	**Rights attached to the Securities**	**Rights**: The Securities give the right to each holder of Securities (a "**Holder**") to receive a potential return on the Securities (see Element C.18 below), together with certain ancillary rights such as the right to receive notice of

		certain determinations and events and to vote on future amendments. The terms and conditions are governed under English law, provided that Swedish law will apply in respect of the title and registration of the Securities. **Ranking**: The Securities are direct, unsubordinated and unsecured obligations of the Issuer and rank equally with all other direct, unsubordinated and unsecured obligations of the Issuer. **Limitations to rights**: • Notwithstanding that the Securities are linked to the performance of the underlying asset(s), Holders do not have any rights in respect of the underlying asset(s). • The terms and conditions of the Securities contain provisions for calling meetings of Holders to consider matters affecting their interests generally and these provisions permit defined majorities to bind all Holders, including Holders who did not attend and vote at the relevant meeting and Holders who voted in a manner contrary to the majority. Further, in certain circumstances, the Issuer may amend the terms and conditions of the Securities, without the Holders' consent. • The terms and conditions of the Securities permit the Issuer and the Calculation Agent (as the case may be), on the occurrence of certain events and in certain circumstances, without the Holders' consent, to make adjustments to the terms and conditions of the Securities, to redeem the Securities prior to maturity (where applicable), to postpone valuation of the underlying asset(s) or scheduled payments under the Securities, to change the currency in which the Securities are denominated, to substitute the Issuer with another permitted entity subject to certain conditions, and to take certain other actions with regard to the Securities and the underlying asset(s) (if any).
C.11	**Admission to trading on a regulated market**	Application will be made to admit the Securities to trading on the regulated markets of (i) the NASDAQ OMX Stockholm Stock Exchange and (ii) the Luxembourg Stock Exchange.
C.15	**Effect of underlying instrument on value of investment**	The amount payable on the Securities will depend on the performance of the underlying assets. If the Securities are not exercised early, then the cash settlement amount payable on the maturity date will be determined in accordance with Element C.18 of this Summary. If the Securities are exercised early following an Autocall Event, the Autocall Event Amount payable on the Autocall Payment Date will be determined in accordance with Element C.18 of this Summary. The value of the Securities and whether any Coupon Amount is payable on a Coupon Payment Date will depend on the performance of the underlying assets on the Coupon Observation Date corresponding to such Coupon Payment Date.
C.16	**Expiration or maturity date**	Provided an Autocall Event does not occur or the Securities are not otherwise exercised early, the maturity date is June 13, 2023, subject to adjustment in accordance with the terms and conditions.
C.17	**Settlement procedure**	Settlement of the Securities shall take place through Euroclear Sweden AB, the Swedish Central Securities Depository. The Issuer will have discharged its payment obligations by payment to, or to the order of, the relevant clearing system in respect of the amount so paid.
C.18	**Return on the Securities**	The return on the Securities will derive from: • the potential payment of a **Coupon Amount** on a Coupon Payment Date following the occurrence of a "Coupon Payment Event" (as

described below);

- the potential payment of an **Autocall Event Amount** following redemption of the Securities prior to scheduled maturity due to the occurrence of an "Autocall Event" (as described below);
- the potential payment of a **Non-scheduled Early Repayment Amount** upon an unscheduled early redemption of the Securities (as described below); and
- if the Securities are not previously exercised, or purchased and cancelled, the payment of the **Settlement Amount** on the scheduled maturity date of the Securities.

Coupon

If a Coupon Payment Event has occurred on a Coupon Observation Date, then a Coupon Amount in SEK calculated in accordance with the following formula will be payable on the Coupon Payment Date immediately following such Coupon Observation Date:

$$(\mathrm{CA} \times \mathrm{CV})$$

If no Coupon Payment Event has occurred on a Coupon Observation Date or an Autocall Event has occurred on an Autocall Observation Date falling on the Coupon Observation Date, then no Coupon Amount will be payable in respect of each Security on the Coupon Payment Date immediately following such Coupon Observation Date.

Following the occurrence of an Autocall Event on an Autocall Observation Date, no further Coupon Amounts will be payable.

Defined terms used above:

- **CA**: Calculation Amount, SEK 10,000.
- **Coupon Observation Date**: each date set out in the column entitled "Coupon Observation Date" in the table below, subject to adjustment in accordance with the terms and conditions.
- **Coupon Payment Date**: each date set out in the column entitled "Coupon Payment Date" in the table below, subject to adjustment in accordance with the terms and conditions.
- **Coupon Payment Event**: see below.
- **CV**: Coupon Value, being a percentage as determined by the Calculation Agent on or around May 21, 2018, based on market conditions and which will be notified by the Issuer on or around the issue date (June 12, 2018), and which as of the date of this Prospectus is indicatively set at 0.04, but which may be a lesser or greater percentage provided that it will not be less than 0.03.

Coupon Observation Date	Coupon Payment Date
May 21, 2019	June 13, 2019
May 22, 2020	June 12, 2020
May 21, 2021	June 11, 2021
May 23, 2022	June 15, 2022
May 22, 2023	June 13, 2023

Coupon Payment Event

A "**Coupon Payment Event**" occurs if the Coupon Barrier Reference Value of any Underlying Asset in the Basket is less than its respective Coupon Barrier

		Level 1 and the Coupon Barrier Reference Value of each Underlying Asset is greater than or equal to its respective Coupon Barrier Level 2. Defined terms used above: • **Asset Initial Price:** in respect of each Underlying Asset, the Initial Closing Price of the Underlying Asset. • **Basket**: a basket comprised of each Underlying Asset. • **Coupon Barrier Level 1**: in respect of each Underlying Asset in the Basket, 90 per cent. (90%) of its respective Asset Initial Price. • **Coupon Barrier Level 2**: in respect of each Underlying Asset in the Basket, 60 per cent. (60%) of its respective Asset Initial Price. • **Coupon Barrier Reference Value**: in respect of an Underlying Asset, the Reference Price of the Underlying Asset on the relevant Coupon Observation Date. • **Initial Closing Price**: in respect of an Underlying Asset, the Reference Price of such Underlying Asset on May 21, 2018, subject to adjustment in accordance with the terms and conditions. • **Reference Price:** the closing share price of the relevant Share for the relevant date. **Autocall** If an Autocall Event occurs on an Autocall Observation Date, then the Issuer shall exercise each Security on such Autocall Observation Date and shall pay in respect of each Security the Autocall Event Amount corresponding to such Autocall Observation Date on the immediately following Autocall Payment Date. Defined terms used above: • **Autocall Event**: see below. • The **Autocall Event Amount** for each Autocall Observation Date shall be an amount determined by the Calculation Agent to be equal to the *product* of (i) SEK 10,000, *multiplied* by (ii) the *sum* of (a) one, *plus* (b) the greater of (I) the Basket Performance for such Autocall Observation Date and (II) the Step-Up Coupon Autocall Event Percentage for such Autocall Observation Date. • **Autocall Observation Date**: each date set out in the column entitled "Autocall Observation Date" in the table below, subject to adjustment in accordance with the terms and conditions. • **Autocall Payment Date**: each date set out in the column entitled "Autocall Payment Date" in the table below, subject to adjustment in accordance with the terms and conditions. • **Basket Performance**: in respect of each Autocall Observation Date, an amount determined by the Calculation Agent as the *aggregate* of the Share Performance of each Share for such Autocall Observation Date. • **Initial Value**: in respect of each Share, the Initial Closing Price of such Share. • **Share Performance**: in respect of each Autocall Observation Date and in respect of each Share, an amount determined by the Calculation Agent to be equal to the *product* of (i) the Weighting, *multiplied* by (ii) the *quotient* of (a) the *difference* between the (I) Reference Price of such

Share in respect of such Autocall Observation Date, *minus* (II) the Initial Value in respect of such Share, *divided* by (b) the Initial Value of such Share.

- **Step-Up Coupon Autocall Event Percentage**: in respect of each Autocall Observation Date, an amount as determined by the Calculation Agent on or around May 21, 2018, based on market conditions and which will be notified by the Issuer on or around the issue date (June 12, 2018), and which as of the date of this Prospectus is an amount set out in the column entitled "Step-Up Coupon Autocall Event Percentage" same row as the relevant Autocall Observation Date in the table below.
- **Weighting**" means, in respect of each Share, 1/4.

Autocall Observation Date	**Autocall Payment Date**	**Step-Up Coupon Autocall Event Percentage**
May 21, 2019	June 13, 2019	As at the date of this Prospectus, indicatively set at 0.15, but which may be a lesser or greater amount provided that it will not be less than 0.12.
May 22, 2020	June 12, 2020	As at the date of this Prospectus, indicatively set at 0.30, but which may be a lesser or greater amount provided that it will not be less than 0.24.
May 21, 2021	June 11, 2021	As at the date of this Prospectus, indicatively set at 0.45, but which may be a lesser or greater amount provided that it will not be less than 0.36.
May 23, 2022	June 15, 2022	As at the date of this Prospectus, indicatively set at 0.60, but which may be a lesser or greater amount provided that it will not be less than 0.48.

Autocall Event

An "**Autocall Event**" occurs if the Autocall Reference Value of each Underlying Asset in the Basket on any Autocall Observation Date is greater than or equal to the Autocall Level for such Autocall Observation Date.

Defined terms used above:

- **Autocall Level**: in respect of each Underlying Asset, 90 per cent. of the Asset Initial Price of such Underlying Asset.
- **Autocall Reference Value**: in respect of an Underlying Asset, the Reference Price of such Underlying Asset on the relevant Autocall Observation Date.

Non-scheduled Early Repayment Amount

Unscheduled early redemption: The Securities may be redeemed prior to the scheduled maturity (i) at the Issuer's option (a) if the Issuer determines a change in applicable law has the effect that performance by the Issuer or its affiliates under the Securities or hedging transactions relating to the Securities has become (or there is a substantial likelihood in the immediate future that it will become) unlawful or impracticable (in whole or in part), (b) where

		applicable, if the Calculation Agent determines that certain additional disruption events or adjustment events as provided in the terms and conditions of the Securities have occurred in relation to the underlying assets or (ii) upon notice by a Holder declaring such Securities to be immediately repayable due to the occurrence of an event of default which is continuing. In such case, the Non-scheduled Early Repayment Amount payable on such unscheduled early redemption shall be, for each Security, an amount representing the fair market value of the Security taking into account all relevant factors less all costs incurred by the Issuer or any of its affiliates in connection with such early redemption, including those related to unwinding of any underlying and/or related hedging and funding arrangement. **The Non-scheduled Early Repayment Amount may be less than your initial investment and therefore you may lose some or all of your investment on an unscheduled early redemption.** **Settlement Amount** Unless previously exercised early, or purchased and cancelled, the Settlement Amount payable in respect of each Security on the maturity date will be: If a Trigger Event has not occurred, the Settlement Amount payable in respect of each Security will be calculated in accordance with the formula below: $$\text{CA} \times \text{Trigger Percentage}$$ If a Barrier Event has not occurred but a Trigger Event has occurred, the Settlement Amount payable in respect of each Security will be calculated in accordance with the formula below: $$\text{CA} \times \text{Redemption Percentage}$$ If a Barrier Event has occurred and a Trigger Event has occurred, the Settlement Amount payable in respect of each Security will be calculated in accordance with the formula below: $$\text{CA} \times \frac{\text{Final Reference Value}}{\text{Initial Reference Value}}$$ Defined terms used above: • **Final Basket Performance**: an amount determined by the Calculation Agent as the *aggregate* of the Final Share Performance of each Share. • **Final Closing Price**: in respect of an Underlying Asset, the Reference Price of such Underlying Asset on the May 22, 2023, subject to adjustment in accordance with the terms and conditions. • **Final Reference Value**: the Final Value of the Final Worst Performing Asset. • **Final Share Performance**: in respect of each Share, an amount determined by the Calculation Agent to be equal to the *product* of (i) the Weighting, *multiplied* by (ii) the *quotient* of (a) the *difference* between the (I) Final Value of such Share, *minus* (II) the Initial Value in respect of such Share, *divided* by (b) the Initial Value of such Share. • **Final Step-Up Coupon Percentage**: an amount as determined by the Calculation Agent on or around May 21, 2018 based on market conditions and which is specified in a notice published by the Issuer on or around the issue date (June 12, 2018). As of the date of this Prospectus, the Final Step-Up Coupon Percentage is indicatively set at 0.75, but which may be a lesser or greater amount provided that it will not be less than 0.60.

<table>
<tr>
<td></td>
<td></td>
<td>

Final Value: in respect of an Underlying Asset, the Final Closing Price of such Underlying Asset.
Final Worst Performing Asset: the Underlying Asset in the Basket with the lowest Final Asset Performance, being the Final Value divided by the Initial Value.
Initial Reference Value: the Initial Value of the Final Worst Performing Asset.
Initial Value: in respect of an Underlying Asset, the Initial Closing Price of such Underlying Asset.
Redemption Percentage: 100 per cent.
Trigger Percentage: an amount determined by the Calculation Agent to be equal to the sum of (i) one, plus (ii) the greater of (a) the Final Basket Performance and (b) the Final Step-Up Coupon Percentage.

<u>Trigger Event</u>
A "Trigger Event" occurs if the Trigger Reference Value is less than the Trigger Level.
Defined terms used above:

Trigger Level: in respect of each Underlying Asset, 90 per cent. of the Asset Initial Price of the Underlying Asset.
Trigger Reference Value: the Final Closing Price of any Underlying Asset in the Basket.

<u>Barrier Event</u>
A "Barrier Event" occurs if the Barrier Reference Value is less than the Barrier Level.
Defined terms used above:

Barrier Level: in respect of each Underlying Asset, 60 per cent. of the Asset Initial Price of such Underlying Asset.
Barrier Reference Value: the Final Closing Price of any Underlying Asset in the Basket.

</td>
</tr>
<tr>
<td>C.19</td>
<td>Exercise price / final reference price of the underlying</td>
<td>The closing share price of each Share will be determined on May 22, 2023, subject to adjustment in accordance with the terms and conditions.</td>
</tr>
<tr>
<td>C.20</td>
<td>The underlying assets</td>
<td>
The underlying assets are specified in the column entitled "Underlying Asset" (each an "underlying asset" or "Underlying Asset") in the table below.
<table>
<tr><th>Share</th><th>ISIN</th><th>Bloomberg page</th><th>Reuters screen</th><th>Exchange</th></tr>
<tr><td>Telefonaktiebolaget LM Ericsson AB</td><td>SE0000108656</td><td>ERICB SS <Equity></td><td>ERICb.ST</td><td>NASDAQ OMX Stockholm Stock Exchange</td></tr>
<tr><td>ThyssenKrupp AG</td><td>DE0007500001</td><td>TKA GY <Equity></td><td>TKAG.DE</td><td>XETRA</td></tr>
<tr><td>Metso Oyj</td><td>FI0009007835</td><td>METSO FH <Equity></td><td>METSO.HE</td><td>OMX-Helsinki Stock Exchange</td></tr>
<tr><td>Autoliv Inc</td><td>SE0000382335</td><td>ALIV SS <Equity></td><td>ALIVsdb.ST</td><td>NASDAQ OMX Stockholm Stock Exchange</td></tr>
</table>

Share: the ordinary share set forth in the table above in the column

</td>
</tr>
</table>

		entitled "Underlying Asset".
SECTION D – RISKS		
D.2	**Key risks that are specific to the Issuer**	The payment of any amount due on the Securities is subject to our credit risk. The Securities are our unsecured obligations. The Securities are not bank deposits and are not insured or guaranteed by the UK Financial Services Compensation Scheme or any other government or governmental or private agency, or deposit protection scheme in any jurisdiction. The value of and return on your securities will be subject to our credit risk and to changes in the market's view of our creditworthiness. References in Element B.12 above to the "prospects" and "financial or trading position" of the Issuer, are specifically to the Issuer's ability to meet its full payment obligations under the Securities in a timely manner. Material information about the Issuer's financial condition and prospects is included in GSI's annual and interim reports. You should be aware, however, that each of the key risks highlighted below could have a material adverse effect on the Issuer's businesses, operations, financial and trading position and prospects, which, in turn, could have a material adverse effect on the return investors receive on the Securities. The Issuer is subject to a number of key risks: • GSI's businesses have been and may continue to be adversely affected by conditions in the global financial markets and economic conditions generally. • GSI's businesses and those of its clients are subject to extensive and pervasive regulation around the world. • GSI's businesses have been and may be adversely affected by declining asset values. This is particularly true for those businesses in which it has net "long" positions, receives fees based on the value of assets managed, or receives or posts collateral. • GSI's businesses have been and may be adversely affected by disruptions in the credit markets, including reduced access to credit and higher costs of obtaining credit. • GSI's investment banking, client execution and investment management businesses have been adversely affected and may continue to be adversely affected by market uncertainty or lack of confidence among investors and CEOs due to general declines in economic activity and other unfavourable economic, geopolitical or market conditions. • GSI's investment management business may be affected by the poor investment performance of its investment products. • GSI may incur losses as a result of ineffective risk management processes and strategies. • GSI's liquidity, profitability and businesses may be adversely affected by an inability to access the debt capital markets or to sell assets or by a reduction in its credit ratings or by an increase in its credit spreads. • A failure to appropriately identify and address potential conflicts of interest could adversely affect GSI's businesses. • A failure in GSI's operational systems or infrastructure, or those of third parties, as well as human error, could impair GSI's' liquidity, disrupt GSI's businesses, result in the disclosure of confidential information,

		damage GSI's reputation and cause losses. • A failure to protect GSI's computer systems, networks and information, and GSI's clients' information, against cyber attacks and similar threats could impair GSI's ability to conduct GSI's businesses, result in the disclosure, theft or destruction of confidential information, damage GSI's reputation and cause losses. • GSI's businesses, profitability and liquidity may be adversely affected by deterioration in the credit quality of, or defaults by, third parties who owe GSI money, securities or other assets or whose securities or obligations GSI holds. • Concentration of risk increases the potential for significant losses in GSI's market-making, underwriting, investing and lending activities. • The financial services industry is both highly competitive and interrelated. • GSI faces enhanced risks as new business initiatives lead it to transact with a broader array of clients and counterparties and exposes it to new asset classes and new markets. • Derivative transactions and delayed settlements may expose GSI to unexpected risk and potential losses. • GSI's businesses may be adversely affected if GSI is unable to hire and retain qualified employees. • GSI may be adversely affected by increased governmental and regulatory scrutiny or negative publicity. • Substantial legal liability or significant regulatory action against GSI could have material adverse financial effects or cause significant reputational harm to GSI, which in turn could seriously harm GSI's business prospects. • The growth of electronic trading and the introduction of new trading technology may adversely affect GSI's business and may increase competition. • GSI's commodities activities, particularly its power generation interests and physical commodities activities, subject GSI to extensive regulation, potential catastrophic events and environmental, reputational and other risks that may expose it to significant liabilities and costs. • In conducting its businesses around the world, GSI is subject to political, economic, legal, operational and other risks that are inherent in operating in many countries. • GSI may incur losses as a result of unforeseen or catastrophic events, including the emergence of a pandemic, terrorist attacks, extreme weather events or other natural disasters. • Favourable or simply less adverse developments or market conditions involving industries or markets in a business where GSI has a lower concentration of clients in such industry or market may result in GSI underperforming relative to a similar business of a competitor that has a higher concentration of clients in such industry or market. For example, GSI has a smaller corporate client base in its market-making businesses than many of its peers and therefore GSI’s competitors may benefit

		more from increased activity by corporate clients. • Certain of GSI's businesses and its funding may be adversely affected by changes in the reference rates, currencies, indexes, baskets, exchange-traded funds or other financial metrics to which the products offered by GSI or funding raised by GSI are linked.
D.6	**Key risks that are specific to the Securities**:	• **Your capital is at risk. Depending on the performance of the underlying asset(s), you may lose some or all of your investment.** • You could also lose some or all of your investment in the Securities where: ° We (as Issuer) fail or are otherwise unable to meet our payment obligations; ° You do not hold your Securities to maturity and the secondary sale price you receive is less than the original purchase price; or ° Your Securities are redeemed early due to an unexpected event and the amount you receive is less than the original purchase price. • The estimated value of your Securities (as determined by reference to pricing models used by us) at the time the terms and conditions of your Securities are set on the trade date, will be less than the original issue price of your Securities. • Your Securities may not have an active trading market, and you may be unable to dispose of them. • You will be required to make your investment decision based on the indicative amounts or indicative range rather than the actual amounts, levels, percentages, prices, rates or values (as applicable), which will only be fixed or determined at the end of the offer period after their investment decision is made but will apply to the Securities once issued. • We give no assurance that application for listing and admission to trading will be granted (or, if granted, will be granted by the issue date) or that an active trading market in the Securities will develop. We may discontinue any such listing at any time. • The "worst-of" feature means that you will be exposed to the performance of each underlying asset and, in particular, to the underlying asset which has the worst performance. **Risks associated with Securities linked to underlying asset(s):** • The value and return on the Securities depends on the performance of such underlying asset(s), which may be subject to unpredictable change over time. • Past performance of an underlying asset is not indicative of future performance. • You will not have any rights of ownership in the underlying asset(s), and our obligations under the Securities to you are not secured by any assets. • Following a disruption event, the valuation of the underlying asset(s) may be postponed and/or valued by us (as Calculation Agent) in our discretion. • Following the occurrence of certain extraordinary events in relation to the underlying asset(s) or in relation to index linked securities, following the occurrence of an index adjustment event, depending on

		the terms and conditions of the particular Securities, amongst other potential consequences, the terms and conditions of your Securities may be adjusted, the underlying asset may be substituted, or the Securities may be redeemed early at the non-scheduled early repayment amount. Such amount may be less than your initial investment and you could lose some or all of your investment. **Risks associated with Share Linked Securities:** • The performance of shares is dependent upon many unpredictable factors. • You may receive a lower return on the Securities than you would have received from investing in the shares directly because the price of the shares may not include the value of dividends. • The issuer of a share may take any actions in respect of a share without regard to your interests as Holders of the Securities, and any of these actions could negatively affect the value of and return on the Securities. **Risks associated with Securities linked to a basket of underlying assets:** • A small basket will generally be more vulnerable to changes in the value of the underlying assets and a change in composition of a basket may have an adverse effect on basket performance. • A high correlation of basket components may have a significant effect on amounts payable on the Securities and the negative performance of a single basket component may outweigh a positive performance of one or more other basket components and may have an impact on the return on the Securities. • Your Securities may be adjusted or redeemed prior to maturity due to a change in law. Any such adjustment may have a negative effect on the value of and return on your Securities; the amount you receive following an early redemption may be less than your initial investment and you could lose some or all of your investment. • The Issuer of your Securities may be substituted with another company. • We may amend the terms and conditions of your Securities in certain circumstances without your consent.
SECTION E – THE OFFER		
E.2b	**Reasons for the offer and use of proceeds**	The net proceeds of the offer will be used in the general business of the Issuer.
E.3	**Terms and conditions of the offer**	An offer of the Securities may be made other than pursuant to Article 3(2) of the Prospectus Directive in the Kingdom of Sweden ("**Public Offer Jurisdiction**") during the period from (and including) April 5, 2018 to (and including) May 14, 2018 ("**Offer Period**") by the Authorised Offeror. The Offer Price is 100 per cent. of the Aggregate Amount (the "**Issue Price**"). The Authorised Offeror will offer and sell the Securities to its customers in accordance with arrangements in place between the Authorised Offeror and its customers by reference to the Issue Price and market conditions prevailing at the time. Offers of Securities are conditional on their issue. The Issuer may withdraw the offer of the Securities in whole or in part at any time before the issue date in its discretion.
E.4	**Interests material to the issue/offer**	Save as disclosed in Element E.7 below, so far as the Issuer is aware, no person involved in the issue of the Securities has an interest material to the offer, including conflicting interests.

E.7	**Estimated expenses**	The Issue Price of 100 per cent. (100%) of the Aggregate Amount includes a selling commission of up to 6.00 per cent. (6.00%) of the Aggregate Amount which has been paid by the Issuer.

RISK FACTORS

An investment in your Securities is subject to the risks described below. You should carefully review (i) the applicable risk factors in the section entitled "Risk Factors" (pages 54 to 69) from the Base Prospectus incorporated by reference in this Prospectus (see the section entitled "Documents Incorporated by Reference" below) and (ii) the additional risk factors set out below, as well as the terms and conditions of the Securities described in this Prospectus. You should carefully consider whether the Securities are suited to your particular circumstances, including to consult your own professional advisers as necessary. We do not give to you as a prospective purchaser of Securities any assurance or guarantee as to the merits, performance or suitability of the Securities, and you should be aware that we act as an arm's-length contractual counterparty and not as an advisor or fiduciary.

In these Risk Factors, "we" and "our" mean Goldman Sachs.

RISK WARNING OF POTENTIAL LOSS OF SOME OR ALL OF YOUR INVESTMENT

You may lose some or all of your entire investment in the Securities where:

- **<u>The Issuer fails or is otherwise unable to meet its payment or delivery obligations</u>: The Securities are unsecured obligations. They are not bank deposits and are not insured or guaranteed by the UK Financial Services Compensation Scheme or any other government or governmental or private agency or deposit protection insurance scheme in any jurisdiction. Therefore, if the Issuer fails or is otherwise unable to meet its payment or delivery obligations under the Securities, you will lose some or all of your investment.**

- **<u>The final redemption amount of the Securities is less than the purchase price, due to the performance of the Underlying Asset(s)</u>: Where the terms of your Securities do not provide for scheduled minimum payment of the face value or issue price of the Securities at maturity, whether you receive some or all of your money back at maturity (and any positive return) will depend on the performance of the Underlying Asset(s). Therefore, depending on the performance of the Underlying Asset(s), you may lose some or all of your investment.**

- **<u>The secondary sale price is less than the original purchase price:</u> The market price of your Securities prior to maturity may be significantly lower than the purchase price you pay for them. Consequently, if you sell your Securities before the stated scheduled redemption date, you may receive far less than your original invested amount.**

- **<u>The Securities are redeemed early due to an unexpected event and the amount you receive is less than the original purchase price:</u> Your Securities may be redeemed in certain extraordinary circumstances as described in this Prospectus prior to scheduled maturity and, in such case, the early redemption amount paid to you may be less than what you paid for the Securities.**

These circumstances are more fully described below.

A. FACTORS THAT MAY AFFECT OUR ABILITY TO FULFIL OUR OBLIGATIONS UNDER THE SECURITIES

The Issuer may partially or wholly fail to meet its obligations under the Securities. Investors should therefore take the creditworthiness of the Issuer into account in their investment decision. Credit risk means the risk of insolvency or illiquidity of the Issuer, i.e., a potential, temporary or final inability to fulfil its interest and repayment obligations on time. An increased insolvency risk is typical of issuers that have a low creditworthiness.

Although the return on your Securities will be based on the performance of the Underlying Asset(s) (if applicable), the payment of any amount due on, or delivery of any asset(s) deliverable under, the Securities is subject to the credit risk of the Issuer. The Securities are our unsecured obligations. Investors are dependent on our ability to pay all amounts due on, or deliver any asset(s) deliverable under, the Securities, and therefore investors are subject to our credit risk and to changes in the market's view of our creditworthiness.

The Securities are not bank deposits and are not insured or guaranteed by the UK Financial Services Compensation Scheme or any other government or governmental or private agency, or deposit protection scheme in any jurisdiction. Investors are dependent on our ability to pay all amounts due on the Securities, and therefore investors are subject to our credit risk and to changes in the market's view of our creditworthiness.

Goldman Sachs International ("**GSI**") is a member of a group of companies of which The Goldman Sachs Group, Inc. is the holding company (the "**Goldman Sachs Group**" or "**Goldman Sachs**"). However, the Securities are not insured or guaranteed by The Goldman Sachs Group, Inc. ("**GSG**"), or any affiliate of GSG or any other entity. As a holder of Securities, **you will not have any recourse against The Goldman Sachs Group, Inc. or any other company in the Goldman Sachs Group other than GSI, and shall not have recourse against any other person, with respect to the performance of the Securities.**

1. Risks relating to the potential exercise by a UK resolution authority of its resolution powers in relation to GSI

The EU Bank Recovery and Resolution Directive ("**BRRD**") entered into force on July 2, 2014. EU member states were required to adopt and publish the laws, regulations and administrative provisions necessary to comply with the BRRD by December 31, 2014 and to apply those with effect from January 1, 2015, except in relation to the bail-in provisions, which were to apply from January 1, 2016 at the latest. Its stated aim is to provide national "resolution authorities" with powers and tools to address banking crises pre-emptively in order to safeguard financial stability and minimise taxpayers' exposure to losses.

The majority of the requirements of the BRRD have been implemented in the UK through the UK Banking Act 2009, as amended and related statutory instruments (together, the "**UK Banking Act**"). The UK Banking Act provides for a "resolution regime" granting substantial powers to the Bank of England (or, in certain circumstances, HM Treasury), to implement resolution measures (in consultation with other UK authorities) with respect to a UK financial institution (for example, such as GSI) where the UK resolution authority considers that the relevant institution is failing or is likely to fail, there is no reasonable prospect of other measures preventing the failure of the institution and resolution action is necessary in the public interest.

The resolution powers available to the UK resolution authority include powers to:

- write down the amount owing, including to zero, or convert the relevant securities into other securities, including ordinary shares of the relevant institution (or a subsidiary) - the so-called "bail-in" tool;
- transfer all or part of the business of the relevant institution to a "bridge bank";
- transfer impaired or problem assets to an asset management vehicle; and
- sell the relevant institution to a commercial purchaser.

In addition, the UK resolution authority is empowered to modify contractual arrangements, suspend enforcement or termination rights that might otherwise be triggered and disapply or modify laws in the UK (with possible retrospective effect) to enable the recovery and resolution powers under the UK Banking Act to be used effectively.

You should assume that, in a resolution situation, financial public support will only be available to GSI (or any member of Goldman Sachs Group) as a last resort after the relevant UK resolution authorities have assessed and used, to the maximum extent practicable, the resolution tools, including the bail-in tool.

You should be aware that the exercise of any such resolution power or even the suggestion of any such potential exercise in respect of GSI (or any member of the Goldman Sachs Group) could have a material adverse effect on the rights of holders of Securities, and could lead to a loss of some or all of the investment. The resolution regime is designed to be triggered prior to insolvency of the relevant institution, and holders of securities issued by such institution may not be able to anticipate the exercise of any resolution power (including exercise of the "bail-in" tool) by the UK resolution authority. Further, holders of securities issued by an institution which has been taken into a resolution regime will have very limited rights to challenge the exercise of powers by the UK resolution authority, even where such powers have resulted in the write down of the securities or conversion of the securities to equity.

B. FACTORS WHICH ARE MATERIAL FOR THE PURPOSES OF ASSESSING THE MARKET RISKS IN RELATION TO THE SECURITIES

1. Risks associated with the value and liquidity of your Securities

1.1 The estimated value of your Securities (as determined by reference to pricing models used by us) at the time the terms and conditions of your Securities are set on the trade date, will be less than the original issue price of your Securities

The original issue price for your Securities will exceed the estimated value of your Securities as from the trade date, as determined by reference to our pricing models and taking into account our credit spreads. The difference between the estimated value of your Securities as of the time the terms and conditions of your Securities were set on the trade date and the original issue price is a result of many factors, including among others on issuance (the underwriting discount and commissions where permitted by applicable law), the expenses incurred in creating, documenting and marketing the Securities and our own internal funding costs (being an amount based on what we would pay to holders of a non-structured security with a similar maturity). The difference may be greater when the Securities are initially traded on any secondary markets and may gradually decline in value during the term of the Securities. Information with respect to the amount of these inducements, commissions and fees are included in this Prospectus and may be obtained from the Issuer upon request.

In estimating the value of your Securities as of the time the terms and conditions of your Securities were set on the trade date, our pricing models consider certain variables, including principally our credit spreads, interest rates (forecasted, current and historical rates), volatility, price-sensitivity analysis and the time to maturity of the Securities. These pricing models are proprietary and rely in part on certain assumptions about future events, which may prove to be incorrect. As a result, the actual value you would receive if you sold your Securities in the secondary market, if any, to others may differ, perhaps materially, from the estimated value of your Securities determined by reference to our models due to, among other things, any differences in pricing models or assumptions used by others.

1.2 The value and quoted price of your Securities (if any) at any time will reflect many factors and

cannot be predicted

The value and quoted price of your Securities (if any) at any time will reflect many factors and cannot be predicted. The following factors, amongst others, many of which are beyond our control, may influence the market value of your Securities:

- the volatility — i.e., the frequency and magnitude of changes — of the levels of the Underlying Asset or basket of Underlying Assets;
- whether your Securities are linked to a single Underlying Asset or a basket of Underlying Assets;
- the level, price, value or other measure of the Underlying Asset(s) to which your Securities are linked, the participation rate, the weighting multipliers, the cap level and/or the buffer level and/or other payout term, as applicable;
- the dividend rates of the stocks underlying the Underlying Asset(s);
- economic, financial, regulatory, political, military and other events that affect stock markets generally and the stocks underlying the Underlying Asset(s) or basket of Underlying Asset(s), and which may affect the closing level of the Underlying Asset(s) or the basket closing level;
- economic, financial, regulatory, geographic, judicial, political and other developments that affect the level, value or price of the Underlying Asset(s), and real or anticipated changes in those factors;
- interest rates and yield rates in the market;
- the time remaining until your Securities mature; and
- our creditworthiness, whether actual or perceived, and including actual or anticipated upgrades or downgrades in our credit ratings or changes in other credit measures.

If we make a market in the Securities, the price quoted by us would reflect any changes in market conditions and other relevant factors, including any deterioration in our creditworthiness or perceived creditworthiness. These changes may adversely affect the value of your Securities, including the price you may receive for your Securities in any market making transaction. To the extent that we make a market in the Securities, the quoted price will reflect the estimated value determined by reference to our pricing models at that time, plus or minus its customary bid and ask spread for similar sized trades of structured securities and subject to the declining excess amount described in risk factor 1.1 (*The estimated value of your Securities (as determined by reference to pricing models used by us) at the time the terms and conditions of your Securities are set on the trade date, will be less than the original issue price of your Securities*) above.

Further, if you sell your Securities, you will likely be charged a commission for secondary market transactions, or the price will likely reflect a dealer discount. This commission or discount will further reduce the proceeds you would receive for your Securities in a secondary market sale.

If you sell your Securities prior to maturity, you may receive less than the face amount or initial purchase price of your Securities. You cannot predict the future performance of the applicable Underlying Asset(s) based on its historical performance.

You should note that the issue price and/or offer price of the Securities may include subscription fees, placement fees, direction fees, structuring fees and/or other additional costs. Any such fees and costs may not be taken into account for the purposes of determining the price of such Securities on the secondary market and could result in a difference between the original issue price and/or offer price, the theoretical value of the Securities, and/or the actual bid/offer price quoted by any intermediary in the secondary market. Any such difference may have an adverse effect on the value of the Securities, particularly immediately following the offer and the issue date relating to such Securities, where any such fees and/or costs may be deducted from the price at which such Securities can be sold by the initial investor in the secondary market.

There is no assurance that we or any other party will be willing to purchase your Securities at any price and, in this regard, we are not obligated to make a market in the Securities. See risk factor 1.3 (*Your Securities may not have an active trading market; the aggregate amount or number of Securities outstanding at any time may be significantly less than the outstanding on the issue date, and this could have a negative impact on your ability to sell your Securities in the secondary market*) below.

1.3 Your Securities may not have an active trading market; the aggregate amount or number of Securities outstanding at any time may be significantly less than the outstanding on the issue date, and this could have a negative impact on your ability to sell your Securities in the secondary market

Unless we expressly tell you otherwise, or to the extent that the rules of any stock exchange on which the Securities are listed and admitted to trading require us to provide liquidity in respect of the Securities, there may be little or no secondary market for your Securities and you may be unable to sell them.

If we do make a market for the Securities, we may cease to do so at any time without notice to you and we are not obligated to provide any quotation of bid or offer price(s) of the Securities which is favourable to you.

For those Securities for which an application will be or has been made to be listed and admitted to trading on a stock exchange, we give no assurance that such application will be accepted, that any particular Securities will be so admitted, or that an active trading market in the Securities will develop. We may discontinue any such listing at any time and this may have a material adverse effect on a purchaser's ability to resell its Securities in the secondary market.

Even if a secondary market for your Securities develops, it may not provide significant liquidity and transaction costs in any secondary market could be high. As a result, the difference between bid and asked prices for your Securities in any secondary market could be substantial. See also risk factor 1.2 (*The value and quoted price of your Securities (if any) at any time will reflect many factors and cannot be predicted*) above. There may be less liquidity in the secondary market for the Securities also if they are exclusively offered to retail investors without any offer to institutional investors.

If so indicated in this Prospectus, on the Issue Date a specified amount of Securities will be issued to and made available for sale by GSI as dealer, and may be listed and admitted to trading on one or more regulated markets of any European Economic Area Member State for purchase by investors. However, the Issuer and GSI (acting as dealer) will reserve the right to cancel some or all of the Securities held by GSI at any time prior to the final maturity of the Securities. Accordingly, the aggregate amount or number of Securities outstanding at any time may be significantly less than that outstanding on the Issue Date, and this could have a negative impact on your ability to sell the Securities in the secondary market. Any such right of cancellation by GSI shall be exercised in accordance with applicable laws, the terms and conditions of the Securities and the applicable rules of the relevant stock exchange(s) and markets, including as to notification.

You should therefore not assume that the Securities can be sold at a specific time or at a specific price during their life, and you should assume that you may need to hold them until they mature.

2. Risks associated with certain products or product features

The "Worst-of"("Minimum Performance", "Barrier Worst Closing Price" and "Barrier Worst Asset Performance") feature means that you will be exposed to the performance of each Underlying Asset and, in particular, to the Underlying Asset which has the worst performance

If the terms and conditions of your Securities provides that the return on the Securities depends on the "worst-of" performance of the basket of Underlying Assets, you will be exposed to the performance of each Underlying Asset and, in particular, to the Underlying Asset which has the worst performance. This means that, irrespective of how the other Underlying Assets perform, if any one or more Underlying Assets fail to meet a relevant threshold or barrier for the payment of interest or the calculation of any redemption amount, you might receive no interest payments and/or could lose some or all of your initial investment.

3. Risks associated with certain terms of the Securities, including adjustment, early redemption, substitution, Issuer call option, exercise and amendments

3.1 Your Securities may be redeemed prior to maturity due to a change in law event, and you may lose some or all of your investment

Where, due to a change in law, our performance under the Securities or hedging transactions relating to the Securities has become (or is likely in the immediate future to become) illegal or impractical, we may, in our discretion, redeem the Securities.

If we elect to early redeem the Securities, if permitted by applicable law, we shall pay to you an amount equal to the non-scheduled early repayment amount of such Securities. Unless the terms of your Securities provide that "Par" is applicable, the non-scheduled early repayment amount will be determined on the basis of market quotations obtained from qualified financial institutions or, where insufficient market quotations are obtained, will be an amount determined by us to be the fair market value of such Securities immediately prior to such early redemption (taking into account such illegality), adjusted to account fully for any of our reasonable expenses and costs including, those relating to the unwinding of our related hedging and funding arrangements (if any). The non-scheduled early repayment amount may be less than your initial investment and you may therefore lose some or all of your investment.

Following any such early redemption of the Securities, you may not be able to reinvest the proceeds from such redemption at a comparable return and/or with a comparable interest rate for a similar level of risk. You should consider such reinvestment risk in light of other available investments when you purchase the Securities.

3.2 The Issuer of your Securities may be substituted with another company

The Issuer may be substituted as principal obligor under the Securities by any company from the Goldman Sachs Group of companies. Whilst the new issuer will provide an indemnity in your favour in relation to any additional tax or duties that become payable solely as a result of such substitution, you will not have the right to consent to such substitution.

3.4 We may amend the terms and conditions of your Securities in certain circumstances without your consent; amendments to the Securities will bind all holders thereof

The terms and conditions of the Securities may be amended by us without your consent as a holder of the Securities in any of the following circumstances:

- to correct a manifest or proven error or omission;

- where the amendment is of a formal, minor or technical nature; or
- where such amendment will not materially and adversely affect the interests of holders.

In certain other circumstances, the consent of a defined majority of holders is required to make amendments. The terms and conditions of the Securities contain provisions for holders of Securities to call and attend meetings to vote upon such matters or to pass a written resolution in the absence of such a meeting. Resolutions passed at such a meeting, or passed in writing, can bind all holders of Securities, including investors that did not attend or vote, or who do not consent to the amendments.

4 Risks associated with foreign exchange rates

You may be exposed to foreign exchange risk on your Securities

Where the terms of your Securities provide that payments will be made in a currency which is different from the currency of the Underlying Asset(s), and the Securities do not have a 'quanto' feature (as described in the next paragraph), or in the case of Underlying Asset(s) that themselves contain currency conversions (such as a global equity index that converts all stock prices to a single currency for purposes of calculating the index level), you may be exposed not only to the performance of the Underlying Asset(s) but also to the performance of such foreign currency, which cannot be predicted. Depreciation of the currency in which the payments under the Securities is denominated or the currency of the Underlying Asset(s) could result in a decrease in the value of and return on your Securities.

If the Underlying Asset(s) are not denominated in the currency of the Securities and at the same time only the performance of the Underlying Asset(s) in their denominated currency is relevant to the payout on the Securities, the Securities are referred to as currency-protected Securities or Securities with a "quanto" feature. Under such "quanto" feature, any change in the rate of exchange between the currency of the Underlying Asset(s) and the Securities is disregarded for the purposes of determining the return on the Securities. Accordingly, a "quanto" feature means that you will not have the benefit of any change in the rate of exchange between the currency of the Underlying Asset(s) and the Securities that would otherwise increase the performance of the Underlying Asset(s) in the absence of such "quanto" feature. In addition, changes in the relevant exchange rate may indirectly influence the level, price, rate or other applicable value of the relevant Underlying Asset(s) which, in turn, could have a negative effect on the value of and return on the Securities.

Further, foreign exchange fluctuations between your home currency and the currency in which payments under the Securities is denominated may affect you if you intend to convert gains or losses from the exercise or sale of Securities into your home currency.

Foreign exchange rates are, and have been, highly volatile and determined by supply and demand for currencies in the international foreign exchange markets; such fluctuations in rates are subject to economic factors, including, among others, inflation rates in the countries concerned, interest rate differences between the respective countries, economic forecasts, international political factors, currency convertibility and safety of making financial investments in the currency concerned, speculation and measures taken by governments and central banks.

Foreign currency exchange rates can either float or be fixed by sovereign governments. From time to time, governments use a variety of techniques, such as intervention by a country's central bank or imposition of regulatory controls or taxes, to affect the exchange rate of their currencies. Governments may also issue a new currency to replace an existing currency or alter the exchange rate or exchange characteristics by devaluation or revaluation of a currency. Thus, a particular concern in purchasing Securities with foreign exchange risks as described above is that their yields or payouts could be significantly and unpredictably affected by governmental actions. Even in the absence of governmental action directly affecting currency exchange rates, political or economic developments in the country of the relevant currency or elsewhere could lead to significant and sudden changes in the exchange rate of that currency and others. These changes could negatively (or positively) affect the value of and return on the Securities as participants in the global currency markets move to buy or sell the relevant currency in reaction to these developments.

Governments have imposed from time to time and may in the future impose exchange controls or other conditions, including taxes, with respect to the exchange or transfer of a currency that could affect exchange rates as well as the availability of the currency for a Security at its maturity or on any other payment date. In addition, your ability to move currency freely out of the country in which payment in the currency is received or to convert the currency at a freely determined market rate could be limited by governmental actions.

5. Risks associated with Securities that reference one or more Underlying Asset(s)

5.1 The value of and return on your Securities depends on the performance of the Underlying Asset(s)

The return on your Securities may depend on the performance of one or more Underlying Asset(s). The level, price, rate or other applicable value of the Underlying Asset(s) may be subject to unpredictable change over time. This degree of change is known as "volatility". The volatility of an Underlying Asset may be affected by national and international financial, political, military or economic events, including governmental actions, or by the activities of participants in the relevant markets. Any of these events or activities could adversely affect the value of and return on the Securities. Volatility does not imply direction of the level, price, rate or other applicable value, though an Underlying Asset that is more volatile is likely to increase or decrease in value more often and/or to a greater extent than one that is less volatile.

Where the performance of an Underlying Asset in relation to your Securities is calculated on a "European basis" – i.e., a comparison is made between the Underlying Asset's level, price, rate or other applicable value on a start date and a future date to determine performance – you will not benefit from any increase in the Underlying Asset's level, price, rate or other applicable value from the start date up to, but excluding, the specified date on which the Underlying Asset's price will be determined for the purpose of your Securities.

5.2 Past performance of an Underlying Asset is not indicative of future performance

You should not regard any information about the past performance of the Underlying Asset(s) as indicative of the range of, or trends in, fluctuations in the Underlying Asset(s) that may occur in the future.

5.3 You will not have any rights of ownership in the Underlying Asset(s)

The Underlying Asset(s) will not be held by us for your benefit and, as such, you will have not have any rights of ownership, including, without limitation, any voting rights, any rights to receive dividends or other distributions or any other rights with respect to any Underlying Asset(s).

5.4 Following a disruption event, the valuation of the Underlying Asset(s) may be postponed and/or valued by us in our discretion

If we (as Calculation Agent) determine that a disruption event in relation to the Underlying Asset(s) has occurred which affects the determination of the level, price, rate or other applicable value of the Underlying Asset(s) on any relevant day, we may postpone the valuation and ultimately determine the level, price, rate or other applicable value in our discretion. Any such postponement and/or alternative valuation may have a negative effect on the value of and return on your Securities. In the event that the valuation day of the Underlying Asset(s) is postponed, the date on which final cash settlement or physical delivery is made on your Securities may be postponed.

5.5 Following the occurrence of certain extraordinary events in relation to the Underlying Asset(s) or with respect to index linked securities, following the occurrence of an index adjustment event, the terms and conditions of your Securities may be adjusted or the Securities may be redeemed early at the non-scheduled early repayment amount

If we (as Calculation Agent) determine that an extraordinary event (as described below in relation to each type of Underlying Asset) has occurred in relation to the Underlying Asset(s) or an Index Adjustment Event has occurred in relation to an Index, then we may adjust the terms and conditions of the Securities (without your consent) to account for such event or we may redeem the Securities early. Any adjustment made to the terms and conditions of the Securities may have a negative effect on the value of and return on the Securities.

In the event of early redemption, we will pay to you the non-scheduled early repayment amount. Unless the terms of your Securities provide that "Par" is applicable, the non-scheduled early repayment amount will be determined on the basis of market quotations obtained from qualified financial institutions or, where insufficient market quotations are obtained, will be an amount determined by us to be the fair market value of the Securities immediately prior to (and taking into account the circumstances leading to) such early redemption (and the fact that such circumstances are taken into account will tend to reduce any amount payable on the Securities on early redemption), adjusted to account fully for our reasonable expenses and costs including those relating to the unwinding of any underlying and/or related hedging and funding arrangements. The non-scheduled early repayment amount may be less than your initial investment and you may therefore lose some or all of your investment.

Following any such early redemption of the Securities, you may not be able to reinvest the proceeds from an investment at a comparable return and/or with a comparable interest rate for a similar level of risk. You should consider such reinvestment risk in light of other available investments when you purchase the Securities.

6. Risks associated with particular types of Underlying Assets

6.1 Risks associated with Shares as Underlying Assets

(a) Various unpredictable factors may affect the performance of Shares

The performance of Shares is dependent upon macroeconomic factors, such as interest and price levels on the capital markets, currency developments, political factors as well as company-specific factors such as earnings position, market position, risk situation, shareholder structure and distribution policy, as well as business risks faced by the issuers thereof. Any one or a combination of such factors could adversely affect the performance of the Underlying Asset(s) which, in turn, would have a negative effect on the value of and return on your Securities.

(b) You will not be able to participate in dividends or other distributions on the Shares

The return on your Securities will not be linked to dividends or any other distributions paid on the Shares. Accordingly, you may receive a lower return on the Securities than you would have received had you invested directly in the Underlying Asset(s).

(c) Actions by the issuer of a Share may negatively affect the Securities

We give no assurance that all events occurring prior to the issue date of the Securities that would affect the trading price of the relevant Share will have been publicly disclosed. Subsequent disclosure of any such events or the disclosure of or failure to disclose material future events concerning the share issuer could affect the trading price of the Share and therefore the trading price of the Securities.

Also, you should be aware that the issuer of the Share(s) will have no involvement in the offer and sale of the Securities and will have no obligation to you as a holder of Securities. The issuer of the Share(s) may take any actions in respect of such Share(s) without regard to your interests as a holder of Securities, and any of these actions could have a negative effect on the value of and return on the Securities.

(d) Following the occurrence of an extraordinary event in relation to the Share(s), the terms and conditions of your Securities may be adjusted or the Securities may be redeemed early at the non-scheduled early repayment amount

If a delisting, insolvency, merger event, nationalisation or tender offer (all as defined in the terms and conditions of the Securities) occurs in relation to the underlying Share(s) or the issuer of the relevant underlying Shares, this will be an 'Extraordinary Event' leading to the adjustment by us (as Calculation Agent) of the terms and conditions of the Securities (without the consent of holders) or the early redemption of the Securities. If we redeem your Securities, the non-scheduled early repayment amount payable to you may be less than you paid for the Securities.

(e) The occurrence of a potential adjustment event may lead to an adjustment to the terms of the Securities that could have a negative effect on the value of and return on your Securities

A 'potential adjustment event' is an event which has a diluting or concentrating effect on the theoretical value of the Underlying Asset(s). If a Potential Adjustment Event occurs, we may elect to amend the terms and conditions of the Securities (such amendment to be determined without your consent) to account for the diluting or concentrative effect of the event. Any adjustment made to the terms and conditions of the Securities may have a negative effect on the value of and return on your Securities.

(f) Your Securities may be adjusted or redeemed prior to maturity due to a change in law. Any such adjustment may have an adverse effect on the value of and return on the Securities; and the amount you receive following an early redemption may be less than your initial investment

Where, due to a change in law, we would incur a materially increased cost in performing our obligations under the Securities, we may, in our discretion, either (i) amend the terms and conditions of the Securities to account for such change in law or (ii) redeem the Securities and for an amount which may be less than you paid for the Securities. See risk factor 5.5 (*Following the occurrence of certain extraordinary events in relation to the Underlying Asset(s) or with respect to index linked securities, following the occurrence of an index adjustment event, the terms and conditions of your Securities may be adjusted or the Securities may be redeemed early at the non-scheduled early repayment amount*) above.

7. Risks associated with discretionary powers of the Issuer and the Calculation Agent including in relation to our hedging arrangements

As described elsewhere in these risk factors, the occurrence of certain events – relating to the Issuer, our hedging arrangements, the Underlying Asset(s), taxation, the relevant currency or other matters – the occurrence of which may give rise to discretionary powers on our part (as Issuer or as Calculation Agent) under the terms and conditions of the Securities.

In relation to the Underlying Asset(s), a key investment objective of the Securities is to allow holders to gain an economic exposure to the Underlying Asset(s). Therefore, if an Underlying Asset is materially impacted by an unexpected event or the relevant level, price, rate or other applicable value can no longer be calculated, then it may not be possible to achieve the investment objective of your Securities based on their original terms. In that case, we may have discretionary powers under the terms and conditions of the Securities (as described elsewhere in these risk factors) to (i) adjust the terms and conditions of the Securities to preserve the original economic terms and rationale, (ii) in certain cases, substitute the Underlying Asset(s) for another, (iii) calculate the relevant level, price, rate or other applicable value itself, (iv) postpone payment (v) redeem the Securities early or (vi) apply some combination thereof.

In relation to our hedging arrangements, we (including through one or more affiliates of the Issuer) may enter into one or more arrangements to cover our exposure to the relevant cash amounts to be paid or assets to be delivered under the Securities as these fall due. We describe some of the potential types of arrangements in risk factor 10.1 (*Anticipated hedging activities by Goldman Sachs or our distributors may negatively impact investors in the Securities and cause our interests and those of our clients and counterparties to be contrary to those of investors in the Securities*) below. The particular hedging arrangements (if any) undertaken by us, and their cost, will likely be a significant determinant of the price and the economic terms and conditions of your Securities. Accordingly, if an event occurs which negatively impacts our hedging arrangements, we may have discretionary powers under the terms and conditions of your Securities as described in the paragraph immediately above to account for such impact on our heading arrangements. The exercise by us of such discretionary powers may have a negative impact on the value of and return on your Securities.

8. Risks associated with taxation

8.1 Tax laws may change and this may have a negative impact on your Securities

Tax law and practice is subject to change, possibly with retrospective effect and this could adversely affect the value of your Securities to you and/or their market value generally. Any such change may (i) cause the tax treatment of the relevant Securities to change from what you understood the position to be at the time of purchase; (ii) render the statements in this Prospectus concerning relevant tax law and practice in relation to the Securities inaccurate or inapplicable in some or all respects to certain Securities or have the effect that this Prospectus does not include material tax considerations in relation to certain Securities; or (iii) give us the right to redeem the Securities early, if such change has the effect that our performance under the Securities or hedging transaction relating to the Securities is unlawful or impracticable (see risk factor 3.1 (*Your Securities may be redeemed prior to maturity due to a change in law event, and you may lose some or all of your investment*). You should consult your own tax advisers about the tax implications of holding any Security and of any transaction involving any Security.

9. Risks associated with certain terms of public offers or listings

9.1 Certain specific information may not be known at the beginning of an offer period

This Prospectus may provide that certain specific information relating to your Securities (such as certain amounts, levels, percentages, prices, rates or values (as applicable) used to determine or calculate amounts payable or assets deliverable in respect of the Securities) may not be fixed or determined until the end of the offer period. In such case, this Prospectus will specify in place of the relevant amounts, levels, percentages, prices, rates or values (as applicable), such indicative amounts, levels, percentages, prices, rates or values (as applicable), or an indicative range thereof, which may be subject to a minimum or maximum amount, level, percentage, price, rate or value (as applicable).

The actual amounts, levels, percentages, prices, rates or values (as applicable) will be determined based on market conditions by the Issuer on or around the end of the offer period and may be the same as or different from any indicative amount specified in this Prospectus, provided that such actual amounts will not be less than any indicative minimum amount specified therein and will not be more than any indicative maximum amount specified therein.

You will be required to make your investment decision based on the indicative amounts or indicative range rather than the actual amounts, levels, percentages, prices, rates or values (as applicable), which will only be fixed or determined at the end of the offer period after their investment decision is made but will apply to the Securities once issued.

If terms of the Securities provide that an indicative range of amounts, levels, percentages, prices, rates or values (as applicable), you should, for the purposes of evaluating the risks and benefits of an investment in the Securities, assume that the actual amounts, levels, percentages, prices, rates or values (as applicable) fixed or determined at the end of the offer period may have a negative impact on the amounts payable or assets deliverable in respect of the Securities and consequently, have an adverse impact on the return on the Securities (when compared with other amounts, levels, percentages, prices, rates or values (as applicable) within any indicative range, or less than any indicative maximum amount, or greater than any indicative minimum amount). You should therefore make your decision to invest in the Securities on that basis.

9.2 Potential conflicts of interest relating to distributors or other entities involved in the offer or listing of the Securities

Potential conflicts of interest may arise in connection with the Securities, as any distributors or other entities involved in the offer and/or the listing of the Securities as indicated in this Prospectus, will act pursuant to a mandate granted by the Issuer and can receive commissions and/or fees on the basis of the services performed in relation to such offer and/or listing.

9.3 Certain considerations relating to public offers of the Securities

If the Securities are distributed by means of a public offer, under certain circumstances indicated in the terms of the Securities, the Issuer and/or the other entities indicated in the terms of the Securities will have the right to withdraw or revoke the offer, and the offer will be deemed to be null and void according to the terms indicated in the terms of the Securities.

The Issuer and/or the other entities specified in the terms of the Securities may also terminate the offer early by immediate suspension of the acceptance of further subscription requests and by giving notice to the public in accordance with the terms of the Securities. Any such termination may occur even where the maximum amount for subscription in relation to that offer (as specified in the terms of the Securities), has not been reached. In such circumstances, the early closing of the offer may have an impact on the aggregate number of Securities issued and, therefore, may have an adverse effect on the liquidity of the Securities.

Furthermore, under certain circumstances indicated in the terms of the Securities, the Issuer and/or the other entities indicated in the terms of the Securities will have the right to extend the offer period and/or to postpone the originally designated issue date, and related interest payment dates and the maturity date. For the avoidance of doubt, this right applies also in the event that the Issuer publishes a supplement to the Base Prospectus in accordance with the provisions of the Prospectus Directive.

10. Risks associated with conflicts of interest between Goldman Sachs and purchasers of Securities

The various roles and trading activities of Goldman Sachs could create conflicts of interest between you and us.

10.1 Anticipated hedging activities by Goldman Sachs or our distributors may negatively impact investors in the Securities and cause our interests and those of our clients and counterparties to be

contrary to those of investors in the Securities

In anticipation of the sale of the Securities, we and/or our affiliates expect to hedge our obligations under the Securities by purchasing futures and/or other instruments linked to the Underlying Asset(s) or components thereof, or, if applicable, the foreign currencies in which Underlying Asset(s) are denominated, as applicable. We also expect to adjust the hedge by, among other things, purchasing or selling any of the foregoing, and perhaps other instruments linked to the Underlying Asset(s) or any components thereof (the "**Underlying Components**"), at any time and from time to time, and to unwind the hedge by selling any of the foregoing on or before the final valuation date for your Securities. Alternatively, we may hedge all or part of our obligations under the Securities with unaffiliated distributors of the Securities which we expect will undertake similar market activity. We may also enter into, adjust and unwind hedging transactions relating to other underlier-linked securities whose returns are linked to changes in the level of the Underlying Asset(s) or one or more of the Underlying Components, as applicable.

In addition to entering into such transactions itself, or distributors entering into such transactions, Goldman Sachs may structure such transactions for its clients or counterparties, or otherwise advise or assist clients or counterparties in entering into such transactions. These activities may be undertaken to achieve a variety of objectives, including: permitting other purchasers of the Securities or other securities to hedge their investment in whole or in part; facilitating transactions for other clients or counterparties that may have business objectives or investment strategies that are inconsistent with, or contrary to, those of investors in the Securities; hedging the exposure of Goldman Sachs to the Securities including any interest in the Securities that it reacquires or retains as part of the offering process, through its market-making activities or otherwise; enabling Goldman Sachs to comply with its internal risk limits or otherwise manage firmwide, business unit or product risk; and/or enabling Goldman Sachs to take directional views as to relevant markets on behalf of itself or its clients or counterparties that are inconsistent with or contrary to the views and objectives of the investors in the Securities.

Any of these hedging or other activities may adversely affect the levels of the Underlying Asset(s) — directly or indirectly by affecting the price of the Underlying Components — and therefore the market value of your Securities and the amount we will pay on your Securities, if any, at maturity. In addition, you should expect that these transactions will cause Goldman Sachs or its clients, counterparties or distributors to have economic interests and incentives that do not align with, and that may be directly contrary to, those of an investor in the Securities. Neither Goldman Sachs nor any distributor will have any obligation to take, refrain from taking or cease taking any action with respect to these transactions based on the potential effect on an investor in the Securities, and may receive substantial returns on hedging or other activities while the value of the Securities declines. In addition, if the distributor from which you purchase Securities is to conduct hedging activities in connection with the Securities, that distributor may otherwise profit in connection with such hedging activities and such profit, if any, will be in addition to the compensation that the distributor receives for the sale of the Securities to you. You should be aware that the potential to earn fees in connection with hedging activities may create a further incentive for the distributor to sell the Securities to you in addition to the compensation they would receive for the sale of the Securities.

10.2 Goldman Sachs' trading and investment activities for its own account or for its clients could negatively impact investors in the Securities

Goldman Sachs is a 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 high-net-worth individuals. As such, it acts as an investor, investment banker, research provider, investment manager, investment advisor, market maker, trader, prime broker and lender. In those and other capacities, Goldman Sachs purchases, sells or holds a broad array of investments, actively trades securities, derivatives, loans, commodities, currencies, credit default swaps, indices, baskets and other financial instruments and products for its own account or for the accounts of its customers, and will have other direct or indirect interests, in the global fixed income, currency, commodity, equity, bank loan and other markets. Any of Goldman Sachs' financial market activities may, individually or in the aggregate, have an adverse effect on the market for your Securities, and you should expect that the interests of Goldman Sachs or its clients or counterparties will at times be adverse to those of investors in the Securities.

Goldman Sachs regularly offers a wide array of securities, financial instruments and other products into the marketplace, including existing or new products that are similar to your Securities, or similar or linked to the Underlying Asset(s). Investors in the Securities should expect that Goldman Sachs will offer securities, financial instruments, and other products that will compete with the Securities for liquidity, research coverage or otherwise.

10.3 Goldman Sachs' market-making activities could negatively impact investors in the Securities

Goldman Sachs actively makes markets in and trades financial instruments for its own account and for the accounts of customers. These financial instruments include debt and equity securities, currencies, commodities, bank loans, indices, baskets and other products. Goldman Sachs' activities include, among other things, executing large block trades and taking long and short positions directly and indirectly, through derivative instruments or otherwise. The securities and instruments in which Goldman Sachs takes positions, or expects to take positions, include securities and instruments of the Underlying Asset(s) or the Underlying Components thereof, securities and instruments similar to or linked to the foregoing or the currencies in which they are denominated. Market making is an activity where Goldman Sachs buys and sells on behalf of customers, or for its own account, to satisfy the expected demand of customers. By its nature, market making involves facilitating transactions among market participants that have differing views of securities and instruments. As a result, you should expect that Goldman Sachs will take positions that are inconsistent with, or adverse to, the investment objectives of investors in the Securities.

If Goldman Sachs becomes a holder of any Underlying Asset or Underlying Component thereof, as applicable, in its capacity as a market-maker or otherwise, any actions that it takes in its capacity as securityholder, including voting or provision of consents, will not necessarily be aligned with, and may be inconsistent with, the interests of investors in the Securities.

10.4 You should expect that Goldman Sachs personnel will take research positions, or otherwise make recommendations, provide investment advice or market colour or encourage trading strategies that might negatively impact investors in the Securities

Goldman Sachs and its personnel, including its sales and trading, investment research and investment management personnel, regularly make investment recommendations, provide market colour or trading ideas, or publish or express independent views in respect of a wide range of markets, issuers, securities and instruments. They regularly implement, or recommend to clients that they implement, various investment strategies relating to these markets, issuers, securities and instruments. These strategies include, for example, buying or selling credit protection against a default or other event involving an issuer or financial instrument. Any of these recommendations and views may be negative with respect to the Underlying Asset(s) or Underlying Components thereof, as applicable, or other securities or instruments similar to or linked to the foregoing or result in trading strategies that have a negative impact on the market for any such securities or instruments, particularly in illiquid markets. In addition, you should expect that personnel in the trading and investing businesses of Goldman Sachs will have or develop independent views of the Underlying Asset(s) or Underlying Components thereof, as applicable, the relevant industry or other market trends, which may not be aligned with the views and objectives of investors in the Securities.

10.5 Goldman Sachs regularly provides services to, or otherwise has business relationships with, a broad client base, which may include the sponsors or issuers of the Underlying Asset(s) or Underlying Components thereof or other entities that are involved in the transaction

Goldman Sachs regularly provides financial advisory, investment advisory and transactional services to a substantial and diversified client base, and you should assume that Goldman Sachs will, at present or in the future, provide such services or otherwise engage in transactions with, among others, the sponsors or issuers of the Underlying Asset(s) or Underlying Components thereof, or transact in securities or instruments or with parties that are directly or indirectly related to the foregoing. These services could include making loans to or equity investments in those companies, providing financial advisory or other investment banking services, or issuing research reports. You should expect that Goldman Sachs, in providing such services, engaging in such transactions, or acting for its own account, may take actions that have direct or indirect effects on the Underlying Asset(s) or Underlying Components thereof, as applicable, and that such actions could be adverse to the interests of investors in the Securities. In addition, in connection with these activities, certain Goldman Sachs personnel may have access to confidential material non-public information about these parties that would not be disclosed to Goldman Sachs employees that were not working on such transactions as Goldman Sachs has established internal information barriers that are designed to preserve the confidentiality of non-public information. Therefore, any such confidential material non-public information would not be shared with Goldman Sachs employees involved in structuring, selling or making markets in the Securities or with investors in the Securities.

In any offering under the Programme, as well as in all other circumstances in which Goldman Sachs receives any fees or other compensation in any form relating to services provided to or transactions with any other party, no accounting, offset or payment in respect of the Securities will be required or made; Goldman Sachs will be entitled to retain all such fees and other amounts, and no fees or other compensation payable by any party or indirectly by holders of the Securities will be reduced by reason of receipt by Goldman Sachs of any such other fees or other amounts. Any such fees or other amounts received by Goldman Sachs will be made in accordance with all applicable laws and regulations.

10.6 An offering of the Securities may reduce an existing exposure of Goldman Sachs or facilitate a transaction or position that serves the objectives of Goldman Sachs or other parties

A completed offering of Securities may reduce Goldman Sachs' existing exposure to the Underlying Asset(s) or Underlying Components thereof, as applicable, securities and instruments similar to or linked to the foregoing or the currencies in which they are denominated, including exposure gained through hedging transactions in anticipation of this offering. An offering of Securities will effectively transfer a portion of Goldman Sachs' exposure (and indirectly transfer the exposure of Goldman Sachs' hedging or other counterparties) to investors in the Securities.

The terms of an offering (including the selection of the Underlying Asset(s) and the establishment of other transaction terms) may have been selected in order to serve the investment or other objectives of Goldman Sachs or another client or counterparty of Goldman Sachs. In such a case, Goldman Sachs would typically receive the input of other parties that are involved in or otherwise have an interest in the offering, transactions hedged by the offering, or related transactions. The incentives of these other parties would normally differ from and in many cases be contrary to those of investors in the Securities.

Every such offering of Securities will be designed, distributed and monitored in accordance with all applicable legal and regulatory requirements (including any product governance requirements).

10.7 Other investors in the Securities may not have the same interests as you

Other investors in the Securities are not required to take into account the interests of any other investor in exercising remedies or voting or other rights in their capacity as securityholders or in making requests or recommendations to us as to the establishment of other transaction terms. The interests of other investors may, in some circumstances, be adverse to your interests. For example, certain investors may take short positions (directly or indirectly through derivative transactions) on assets that are the same or similar to your Securities, Underlying Asset(s) or other similar securities, which may adversely impact the market for or value of your Securities.

10.8 As Calculation Agent, we will have the authority to make determinations that could affect the market value and return on your Securities

Unless otherwise specified in the terms of the Securities, the Calculation Agent will be Goldman Sachs International. The Calculation Agent has the authority (i) to determine whether certain specified events and/or matters so specified in the conditions relating to the Securities have occurred, and (ii) to determine the consequence of such event, including potentially, revised calculations, adjustments, postponements or early redemption of the Securities. See risk factor 7 (*Risks associated with discretionary powers of the Issuer and the Calculation Agent including in relation to our hedging arrangements*) above. Any such determination made by the Calculation Agent (in the absence of manifest or proven error) shall be binding on the Issuer and all purchasers of the Securities. Any such determinations may have an adverse impact on the value of and return on the Securities.

10.9 Risks associated with potential 'bail-in' of Securities

See risk factor 1 (*Risks relating to the potential exercise by a UK resolution authority of its resolution powers in relation to GSI*) above.

C. RISKS RELATING TO GSI

GSI faces a variety of risks that are substantial and inherent in its businesses including market, liquidity, credit, operational, model, legal, regulatory and reputational risks and uncertainties. The following are some of the more important factors that could affect GSI's businesses.

(i) Risks relating to economic and market conditions

GSI's businesses, by their nature, do not produce predictable earnings and are materially affected by conditions in the global financial markets and economic conditions generally, both directly and through their impact on client activity levels. These conditions can change suddenly and negatively.

GSI's financial performance is highly dependent on the environment in which its businesses operate. A favourable business environment is generally characterised by, among other factors, high global GDP growth, regulatory and market conditions which result in transparent, liquid and efficient capital markets, low inflation, high business and investor confidence, stable geopolitical conditions, clear regulations and strong business earnings.

Unfavourable or uncertain economic and market conditions can be caused by: concerns about sovereign defaults; uncertainty concerning fiscal or monetary policy; the extent of and uncertainty about tax and other regulatory changes; declines in economic growth, business activity or investor or business confidence; limitations on the availability or increases in the cost of credit and capital; illiquid markets; increases in inflation, interest rates, exchange rate or basic commodity price volatility, or default rates; outbreaks of domestic or international tensions or hostilities, terrorism, nuclear proliferation, cybersecurity threats or attacks and other forms of disruption to or curtailment of global communications, energy transmission or transportation networks or other geopolitical instability or uncertainty, such as corporate, political or other scandals that reduce investor confidence in capital markets; extreme weather events or other natural disasters or pandemics; or a combination of these or other factors.

The financial services industry and the securities markets have been materially and adversely affected in the past by significant declines in the values of nearly all asset classes and by a serious lack of liquidity. In addition, concerns about European sovereign debt risk and its impact on the European banking system, about the impact of Brexit, and about changes in interest rates and other market conditions or actual changes in interest rates and other market conditions, including market conditions in China, have resulted, at times, in significant volatility while negatively impacting the levels of client activity.

General uncertainty about economic, political and market activities, and the scope, timing and impact of regulatory reform, as well as weak consumer, investor and chief executive officer confidence resulting in large part from such uncertainty, continues to negatively impact client activity, which adversely affects many of GSI's businesses. Periods of low volatility and periods of high volatility, combined with a lack of liquidity, have at times had an unfavourable impact on GSI's market-making businesses.

GSI's revenues and profitability and those of its competitors have been and will continue to be impacted by requirements relating to capital, additional loss-absorbing capacity, leverage, minimum liquidity and long-term funding levels, requirements related to resolution and recovery planning, derivatives clearing and margin rules and levels of regulatory oversight, as well as limitations on which and, if permitted, how certain business activities may be carried out by financial institutions. Although interest rates are still near historically low levels, financial institution returns in many countries have also been negatively impacted by increased funding costs due in part to the withdrawal of perceived government support of such institutions in the event of future financial crises. In addition, liquidity in the financial markets has also been negatively impacted as market participants and market practices and structures continue to adjust to new regulations.

The degree to which these and other changes resulting from the financial crisis will have a long-term impact on the profitability of financial institutions will depend on the implementation of recently adopted and new regulations, the manner in which markets, market participants and financial institutions adapt to these regulations, and the prevailing economic and financial market conditions. However, there is a significant risk that such changes will, at least in the near-term, continue to negatively impact the absolute level of revenues, profitability and return on equity of GSI and other financial institutions..

(ii) Risks relating to regulation

As a participant in the financial services industry and a subsidiary of a systemically important financial institution, GSI is subject to extensive regulation, principally in the UK, and the European Union ("**EU**"). more generally, but also in the U.S. as a subsidiary of the Goldman Sachs Group and in certain other jurisdictions. GSI faces the risk of significant intervention by law enforcement, regulatory and tax authorities, as well as private litigation, in all jurisdictions in which it conducts its businesses. In many cases, GSI's activities may be subject to overlapping and divergent regulation in different jurisdictions. Among other things, as a result of law enforcement authorities, regulators or private parties challenging GSI's compliance with laws and regulations, GSI or its employees could be fined or criminally sanctioned, prohibited from engaging in certain business activities, subject to limitations or conditions on its business activities including higher capital requirements, or subjected to new or substantially higher taxes or other governmental charges in connection with the conduct of its businesses or with respect to its employees. Such limitations or conditions may limit business activities and negatively impact GSI's profitability.

GSI is subject to EU legal and regulatory requirements, based on directly binding regulations of the EU and the implementation of EU directives by the UK. GSI currently benefits from non-discriminatory access to EU clients and infrastructure based on EU treaties and EU legislation, including cross-border “passporting” arrangements and specific arrangements for the establishment of EU branches. There is considerable uncertainty as to the regulatory regime that will be applicable in the UK post-Brexit and the regulatory framework that will govern transactions and business undertaken by GSI in the remaining EU countries.

In addition to the impact on the scope and profitability of GSI’s business activities, day-to-day compliance with laws and regulations, in particular those adopted since 2008, has involved and will continue to involve significant amounts of time, including that of GSI’s senior leaders and that of a large number of dedicated compliance and other reporting and operational personnel, all of which may negatively impact GSI’s profitability.

If there are new laws or regulations or changes in the enforcement of existing laws or regulations applicable to GSI’s businesses or those of GSI’s clients, including capital, liquidity, leverage, long-term debt, loss absorbing capacity and margin requirements, restrictions on other business practices, reporting requirements, requirements relating to the implementation of the EU Bank Recovery and Resolution Directive, tax burdens and compensation restrictions, that are imposed on a limited subset of financial institutions (either based on size, activities, geography or other criteria) which may include GSI or GSG, compliance with these new laws and regulations, or changes in the enforcement of existing laws or regulations, could adversely affect GSI’s ability to compete effectively with other institutions that are not affected in the same way. In addition, regulation imposed on financial institutions or market participants generally, such as taxes on financial transactions, could adversely impact levels of market activity more broadly, and thus impact GSI’s businesses.

These developments could impact GSI’s profitability in the affected jurisdictions, or even make it uneconomic to continue to conduct all or certain businesses in such jurisdictions, or could result in GSI incurring significant costs associated with changing business practices, restructuring businesses, moving all or certain businesses and employees to other locations or complying with applicable capital requirements, including liquidating assets or raising capital in a manner that adversely increases GSI’s funding costs or otherwise adversely affects its shareholder and creditors.

The EU and national financial legislators and regulators have proposed or adopted numerous market reforms that have impacted and may continue to impact GSI’s businesses. These include stricter capital and liquidity requirements (including proposed amendments to Capital Requirements Directive and Capital Requirements Regulation (collectively known as "**CRD IV**")), authorisations for regulators to impose position limits, the Markets in Financial Instruments Directive (as amended, Directive 2014/65/EU, "**MiFID II**"), restrictions on short selling and credit default swaps and market abuse regulations.

The implementation of higher capital requirements, the liquidity coverage ratio, the net stable funding ratio, requirements relating to long-term debt and total loss-absorbing capacity ("**TLAC**") and the prohibition on proprietary trading and the sponsorship of, or investment in, covered funds by the Volcker Rule may continue to adversely affect GSI’s profitability and competitive position, particularly if these requirements do not apply, or do not apply equally, to GSI’s competitors or are not implemented uniformly across jurisdictions.

GSI is also subject to laws and regulations relating to the privacy of the information of clients, employees or others, and any failure to comply with these laws and regulations could expose GSI to liability and/or reputational damage. As new privacy-related laws and regulations, such as the General Data Protection Regulation ("GDPR"), are implemented, the time and resources needed for GSI to comply with such laws and regulations, as well as GSI’s potential liability for non-compliance and reporting obligation in the case of data breaches, may significantly increase.

In addition, GSI's businesses are increasingly subject to laws and regulations relating to surveillance, encryption and data on-shoring in the jurisdictions in which GSI operates. Compliance with these laws and regulations may require GSI to change its policies, procedures and technology for information security, which could, among other things, make GSI more vulnerable to cyber attacks and misappropriation, corruption or loss of information or technology.

Increasingly, regulators and courts have sought to hold financial institutions liable for the misconduct of their clients where such regulators and courts have determined that the financial institution should have detected that the client was engaged in wrongdoing, even though the financial institution had no direct knowledge of the activities engaged in by its client. Regulators and courts have also increasingly found liability as a "control person" for activities of entities in which financial institutions or funds controlled by financial institutions have an investment, but which they do not actively manage. In addition, regulators and courts continue to seek to establish "fiduciary" obligations to counterparties to which no such duty had been assumed to exist. To the extent that such efforts are successful, the cost of, and liabilities associated with, engaging in brokerage, clearing, market-making, prime brokerage, investing and other similar activities could increase significantly. To the extent that GSI has fiduciary obligations in connection with acting as a financial adviser, investment adviser or in other roles for individual, institutional, sovereign or investment fund clients, any breach, or even an alleged breach, of such obligations could have materially negative legal, regulatory and reputational consequences.

(iii) Risks relating to market volatility

GSI's businesses have been and may be adversely affected by declining asset values. This is particularly true for those businesses in which GSI has net "long" positions, receives fees based on the value of assets managed, or receives or posts collateral. Many of GSI's businesses have net "long" positions in debt securities, loans, derivatives, mortgages, equities (including private equity) and most other asset classes. These include positions taken when GSI acts as a principal to facilitate clients' activities, including exchange-based market-making activities, or commits large amounts of capital to maintain positions in interest rate and credit products, as well as through currencies, commodities, equities and mortgage-related activities. In addition, GSI invests in similar asset classes. Substantially all of GSI's investing and market-making positions are marked-to-market on a daily basis and declines in asset values directly and immediately impact earnings, unless exposures have been effectively hedged.

In certain circumstances (particularly in the case of credit products and private equities or other securities that are not freely tradable or lack established and liquid trading markets), it may not be possible or economic to hedge such exposures and to the extent that this is done the hedge may be ineffective or may greatly reduce GSI's ability to profit from increases in the values of the assets. Sudden declines and significant volatility in the prices of assets may substantially curtail or eliminate the trading markets for certain assets, which may make it difficult to sell, hedge or value such assets. The inability to sell or effectively hedge assets reduces the ability to limit losses in such positions and the difficulty in valuing assets may negatively affect GSI's capital, liquidity or leverage ratios, increase its funding costs and generally require maintaining additional capital.

In GSI's exchange-based market-making activities, GSI is obligated by stock exchange rules to maintain an orderly market, including by purchasing securities in a declining market. In markets where asset values are declining and in volatile markets, this results in losses and an increased need for liquidity

Collateral is posted to support obligations of GSI and received to support the obligations of clients and counterparties in connection with client execution businesses. When the value of the assets posted as collateral declines or the credit ratings of the party posting collateral decline, the party posting the collateral may need to provide additional collateral or, if possible, reduce its trading position. An example of such a situation is a margin call in connection with a brokerage account. Therefore, declines in the value of asset classes used as collateral mean that either the cost of funding positions is increased or the size of positions is decreased. If GSI is the party providing collateral, this can increase costs and reduce profitability and if GSI is the party receiving collateral, this can also reduce profitability by reducing the level of business done with clients and counterparties. In addition, volatile or less liquid markets increase the difficulty of valuing assets which can lead to costly and time-consuming disputes over asset values and the level of required collateral, as well as increased credit risk to the recipient of the collateral due to delays in receiving adequate collateral. In cases where GSI forecloses on collateral, sudden declines in the value or liquidity of such collateral may, despite credit monitoring, over-collateralisation, the ability to call for additional collateral or the ability to force repayment of the underlying obligation, result in significant losses to GSI, especially where there is a single type of collateral supporting the obligation. In addition, GSI may be subject to claims that the foreclosure was not permitted under the legal documents, was conducted in an improper manner or caused a client or counterparty to go out of business.

(iv) Liquidity

Liquidity is essential to GSI's businesses. GSI's liquidity could be impaired by an inability to access secured and/or unsecured debt markets, an inability to access funds from GSG or other affiliates, an inability to sell assets or redeem investments or unforeseen outflows of cash or collateral. This situation may arise due to circumstances that GSI may be unable to control, such as a general market disruption or an operational problem that affects third parties or GSI or its affiliates or even by the perception amongst market participants that GSI, or other market participants, are experiencing greater liquidity risk.

GSI employs structured products to benefit its clients and hedge its own risks. The financial instruments that GSI holds and the contracts to which it is a party are often complex, and these complex structured products often do not have readily available markets to access in times of liquidity stress. GSI's investing activities may lead to situations where the holdings from these activities represent a significant portion of specific markets, which could restrict liquidity for GSI's positions.

Further, GSI's ability to sell assets may be impaired if there is not generally a liquid market for such assets, as well as in circumstances where other market participants are seeking to sell similar assets at the same time, as is likely to occur in a liquidity or other market crisis or in response to changes to rules or regulations. In addition, financial institutions with which GSI interacts may exercise set-off rights or the right to require additional collateral, including in difficult market conditions, which could further impair GSI's liquidity.

GSI is an indirect, wholly-owned operating subsidiary of GSG and depends on GSG for capital and funding. The credit ratings of GSI and those of GSG are important to GSI's liquidity. A reduction in GSI's and/or GSG's credit ratings could adversely affect GSI's liquidity and competitive position, increase borrowing costs, limit access to the capital markets or funding from GSG or trigger obligations under certain provisions in some trading and collateralised financing contracts. Under these provisions, counterparties could be permitted to terminate contracts with GSI or GSG or require additional collateral. Termination of trading and collateralised financing contracts could cause losses and impair liquidity by requiring GSG or GSI to find other sources of financing or to make significant cash payments or securities movements.

GSI's and GSG's cost of obtaining long-term unsecured funding is directly related to both the credit spreads of GSI and GSG. Increases in the credit spreads of GSI and/or GSG can significantly increase the cost of this funding. Changes in credit spreads are continuous, market-driven, and subject at times to unpredictable and highly volatile movements. The credit spreads of GSI and/or GSG are also influenced by market perceptions of its and/or GSG's creditworthiness. In addition, the credit spreads of GSI and/or GSG may be influenced by movements in the costs to purchasers of credit default swaps referenced to

GSG's long-term debt. The market for credit default swaps has proven to be extremely volatile and at times has lacked a high degree of transparency or liquidity.

Regulatory changes relating to liquidity may also negatively impact GSI's results of operations and competitive position. Recently, numerous regulations have been adopted or proposed to introduce more stringent liquidity requirements for large financial institutions. These regulations address, among other matters, liquidity stress testing, minimum liquidity requirements, wholesale funding, restrictions on short-term debt and structured notes issued by top-tier holding companies and prohibitions on parent guarantees that are subject to certain cross-defaults. New and prospective liquidity-related regulations may overlap with, and be impacted by, other regulatory changes, including new rules relating to minimum long-term debt requirements and TLAC, guidance on the treatment of brokered deposits and the capital, leverage and resolution and recovery frameworks applicable to large financial institutions. Given the overlap and complex interactions among these new and prospective regulations, they may have unintended cumulative effects, and their full impact will remain uncertain until implementation of post-financial crisis regulatory reform is complete.

(v) Risks relating to resolution and recovery planning

The circumstances in which a resolution authority would exercise its "bail-in" powers to recapitalise a failing entity by writing down its unsecured debt or converting it into equity are uncertain. If these powers were to be exercised (or if there was a suggestion that they could be exercised) in respect of GSI, such exercise would likely have a material adverse effect on the value of debt investments in GSI, including a potential loss of some or all of such investment. Furthermore, the suggestion that such powers were to be exercised could also have an adverse impact on the value of such investments.

(vi) Risks relating to credit markets

Widening credit spreads for GSI or GSG, as well as significant declines in the availability of credit, have in the past adversely affected GSI's ability to borrow on a secured and unsecured basis and may do so in the future. GSI obtains the majority of its unsecured funding from GSG, which funds itself on an unsecured basis by issuing long-term debt, by accepting deposits at its bank subsidiaries, by issuing hybrid financial instruments, or by obtaining bank loans or lines of credit. GSI seeks to finance many of its assets on a secured basis. Any disruptions in the credit markets may make it harder and more expensive to obtain funding for businesses. If GSI's available funding is limited or GSI is forced to fund operations at a higher cost, these conditions may require curtailment of business activities and increase the cost of funding, both of which could reduce profitability, particularly in businesses that involve investing and market making.

Clients engaging in mergers and acquisitions and other types of strategic transactions often rely on access to the secured and unsecured credit markets to finance their transactions. A lack of available credit or an increased cost of credit can adversely affect the size, volume and timing of clients' merger and acquisition transactions, particularly large transactions, and adversely affect GSI's financial advisory and underwriting businesses.

GSI's credit businesses have been and may in the future be negatively affected by a lack of liquidity in credit markets. A lack of liquidity reduces price transparency, increases price volatility and decreases transaction volumes and size, all of which can increase transaction risk or decrease the profitability of such businesses.

(vii) Risks in connection with the concentration of risk

Concentration of risk increases the potential for significant losses in market-making, underwriting, and investing activities. The number and size of such transactions may affect GSI's results of operations in a given period. Moreover, because of concentration of risk, GSI may suffer losses even when economic and market conditions are generally favourable for competitors. Disruptions in the credit markets can make it difficult to hedge these credit exposures effectively or economically.

In the ordinary course of business, GSI may be subject to a concentration of credit risk to a particular counterparty, borrower, issuer, including sovereign issuers, or geographic area or group of related countries, such as the EU. A failure or downgrade of, or default by, such entity could negatively impact GSI's businesses, perhaps materially, and the systems by which GSI sets limits and monitors the level of its credit exposure to individual entities, industries and countries may not function as anticipated. Regulatory reforms, including the European Market Infrastructure Regulation and the Dodd-Frank Wall Street Reform and Consumer Protection Act have led to increased centralisation of trading activity through particular clearing houses, central agents or exchanges, which has significantly increased GSI's concentration of risk with respect to these entities. While GSI's activities expose it to many different industries, counterparties and countries, GSI routinely executes a high volume of transactions with counterparties engaged in financial services activities, including brokers and dealers, commercial banks, clearing houses and exchanges. This has resulted in significant credit concentration with respect to these counterparties.

(viii) Risks related to credit quality

GSI is exposed to the risk that third parties who owe money, securities or other assets will not perform their obligations. These parties may default on their obligations to GSI due to bankruptcy, lack of liquidity, operational failure or other reasons. A failure of a significant market participant, or even concerns about a default by such an institution, could lead to significant liquidity problems, losses or defaults by other institutions, which in turn could adversely affect GSI.

GSI is also subject to the risk that its rights against third parties may not be enforceable in all circumstances. In addition, deterioration in the credit quality of third parties whose securities or obligations are held by GSI, including a deterioration in the value of collateral posted by third parties to secure their obligations to GSI under derivatives contracts and loan agreements, could result in losses and/or adversely affect GSI's ability to rehypothecate or otherwise use those securities or obligations for liquidity purposes.

A significant downgrade in the credit ratings of GSI's counterparties could also have a negative impact on GSI's results. While in many cases GSI is permitted to require additional collateral from counterparties that experience financial difficulty, disputes may arise as to the amount of collateral GSI is entitled to receive and the value of pledged assets. The termination of contracts and the foreclosure on collateral may subject GSI to claims for the improper exercise of its rights. Default rates, downgrades and disputes with counterparties as to the valuation of collateral increase significantly in times of market stress and illiquidity.

(ix) Risks related to the composition of GSI's client base

GSI's client base is not the same as that of its major competitors. GSI's businesses may have a higher or lower percentage of clients in certain industries or markets than some or all of its competitors. Therefore, unfavorable industry developments or market conditions affecting certain industries or markets may result in GSI's businesses underperforming relative to similar businesses of a competitor if its businesses have a higher concentration of clients in such industries or markets. For example, GSI's market-making businesses have a higher percentage of clients with actively managed assets than its competitors and such clients have been disproportionately affected by the low levels of volatility.

Correspondingly, favourable or simply less adverse developments or market conditions involving industries or markets in a business where GSI has a lower concentration of clients in such industry or market may also result in GSI underperforming relative to a similar business of a competitor that has a higher concentration of clients in such industry or market. For example, GSI has a smaller corporate client base in its market-making businesses than many of its peers and therefore GSI's competitors may benefit more from increased activity by corporate clients.

(x) Risks related to derivative transactions

GSI is party to a large number of derivative transactions, including credit derivatives. Many of these derivative instruments are individually negotiated and non-standardised, which can make exiting, transferring or settling positions difficult. Many credit derivatives require that GSI deliver to the counterparty the underlying security, loan or other obligation in order to receive payment. In a number of cases, GSI does not hold the underlying security, loan or other obligation and may not be able to obtain the underlying security, loan or other obligation. This could cause GSI to forfeit the payments due under these contracts or result in settlement delays with the attendant credit and operational risk as well as increased costs to GSI.

As a signatory to the International Swaps and Derivatives Association Resolution Stay Protocol (the "**ISDA Protocol**"), GSI may not be able to exercise remedies against counterparties and, as this new regime has not yet been tested, GSI may suffer risks or losses that it would not have expected to suffer if it could immediately close out transactions upon a termination event. Various non-U.S. regulators have also proposed regulations contemplated by the ISDA Protocol, which might result in additional limitations on GSI's ability to exercise remedies against counterparties. The impact of the ISDA Protocol and these rules and regulations will depend on the development of market practices and structures.

Derivative contracts and other transactions entered into with third parties are not always confirmed by the counterparties or settled on a timely basis. While the transaction remains unconfirmed or during any delay in settlement, GSI is subject to heightened credit and operational risk and in the event of a default may find it more difficult to enforce its rights.

In addition, as new complex derivative products are created, covering a wider array of underlying credit and other instruments, disputes about the terms of the underlying contracts could arise, which could impair GSI's ability to effectively manage its risk exposures from these products and subject it to increased costs. The provisions of legislation requiring central clearing of credit derivatives and other OTC derivatives, or a market shift toward standardised derivatives, could reduce the risk associated with such transactions, but under certain circumstances could also limit GSI's ability to develop derivatives that best suit the needs of clients and to hedge its own risks, and could adversely affect GSI's profitability and increase credit exposure to such a platform.

(xi) Risks in connection with operational infrastructure

GSI's businesses are highly dependent on its ability to process and monitor, on a daily basis, a very large number of transactions, many of which are highly complex, and occur at high volumes and frequencies, across numerous and diverse markets in many currencies. These transactions, as well as information technology services provided to clients, often must adhere to client-specific guidelines, as well as legal and regulatory standards.

Many rules and regulations worldwide govern GSI's obligations to report transactions and other information to regulators, exchanges and investors. Compliance with these legal and reporting requirements can be challenging, and GSI has been, and may in the future be, subject to regulatory fines and penalties for failing to report timely, accurate and complete information. As reporting requirements expand, compliance with these rules and regulations has become more challenging.

The use of computing devices and phones is critical to the work done by GSI's employees and the operation of GSI's systems and businesses and those of its clients and third-party service providers and vendors. It has been reported that there are some fundamental security flaws in computer chips found in many types of computing devices and phones. Addressing this issue could be costly and affect the performance of these businesses and systems, and operational risks may be incurred in applying fixes and there may still be residual security risks.

Additionally, although the prevalence and scope of applications of distributed ledger technology and similar technologies is growing, the technology is also nascent and may be vulnerable to cyber attacks or have other inherent weaknesses. GSI may be, or may become, exposed to risks related to distributed ledger technology through GSI's facilitation of clients' activities involving financial products linked to distributed ledger technology, such as blockchain or cryptocurrencies, GSI's investments in companies that seek to develop platforms based on distributed ledger technology, and the use of distributed ledger technology by third-party vendors, clients, counterparties, clearing houses and other financial intermediaries.

In addition, GSI faces the risk of operational failure, termination or capacity constraints of any of the clearing agents, exchanges, clearing houses or other financial intermediaries that it uses to facilitate securities and derivatives transactions, and as interconnectivity with clients grows, GSI will increasingly face the risk of operational failure with respect to clients' systems.

Despite the resiliency plans and facilities that are in place, GSI's ability to conduct business may be adversely impacted by a disruption in the infrastructure that supports its businesses and the communities in which GSI is located. This may include a disruption involving electrical, satellite, undersea cable or other communications, internet, transportation or other services facilities used by GSI, its employees or third parties with which GSI conducts business, including cloud service providers. These disruptions may occur as a result of events that affect only GSI's buildings or systems or those of such third parties, or as a result of events with a broader impact globally, regionally or in the cities where those buildings or systems are located, including, but not limited to, natural disasters, war, civil unrest, terrorism, economic or political developments, pandemics and weather events.

In addition, although GSI seeks to diversify its third-party vendors to increase its resiliency, GSI is also exposed to the risk that a disruption or other information technology event at a common service provider to GSI's vendors could impede their ability to provide products or services to GSI. GSI may not be able to effectively monitor or mitigate operational risks relating to its vendors' use of common service providers.

(xii) Risks related to cyber security

GSI is regularly the target of attempted cyber attacks, including denial-of-service attacks, and must continuously monitor and develop its systems to protect its technology infrastructure and data from misappropriation or corruption. The increasing migration of GSI's communication and other platforms from company provided devices to employee-owned devices presents additional risks of cyber attacks. In addition, due to the interconnectivity with third-party vendors (and their respective service providers), central agents, exchanges, clearing houses and other financial institutions, GSI could be adversely impacted if any of them is subject to a successful cyber attack or other information security event. These effects could include the loss of access to information or services from the third party subject to the cyber attack or other information security event, which could, in turn, interrupt certain of GSI's businesses.

Despite GSI's efforts to ensure the integrity of its systems and information, it may not be able to anticipate, detect or implement effective preventive measures against all cyber threats, especially because the techniques used are increasingly sophisticated, change frequently and are often not recognised until launched. Cyber attacks can originate from a variety of sources, including third parties who are affiliated with foreign governments or are involved with organised crime or terrorist organisations. Third parties may also attempt to place individuals within GSI or induce employees, clients or other users of GSI's systems to disclose sensitive information or provide access to GSI's data or that of its clients, and these types of risks may be difficult to detect or prevent.

Although GSI takes protective measures and endeavours to modify them as circumstances warrant, its computer systems, software and networks may be vulnerable to unauthorised access, misuse, computer viruses or other malicious code and other events that could have a security impact. Due to the complexity and interconnectedness of GSI's systems, the process of enhancing protective measures can itself create a risk of systems disruptions and security issues. If one or more of such events occur, this potentially could jeopardise GSI or its clients' or counterparties' confidential and other information processed and stored in, and transmitted through, GSI's computer systems and networks, or otherwise cause interruptions or malfunctions in GSI's, its clients', its counterparties' or third parties' operations, which could impact their ability to transact with GSI or otherwise result in legal or regulatory action, significant losses or reputational damage.

The increased use of mobile and cloud technologies can heighten these and other operational risks. GSI expects to expend significant additional resources on an ongoing basis to modify protective measures and to investigate and remediate vulnerabilities or other exposures, but these measures may be ineffective and GSI may be subject to legal or regulatory action, and financial losses that are either not insured against or not fully covered through any insurance it maintains. Certain aspects of the security of such technologies are unpredictable or beyond GSI's control, and the failure by mobile technology and cloud service providers to adequately safeguard their systems and prevent cyber attacks could disrupt GSI's operations and result in misappropriation, corruption or loss of confidential and other information. In addition, there is a risk that encryption and other protective measures, despite their sophistication, may be defeated, particularly to the extent that new computing technologies vastly increase the speed and computing power available.

GSI routinely transmits and receives personal, confidential and proprietary information by email and other electronic means. GSI has discussed and worked with clients, vendors, service providers, counterparties and other third parties to develop secure transmission capabilities and protect against cyber attacks, but does not have, and may be unable to put in place, secure capabilities with all of its clients, vendors, service providers, counterparties and other third parties and it may not be able to ensure that these third parties have appropriate controls in place to protect the confidentiality of the information. An interception, misuse or mishandling of personal, confidential or proprietary information being sent to or received from a client, vendor, service provider, counterparty or other third party could result in legal liability, regulatory action and reputational harm.

(xiii) Risks in connection with risk management

GSI seeks to monitor and control its risk exposure through a risk and control framework encompassing a variety of separate, but complementary financial, credit, operational, compliance and legal reporting systems, internal controls, management review processes and other mechanisms. GSI's risk management process seeks to balance its ability to profit from market-making positions and underwriting activities with its exposure to potential losses. Whilst GSI employs a broad and diversified set of risk monitoring and risk mitigation techniques, those techniques and the judgements that accompany their application cannot anticipate every economic and financial outcome or the specifics and timing of such outcomes. Thus, GSI may, in the course of its activities, incur losses. Market conditions in recent years have involved unprecedented dislocations and highlight the limitations inherent in using historical data to manage risk.

The models that GSI uses to assess and control its risk exposures reflect assumptions about the degrees of correlation or lack thereof among prices of various asset classes or other market indicators. In times of market stress or other unforeseen circumstances, such as occurred during 2008 and early 2009, and to some extent since 2011, previously uncorrelated indicators may become correlated, or conversely previously correlated indicators may move in different directions. These types of market movements have at times limited the effectiveness of GSI's hedging strategies and have caused it to incur significant losses, and they may do so in the future. These changes in correlation can be exacerbated where other market participants are using risk or trading models with assumptions or algorithms that are similar to GSI's. In these and other cases, it may be difficult to reduce GSI's risk positions due to the activity of other market participants or widespread market dislocations, including circumstances where asset values are declining significantly or no market exists for certain assets.

In addition, the use of models in connection with risk management and numerous other critical activities presents risks that such models may be ineffective, either because of poor design or ineffective testing, improper or flawed inputs, as well as unpermitted access to such models resulting in unapproved or malicious changes to the model or its inputs.

To the extent that GSI has positions through its market-making or origination activities or it makes investments directly through its investing activities, including private equity, that do not have an established liquid trading market or are otherwise subject to restrictions on sale or hedging, GSI may not be able to reduce its positions and therefore reduce its risk associated with such positions. In addition, to the extent permitted by applicable law and regulation, GSI invests its own capital in private equity, credit, real estate and hedge funds that it manages and limitations on its ability to withdraw some or all of its investments in these funds, whether for legal, reputational or other reasons, may make it more difficult for GSI to control the risk exposures relating to these investments.

Prudent risk management, as well as regulatory restrictions, may cause GSI to limit its exposure to counterparties, geographic areas or markets, which may limit its business opportunities and increase the cost of funding or hedging activities.

(xiv) Risks related to new business initiatives

GSI faces enhanced risks as new business initiatives lead it to transact with a broader array of clients and counterparties and expose it to new asset classes and new markets. A number of GSI's recent and planned business initiatives and expansions of existing businesses may bring it into contact, directly or indirectly, with individuals and entities that are not within GSI's traditional client and counterparty base and expose it to new asset classes and new markets. For example, GSI continues to transact business and invest in new regions, including a wide range of emerging and growth markets.

New business initiatives expose GSI to new and enhanced risks, including risks associated with dealing with governmental entities, reputational concerns arising from dealing with less sophisticated clients, counterparties and investors, greater regulatory scrutiny of these activities, increased credit-related, market, sovereign and operational risks, risks arising from accidents or acts of terrorism, and reputational concerns with the manner in which these assets are being operated or held or in which GSI interacts with these counterparties.

(xv) Risks in connection with operating in multiple jurisdictions

In conducting GSI's businesses and maintaining and supporting its global operations, GSI is subject to risks of possible nationalisation, expropriation, price controls, capital controls, exchange controls and other restrictive governmental actions, as well as the outbreak of hostilities or acts of terrorism. For example, sanctions have been imposed by the U.S. and EU on certain individuals and companies in

Russia. In many countries, the laws and regulations applicable to the securities and financial services industries and many of the transactions in which GSI is involved are uncertain and evolving, and it may be difficult to determine the exact requirements of local laws in every market. Any determination by local regulators that GSI has not acted in compliance with the application of local laws in a particular market or a failure to develop effective working relationships with local regulators could have a significant and negative effect not only on GSI's businesses in that market but also on its reputation generally. Further, in some jurisdictions a failure to comply with laws and regulations may subject GSI and its personnel not only to civil actions but also criminal actions. GSI is also subject to the enhanced risk that transactions it structures might not be legally enforceable in all cases.

The exit of the UK from the EU will likely change the arrangements by which UK firms are able to provide services into the EU which may materially adversely affect the manner in which GSI operates certain of its businesses in Europe and could require GSI to restructure certain of its operations. The outcome of the negotiations between the UK and the EU in connection with Brexit is highly uncertain. Such uncertainty may result in market volatility and may negatively impact the confidence of investors and clients. Additionally, depending on the outcome, Brexit could have a disproportionate effect on GSI's operations in the EU compared to some of GSI's competitors who have more extensive pre-existing operations in the EU outside of the UK.

While business and other practices throughout the world differ, GSI is subject in its operations worldwide to rules and regulations relating to corrupt and illegal payments, hiring practices and money laundering, as well as laws relating to doing business with certain individuals, groups and countries, such as the U.S. Foreign Corrupt Practices Act, the USA PATRIOT Act of 2001 and UK Bribery Act. While GSI has invested and continues to invest significant resources in training and in compliance monitoring, the geographical diversity of its operations, employees, clients and customers, as well as the vendors and other third parties that GSI deals with, greatly increases the risk that GSI may be found in violation of such rules or regulations and any such violation could subject it to significant penalties or adversely affect its reputation.

In addition, there have been a number of highly publicised cases around the world, involving actual or alleged fraud or other misconduct by employees in the financial services industry in recent years, and GSI runs the risk that employee misconduct could occur. This misconduct has included and may include in the future the theft of proprietary information, including proprietary software. It is not always possible to deter or prevent employee misconduct and the precautions taken to prevent and detect this activity have not been and may not be effective in all cases.

(xvi) Risks related to conflicts of interest

A failure to appropriately identify and address potential conflicts of interest could adversely affect GSI's businesses. Due to the broad scope of the Goldman Sachs Group's businesses and client base, GSI regularly addresses potential conflicts of interest, including situations where services to a particular client or the Goldman Sachs Group's own investments or other interests conflict, or are perceived to conflict, with the interests of another client, as well as situations where one or more of its businesses have access to material non-public information that may not be shared with other businesses within the Goldman Sachs Group and situations where it may be a creditor of an entity with which the Goldman Sachs Group also has an advisory or other relationship.

Extensive procedures and controls are in place that are designed to identify and address conflicts of interest, including those designed to prevent the improper sharing of information among businesses. However, appropriately identifying and dealing with conflicts of interest is complex and difficult, and GSI's reputation, which is one of its most important assets, could be damaged and the willingness of clients to enter into transactions with GSI may be affected if it fails, or appears to fail, to identify, disclose and deal appropriately with conflicts of interest. In addition, potential or perceived conflicts could give rise to litigation or regulatory enforcement actions.

(xvii) Risks related to competition

To the extent GSI expands into new business areas and new geographic regions, it will face competitors with more experience and more established relationships with clients, regulators and industry participants in the relevant market, which could adversely affect its ability to expand. Governments and regulators have recently adopted regulations, imposed taxes, adopted compensation restrictions or otherwise put forward various proposals that have or may impact GSI's ability to conduct certain of its businesses in a cost-effective manner or at all in certain or all jurisdictions, including proposals relating to restrictions on the type of activities in which financial institutions are permitted to engage. These or other similar rules, many of which do not apply to all GSI's competitors, could impact its ability to compete effectively.

Pricing and other competitive pressures in GSI's businesses have continued to increase, particularly in situations where some competitors may seek to increase market share by reducing prices. For example, in connection with investment banking and other assignments, GSI has experienced pressure to extend and price credit at levels that may not always fully compensate it for the risks taken.

The financial services industry is highly interrelated in that a significant volume of transactions occur among a limited number of members of that industry. Many transactions are syndicated to other financial institutions and financial institutions are often counterparties in transactions. This has led to claims by other market participants and regulators that such institutions have colluded in order to manipulate markets or market prices, including allegations that antitrust laws have been violated. While GSI has extensive procedures and controls that are designed to identify and prevent such activities, allegations of such activities, particularly by regulators, can have a negative reputational impact and can subject GSI to large fines and settlements, and potentially significant penalties, including treble damages.

(xviii) Risks related to changes in underliers

Certain of GSI's businesses and its funding may be adversely affected by changes in the reference rates, currencies, indexes, baskets, exchange-traded funds ("**ETF**") or other financial metrics (the underlier) to which the products offered by GSI or funding raised by GSI are linked. All of GSI's floating rate funding pays interest by reference to a rate, such as the London Interbank Offered Rate ("**LIBOR**") or Federal Funds. In addition, many of the products that GSI owns or that it offers, such as structured notes, warrants, swaps or security-based swaps, pay interest or determine the principal amount to be paid at maturity or in the event of default by reference to similar rates or by reference to the underlier. In the event that the composition of the underlier is significantly changed, by reference to rules governing such underlier or otherwise, or the underlier ceases to exist (for example, in the event that LIBOR is discontinued, a country withdraws from the Euro or links its currency to or delinks its currency from another currency or benchmark, or an index or ETF sponsor materially alters the composition of an index or ETF), there may be uncertainty as to the calculation of the amounts to be paid to the lender, investor or counterparty, depending on the terms of the governing instrument.

Such changes in an underlier or underliers could result in GSI's hedges being ineffective or otherwise result in losses on a product or having to pay more or receive less on securities that GSI owns or has issued. In addition, such uncertainty could result in lengthy and costly litigation.

(xix) Risks related to personnel

GSI's businesses may be adversely affected if it is unable to hire and retain qualified employees. GSI's performance is largely dependent on the talents and efforts of highly skilled people; therefore, GSI's continued ability to compete effectively in its businesses, to manage its businesses effectively and to expand into new businesses and geographic areas depends on its ability to attract new talented and diverse employees and to retain and motivate existing employees. Factors that affect GSI's ability to attract and retain such employees include compensation and benefits, and a reputation as a successful business with a culture of fairly hiring, training and promoting qualified employees. As a significant portion of the compensation that GSI pays to its employees is paid in the form of year-end discretionary compensation, a significant portion of which is in the form of deferred equity-related awards, declines in the Goldman Sachs Group's profitability, or in the outlook for its future profitability, as well as regulatory limitations on compensation levels and terms, can negatively impact GSI's ability to hire and retain highly qualified employees.

Competition from within the financial services industry and from businesses outside the financial services industry, including the technology industry, for qualified employees has often been intense. Recently, GSI has experienced increased competition in hiring and retaining employees to address the demands of new regulatory requirements and GSI's technology initiatives. This is also the case in emerging and growth markets, where GSI is often competing for qualified employees with entities that have a significantly greater presence or more extensive experience in the region.

Changes in law or regulation in jurisdictions in which GSI's operations are located that affect taxes on GSI's employees' income, or the amount or composition of compensation, may also adversely affect GSI's ability to hire and retain qualified employees in those jurisdictions.

GSI's compensation practices are subject to review by, and the standards of, the PRA and the FCA. As a large financial institution, GSI is subject to limitations on compensation practices (which may or may not affect competitors) by the PRA and the FCA and other regulators worldwide. These limitations, including any imposed by or as a result of future legislation or regulation, may require GSI to alter compensation practices in ways that could adversely affect its ability to attract and retain talented employees.

(xx) Legal Liability

Substantial legal liability or significant regulatory action against GSI could have material adverse financial effects or cause significant reputational harm, which in turn could seriously harm business prospects. GSI faces significant legal risks in its businesses, and the volume of claims and amount of damages and penalties claimed in litigation and regulatory proceedings against financial institutions remain high. GSI is, from time to time, subject to a number of other investigations and reviews by, and in some cases has received requests for documents and information from, various governmental and regulatory bodies and self-regulatory organisations relating to various aspects of GSI's businesses and operations. From experience, legal claims by customers and clients increase in a market downturn and employment-related claims increase following periods of staff reduction. Additionally, governmental entities have been and are plaintiffs in certain of the legal proceedings in which GSI is involved, and it may face future actions or claims by the same or other governmental entities, as well as follow-on civil litigation that is often commenced after regulatory settlements.

Significant settlements by several large financial institutions with governmental entities have been publicly announced. The trend of large settlements with governmental entities may adversely affect the outcomes for other financial institutions in similar actions, especially where governmental officials have announced that the large settlements will be used as the basis or a template for other settlements. The uncertain regulatory enforcement environment makes it difficult to estimate probable losses, which can lead to substantial disparities between legal reserves and subsequent actual settlements or penalties.

GSI is subject to laws and regulations worldwide, including the U.S. Foreign Corrupt Practices Act and the UK Bribery Act, relating to corrupt and illegal payments to, and hiring practices with regard to, government officials and others. Violations of such laws and regulations could result in significant monetary penalties, severe restrictions on GSI's activities and damage to its reputation.

(xxi) Unforeseen or Catastrophic Events

The occurrence of unforeseen or catastrophic events, including the emergence of a pandemic, or other widespread health emergency (or concerns over the possibility of such an emergency), terrorist attacks, extreme terrestrial or solar weather events or other natural disasters, could create economic and financial disruptions, and could lead to operational difficulties (including travel limitations) that could impair GSI's ability to manage its businesses and result in losses.

PERFORMANCE SCENARIOS

THE SCENARIOS AND FIGURES PRESENTED BELOW ARE FOR ILLUSTRATIVE PURPOSES ONLY. THE SETTLEMENT AMOUNT (IF APPLICABLE), THE AUTOMATIC EARLY EXERCISE AMOUNT (IF APPLICABLE) AND THE COUPON AMOUNT (IF APPLICABLE) IN RESPECT OF EACH CERTIFICATE WILL BE CALCULATED IN ACCORDANCE WITH THE TERMS OF THE CERTIFICATES AS SET OUT IN THE TERMS AND CONDITIONS OF THE SECURITIES.

For the purposes of each Performance Scenario:

(i) the Calculation Amount per Certificate is SEK 10,000, and the Issue Price per Certificate (of the Calculation Amount) is assumed to be 100 per cent. of the Calculation Amount; and

(ii) in respect of each Underlying Asset, the Autocall Level is 90 per cent. (90%) of the Asset Initial Price of such Underlying Asset, Coupon Barrier Level is 60 per cent. (60%) of the Asset Initial Price of such Underlying Asset and the Barrier Level is 60 per cent. (60%) of the Asset Initial Price of such Underlying Asset.

For the purposes of these Performance Scenarios only, (i) the Step-Up Coupon Autocall Event Percentage for the first Autocall Observation Date (being the Valuation Date scheduled to fall on May 21, 2019) is deemed to be 0.15, (ii) the Coupon Value is deemed to be 0.04, and (iii) the Final Step-Up Coupon Percentage is deemed to be 0.75. The actual Step-Up Coupon Autocall Event Percentage for the first Autocall Observation Date, the Coupon Value and the Final Step-Up Coupon Percentage will each be determined by the Calculation Agent on or around May 21, 2018 and, in respect of (i) the Step-Up Coupon Autocall Event Percentage for the first Autocall Observation Date may be a lesser or greater amount than 0.15 (but shall not be less than 0.12), (ii) the Coupon Value may be a lesser or greater percentage than 0.04 (but shall not be less than 0.03), and (iii) the Final Step-Up Coupon Percentage may be a lesser or greater percentage than 0.75 (but shall not be less than 0.60). Therefore, as the actual Step-Up Coupon Autocall Event Percentage for the first Autocall Observation Date, the Coupon Value and the Final Step-Up Coupon Percentage may each be lower than the deemed values used for the purposes of these Performance Scenarios, the actual amounts received by investors may be less than the amounts stated in the Scenarios below.

AUTOMATIC EARLY EXERCISE

__Scenario 1 – Automatic Early Exercise but no Coupon Amount:__ ***The Reference Price in respect of each Underlying Asset for the first Autocall Observation Date is greater than or equal to its respective Autocall Level. The Basket Performance for the first Autocall Observation Date is 0.20.***

In this Scenario, the Certificates will be exercised on such Autocall Observation Date, and the Automatic Early Exercise Amount payable per Certificate (of the Calculation Amount) on the Automatic Early Exercise Date immediately following such Autocall Observation Date will be an amount equal to the Autocall Event Amount for the first Autocall Observation Date, i.e., SEK 12,000. No Coupon Amount will be payable on the Coupon Payment Date immediately following such Autocall Observation Date.

__Scenario 2 – Automatic Early Exercise but no Coupon Amount:__ ***The Reference Price in respect of each Underlying Asset for the first Autocall Observation Date is greater than or equal to its respective Autocall Level. The Basket Performance for the first Autocall Observation Date is 0.10.***

In this Scenario, the Certificates will be exercised on such Autocall Observation Date, and the Automatic Early Exercise Amount payable per Certificate (of the Calculation Amount) on the Automatic Early Exercise Date immediately following such Autocall Observation Date will be an amount equal to the Autocall Event Amount for the first Autocall Observation Date, i.e., SEK 11,500. No Coupon Amount will be payable on the Coupon Payment Date immediately following such Autocall Observation Date.

__Scenario 3 – no Automatic Early Exercise but Coupon Amount:__ ***The Reference Price in respect of one Underlying Asset for the first Autocall Observation Date is less than its Autocall Level but greater than or equal to its Coupon Barrier Level 2, and the Reference Price in respect of each other Underlying Asset for such Autocall Observation Date is greater than or equal to its respective Autocall Level.***

In this Scenario, the Certificates will not be exercised on such Autocall Observation Date. A Coupon Amount of four per cent. (4%) of the Calculation Amount, i.e., SEK 400, will be payable per Certificate (of the Calculation Amount) on the Coupon Payment Date immediately following such Autocall Observation Date.

Scenario 4 – no Automatic Early Exercise and no Coupon Amount: ***The Reference Price in respect of one Underlying Asset for the first Autocall Observation Date is less than its Coupon Barrier Level 2 and the Reference Price in respect of each other Underlying Asset for such Autocall Observation Date is greater than or equal to its respective Coupon Barrier Level.***

In this Scenario, the Certificates will not be exercised on such Autocall Observation Date and no Coupon Amount will be payable on the Coupon Payment Date immediately following such Autocall Observation Date.

SETTLEMENT AMOUNT

Scenario 5 – positive scenario but no Coupon Amount: ***The Certificates have not been exercised on an Applicable Date, and the Final Closing Price in respect of each Underlying Asset is 90 per cent. (90%) or more of its respective Asset Initial Price. The Final Basket Performance is 0.80.***

In this Scenario, the Certificates will be redeemed on the Maturity Date and the Settlement Amount payable per Certificate (of the Calculation Amount) will be an amount equal to the *product* of (i) the Calculation Amount, *multiplied* by (ii) the Trigger Percentage, i.e., SEK 18,000. No Coupon Amount will be payable per Certificate (of the Calculation Amount) on the Coupon Payment Date falling on the Maturity Date.

Scenario 6 – positive scenario but no Coupon Amount: ***The Certificates have not been exercised on an Applicable Date, and the Final Closing Price in respect of each Underlying Asset is 90 per cent. (90%) or more of its respective Asset Initial Price. The Final Basket Performance is 0.70.***

In this Scenario, the Certificates will be redeemed on the Maturity Date and the Settlement Amount payable per Certificate (of the Calculation Amount) will be an amount equal to the *product* of (i) the Calculation Amount, *multiplied* by (ii) the Trigger Percentage, i.e., SEK 17,500. No Coupon Amount will be payable per Certificate (of the Calculation Amount) on the Coupon Payment Date falling on the Maturity Date.

Scenario 7 – neutral scenario plus Coupon Amount: ***The Certificates have not been exercised on an Applicable Date, the Final Closing Price in respect of one Asset is 89 per cent. (89%) of its Asset Initial Price and the Final Closing Price in respect of each other Asset is 90 per cent. (90%) or more of its respective Asset Initial Price.***

In this Scenario, the Certificates will be redeemed on the Maturity Date and the Settlement Amount payable per Certificate (of the Calculation Amount) will be 100 per cent. (100%) of the Calculation Amount, i.e., SEK 10,000. Additionally, a Coupon Amount of SEK 400 will be payable per Certificate (of the Calculation Amount) on the Coupon Payment Date falling on the Maturity Date.

Scenario 8 – negative scenario and no Coupon Amount: ***The Certificates have not been exercised on an Applicable Date, the Final Closing Price in respect of one Asset is 59 per cent. (59%) of its Asset Initial Price and the Final Closing Price in respect of each other Asset is 60 per cent. (60%) or more of its respective Asset Initial Price.***

In this Scenario, the Certificates will be redeemed on the Maturity Date and the Settlement Amount payable per Certificate (of the Calculation Amount) will be 59 per cent. (59%) of the Calculation Amount, i.e., SEK 5,900. No Coupon Amount will be payable on the Coupon Payment Date falling on the Maturity Date. **In this Scenario, an investor who purchased the Certificates at the Issue Price will sustain a substantial loss of the amount invested in the Certificates.**

Scenario 9 – negative scenario and no Coupon Amount: ***The Certificates have not been exercised on an Applicable Date, the Final Closing Price in respect of one Asset is zero per cent. (0%) of its Asset Initial Price and the Final Closing Price in respect of each other Asset is 60 per cent. (60%) or more of its respective Asset Initial Price.***

In this Scenario, the Certificates will be redeemed on the Maturity Date and the Settlement Amount payable per Certificate (of the Calculation Amount) will be zero per cent. (0%) of the Calculation Amount, i.e., zero. No Coupon Amount will be payable on the Coupon Payment Date falling on the Maturity Date. **In this Scenario, an investor will sustain a total loss of the amount invested in the Certificates (other than any Coupon**

Amounts, if applicable).

DOCUMENTS INCORPORATED BY REFERENCE

This Prospectus should be read and construed in conjunction with the documents incorporated by reference into this Prospectus. The information contained in the following documents (other than any documents which are incorporated by reference into such following documents) is hereby incorporated by reference into this Prospectus and deemed to form a part of this Prospectus:

(i) the base prospectus dated November 15, 2017 relating to issues of non-equity securities under the Programme by Goldman Sachs International and Goldman Sachs & Co. Wertpapier GmbH (the "**Original Base Prospectus**");

(ii) Supplement No. 3 to the Original Base Prospectus dated March 9, 2018 ("**Base Prospectus Supplement No. 3**" and the Original Base Prospectus as so supplemented, the "**Base Prospectus**");

(iii) Supplement No. 4 to the Original Base Prospectus dated March 28, 2018 ("**Base Prospectus Supplement No. 4**" and the Original Base Prospectus as so supplemented, the "**Base Prospectus**");

(iv) the Annual Report for the fiscal year ended December 31, 2016 of GSI ("**GSI's 2016 Annual Report**"), containing, in Part II, the Directors' Report and Audited Financial Statements of GSI for the period ended December 31, 2016 ("**GSI's 2016 Financial Statements**");

(v) the Annual Report for the fiscal year ended December 31, 2015 of GSI ("**GSI's 2015 Annual Report**"), containing, in Part II, the Directors' Report and Audited Financial Statements of GSI for the period ended December 31, 2015 ("**GSI's 2015 Financial Statements**");

(vi) the Current Report on Form 8-K dated September 12, 2017 of The Goldman Sachs Group, Inc. ("**GSG's September 12, 2017 Form 8-K**"), including Exhibit 99.1 ("**Exhibit 99.1 to GSG's September 12, 2017 Form 8-K**"), as filed with the U.S. Securities and Exchange Commission on September 12, 2017;

(vii) the Unaudited Quarterly Financial Report of GSI for the period ended September 30, 2017 ("**GSI's 2017 Third Quarter Financial Report**"), containing, in Part II, the Unaudited Financial Statements of GSI for the period ended September 30, 2017 ("**GSI's 2017 Third Quarter Financial Statements**");

(viii) the Current Report on Form 8-K dated December 28, 2017 of The Goldman Sachs Group, Inc. ("**GSG's December 28, 2017 Form 8-K**") as filed with the SEC on December 28, 2017;

(ix) the report on the Regulatory Ratios of Goldman Sachs International for the fiscal quarter ended December 31, 2017 ("**GSI's Regulatory Ratios, December 31, 2017**"); and

(x) the Annual Report for the fiscal year ended December 31, 2017 of GSI ("**GSI's 2017 Annual Report**") containing, in Part II, the Directors' Report and Audited Financial Statements of GSI for the period ended December 31, 2017 ("**GSI's 2017 Financial Statements**").

The table below sets out the relevant page references for the information incorporated into this Prospectus by reference. The information incorporated by reference that is not included in the cross-reference list is considered as additional information and is not required by the relevant schedules of Commission Regulation (EC) No. 809/2004 (as amended). Information not incorporated by reference is not relevant for the investor or are covered in other parts of this Prospectus.

The Luxembourg Stock Exchange will publish such documents on its website at www.bourse.lu.

Information incorporated by reference	**Page reference**
From the Base Prospectus	

From Base Prospectus Supplement No. 3

From Base Prospectus Supplement No. 4

From GSI's 2017 Annual Report

From GSI's 2016 Annual Report

From GSI's 2015 Annual Report

From GSG's September 12, 2017 Form 8-K*

From GSI's 2017 Third Quarter Financial Report

From GSG's December 28, 2017 Form 8-K*

From GSI's Regulatory Ratios, December 31, 2017

* The reference to "paragraph 3 of the Memorandum of Association of GSI" in the sixth paragraph under the heading, *General Information on Goldman Sachs International*, on page 631 of the Base Prospectus shall be deleted and replaced with "Article 2 of the Articles of Association of GSI dated February 20, 2017".

** The page numbers referenced above in relation to the GSG's September 12, 2017 Form 8-K relate to the order in which the pages appear in the PDF version of such document.

Additional information relating to "Alternative Performance Measures" (as defined in the Guidelines published by the European Securities and Markets Authority) contained in GSI's 2015 Annual Report is set out in the section "Alternative Performance Measures" on pages 720 and 721 of the Base Prospectus, which is incorporated by reference into this Prospectus.

GSI will provide without charge to each person to whom this Prospectus is delivered, upon his or her written or oral request, a copy of the documents referred to above which has been incorporated by reference into this Prospectus, excluding exhibits to the documents unless they are specifically incorporated by reference into the documents. Investors can request the documents from Investor Relations, 200 West Street, New York, New York 10282, USA, telephone +1 (212) 902-0300. This Prospectus has been filed with the Commission de Surveillance du Secteur Financier, and will be published on the website of the Luxembourg Stock Exchange (www.bourse.lu).

CONTRACTUAL TERMS

ISIN: SE0010948869

Valoren: 40796672

PIPG Tranche Number: 100279

The terms and conditions ("**Conditions**") of the Securities shall comprise (i) the General Instrument Conditions as completed and/or amended by (ii) the terms of the Payout Conditions specified to be applicable by these Contractual Terms, (iii) the terms of the Coupon Payout Conditions specified to be applicable by these Contractual Terms, (iv) the terms of the Autocall Payout Conditions specified to be applicable by these Contractual Terms, (v) the terms of the relevant Underlying Asset Conditions specified to be applicable by these Contractual Terms, as further completed and/or amended by (vi) these Contractual Terms, which shall include the Additional Definitions in the Annex to this Prospectus. In the event of any inconsistency between the General Instrument Conditions and the applicable Underlying Asset Conditions, the latter shall prevail; in the event of any inconsistency between the applicable Underlying Asset Conditions or the General Instrument Conditions and the Autocall Payout Conditions, the Coupon Payout Conditions and the Payout Conditions, the Autocall Payout Conditions, the Coupon Payout Conditions and the Payout Conditions shall prevail; in the event of any inconsistency between the General Instrument Conditions as completed and/or amended by the Autocall Payout Conditions, the Coupon Payout Conditions and the Payout Conditions and applicable Underlying Asset Conditions and these Contractual Terms, these Contractual Terms shall prevail. All references in the General Instrument Conditions and the applicable Underlying Asset Conditions to "Final Terms" shall be deemed to be references to these Contractual Terms.

The General Instrument Conditions, the Autocall Payout Conditions, the Coupon Payout Conditions and the Payout Conditions and applicable Underlying Asset Conditions are incorporated by reference herein: see "Documents Incorporated by Reference" above.

See "*Other Information – United States Tax Considerations – Section 871(m) Withholding Tax*" below, for an indication of whether the Securities are subject to Section 871(m) of the U.S. Internal Revenue Code of 1986, as amended.

Terms used herein shall be deemed to be defined as such for the purposes of the General Instrument Conditions as completed and/or amended by the Coupon Payout Conditions, the Autocall Payout Conditions and the Payout Conditions and the applicable Underlying Asset Conditions set forth in the Base Prospectus.

1.	**Tranche Number:**	One.
2.	**Settlement Currency:**	Swedish Krona ("**SEK**").
3.	**Aggregate Amount of Certificates in the Series:**	
	(i) Series:	Up to SEK 100,000,000.
	(ii) Tranche:	Up to SEK 100,000,000. The final Aggregate Amount to be issued under this Tranche will be determined by the Issuer on or around the Initial Valuation Date (scheduled to fall on May 21, 2018) and published on the website of the Issuer (*www.gspip.info*) on or around the Issue Date.

	(iii)	Trading in Nominal:	Applicable.
4.	**Issue Price:**		100 per cent. (100%) of the Aggregate Amount.
5.	**Calculation Amount:**		SEK 10,000.
6.	**Issue Date:**		June 12, 2018.
7.	**Maturity Date:**		Scheduled Maturity Date is June 13, 2023.
	(i)	Strike Date:	Not Applicable.
	(ii)	Relevant Determination Date (General Instrument Condition 2(a)):	Latest Reference Date in respect of the Final Reference Date.
	(iii)	Scheduled Determination Date:	Not Applicable.
	(iv)	First Maturity Date Specific Adjustment:	Not Applicable.
	(v)	Second Maturity Date Specific Adjustment:	Applicable.
		- Specified Day(s) for the purposes of "Second Maturity Date Specific Adjustment":	15 Business Days.
		- Maturity Date Business Day Convention for the purposes of the "Second Maturity Date Specific Adjustment":	Following Business Day Convention.
	(vi)	Business Day Adjustment:	Not Applicable.
	(vii)	American Style Adjustment:	Not Applicable.
8.	**Underlying Asset(s):**		The Shares (as defined below).

VALUATION PROVISIONS

9.	**Valuation Date(s):**		May 21, 2019, May 22, 2020, May 21, 2021, May 23, 2022 and May 22, 2023.
	–	Final Reference Date:	The Valuation Date scheduled to fall on May 22, 2023.
10.	**Entry Level Observation Dates:**		Not Applicable.
11.	**Initial Valuation Date:**		May 21, 2018.
12.	**Averaging:**		Not Applicable.
13.	**Asset Initial Price:**		In respect of each Underlying Asset, the Initial Closing Price of such Underlying Asset.

14.	**Adjusted Asset Final Reference Date:**	Not Applicable.
15.	**Adjusted Asset Initial Reference Date:**	Not Applicable.
16.	**FX (Final) Valuation Date:**	Not Applicable.
17.	**FX (Initial) Valuation Date:**	Not Applicable.
18.	**Final FX Valuation Date:**	Not Applicable.
19.	**Initial FX Valuation Date:**	Not Applicable.

COUPON PAYOUT CONDITIONS

20.	**Coupon Payout Conditions:**	Applicable.
21.	**Interest Basis:**	Conditional Coupon.
22.	**Interest Commencement Date:**	Not Applicable.
23.	**Fixed Rate Instrument Conditions (General Instrument Condition 11):**	Not Applicable.
24.	**BRL FX Conditions (Coupon Payout Condition 1.1(c)):**	Not Applicable.
25.	**FX Security Conditions (Coupon Payout Condition 1.1(d)):**	Not Applicable.
26.	**Floating Rate Instrument Conditions (General Instrument Condition 12):**	Not Applicable.
27.	**Change of Interest Basis (General Instrument Condition 13):**	Not Applicable.
28.	**Conditional Coupon (Coupon Payout Condition 1.3):**	Applicable.
	(i) Coupon Payment Event:	Applicable, for the purposes of the definition of "Coupon Payment Event" in the Coupon Payout Conditions, Coupon Barrier Reference Value less than Coupon Barrier Level 1 and greater than or equal to Coupon Barrier Level 2 is applicable in respect of each Coupon Observation Date.
	(ii) Coupon Barrier Reference Value:	Coupon Barrier Closing Price.
	(iii) Coupon Barrier Level:	
	(a) Coupon Barrier Level 1:	In respect of each Underlying Asset and each Coupon Observation Date, 90 per cent. of the Asset Initial Price of such Underlying Asset.
	(b) Coupon Barrier Level 2:	In respect of each Underlying Asset and each Coupon Observation Date, 60 per cent. of the Asset Initial Price of such Underlying Asset.

(iv)	Coupon Observation Date:	Each date set forth in the Contingent Coupon Table in the column entitled "Coupon Observation Date".
(v)	Memory Coupon:	Not Applicable.
(vi)	Coupon Value:	In respect of each Coupon Observation Date, an amount as determined by the Calculation Agent on or around May 21, 2018 based on market conditions and which is specified in a notice published by the Issuer on or around the Issue Date. As of the date of this Prospectus, the Coupon Value for each Coupon Observation Date is indicatively set at 0.04, but which may be a lesser or greater amount provided that it will not be less than 0.03.
(vii)	Coupon Payment Date:	In respect of a Coupon Observation Date, the date set forth in the Contingent Coupon Table in the column entitled "Coupon Payment Date" in the row corresponding to such Coupon Observation Date.
(a)	First Coupon Payment Date Specific Adjustment:	Not Applicable.
(b)	Second Coupon Payment Date Specific Adjustment:	Applicable in respect of each Coupon Payment Date set forth in the Contingent Coupon Table in respect of which the column "Adjusted as a Coupon Payment Date" is specified to be applicable.
−	Specified Number of Business Day(s) for the purposes of "Second Coupon Payment Date Specific Adjustment":	15 Business Days.
−	Relevant Coupon Payment Determination Date:	The Latest Reference Date in respect of the relevant Coupon Observation Date.

Contingent Coupon Table		
Coupon Observation Date	**Coupon Payment Date**	**Adjusted as a Coupon Payment Date**
The Valuation Date scheduled to fall on May 21, 2019	June 13, 2019	Applicable
The Valuation Date scheduled to fall on May 22, 2020	June 12, 2020	Applicable
The Valuation Date scheduled to fall on May 21, 2021	June 11, 2021	Applicable
The Valuation Date scheduled to fall on May 23, 2022	June 15, 2022	Applicable
Final Reference Date	Maturity Date	Not Applicable

29. **Range Accrual Coupon (Coupon Payout Condition 1.4):** Not Applicable.

AUTOCALL PAYOUT CONDITIONS

30. **Automatic Early Exercise (General Instrument Condition 15):** Applicable.

(i) Applicable Date(s): Each Autocall Observation Date.

(ii) Automatic Early Exercise Date(s): Each date set forth in the Autocall Table in the column entitled "Automatic Early Exercise Date(s)".

(a) First Automatic Early Exercise Date Specific Adjustment: Not Applicable.

(b) Second Automatic Early Exercise Date Specific Adjustment: Applicable.

– Automatic Early Exercise Specified Day(s) for the purposes of "Second Automatic Early Exercise Date Specific Adjustment": 15 Business Days.

– Relevant Automatic Early Exercise Determination Date: The Latest Reference Date in respect of the Applicable Date corresponding to such Scheduled Automatic Early Exercise Date.

(iii) Automatic Early Exercise Amount(s): In respect of each Applicable Date, the Autocall Event Amount corresponding to such Applicable Date.

31. **Autocall Payout Conditions:** Applicable.

(i) Autocall Event: Applicable, for the purposes of the definition of "Autocall Event" in the Autocall Payout Conditions, Autocall Reference Value greater than or equal to the Autocall Level is applicable in respect of each Autocall Observation Date.

– No Coupon Amount payable following Autocall Event: Applicable.

(ii) Autocall Reference Value: Autocall Closing Price.

(iii) Autocall Level: In respect of each Autocall Observation Date and each Underlying Asset, 90 per cent. of the Asset Initial Price of such Underlying Asset.

(iv) Autocall Observation Date: Each date set forth in the Autocall Table in the column entitled "Autocall Observation Date".

(v) Autocall Event Amount: As defined in the Additional Definitions in the Annex.

AUTOCALL TABLE		
Autocall Observation Date	**Automatic Early Exercise Date**	**Step-Up Coupon Autocall Event Percentage**
The Valuation Date scheduled to fall on May 21, 2019	June 13, 2019	An amount as determined by the Calculation Agent on or

		around May 21, 2018 based on market conditions and which is specified in a notice published by the Issuer on or around the Issue Date. As of the date of this Prospectus, the Step-Up Coupon Autocall Event Percentage for the Valuation Date scheduled to fall on May 21, 2019 is indicatively set at 0.15, but which may be a lesser or greater amount provided that it will not be less than 0.12.
The Valuation Date scheduled to fall on May 22, 2020	June 12, 2020	An amount as determined by the Calculation Agent on or around May 21, 2018 based on market conditions and which is specified in a notice published by the Issuer on or around the Issue Date. As of the date of this Prospectus, the Step-Up Coupon Autocall Event Percentage for the Valuation Date scheduled to fall on May 22, 2020 is indicatively set at 0.30, but which may be a lesser or greater amount provided that it will not be less than 0.24.
The Valuation Date scheduled to fall on May 21, 2021	June 11, 2021	An amount as determined by the Calculation Agent on or around May 21, 2018 based on market conditions and which is specified in a notice published by the Issuer on or around the Issue Date. As of the date of this Prospectus, the Step-Up Coupon Autocall Event Percentage for the Valuation Date scheduled to fall on May 21, 2021 is indicatively set at 0.45, but which may be a lesser or greater amount provided that it will not be less than 0.36.
The Valuation Date scheduled to fall on May 23, 2022	June 15, 2022	An amount as determined by the Calculation Agent on or around May 21, 2018 based on market conditions and which is specified in a notice published by the Issuer on or around the Issue Date. As of the date of this Prospectus, the Step-Up Coupon Autocall Event Percentage for the Valuation Date scheduled to fall on May 23, 2022 is indicatively set at 0.60, but which may be a lesser or greater amount provided that it will not be less than 0.48.

SETTLEMENT AMOUNT AND PAYOUT CONDITIONS

32. **Settlement:**	Cash Settlement is applicable.
33. **Single Limb Payout (Payout Condition 1.1):**	Not Applicable.
34. **Multiple Limb Payout (Payout Condition 1.2):**	Applicable.
(i) **Trigger Event (Payout Condition 1.2(a)(i))**:	Applicable.
(a) Trigger Payout 1:	Applicable.
– Trigger Percentage:	As defined in the Additional Definitions in the Annex.
(b) Trigger Payout 2:	Not Applicable.
(c) Trigger Cap:	Not Applicable.
(d) Trigger Floor:	Not Applicable.
(ii) **Payout 1 (Payout Condition 1.2(b)(i)(A))**:	Applicable.
– Redemption Percentage:	100 per cent. (100%).
(iii) **Payout 2 (Payout Condition 1.2(b)(i)(B)):**	Not Applicable.
(iv) **Payout 3 (Payout Condition 1.2(b)(i)(C)):**	Not Applicable.
(v) **Payout 4 (Payout Condition 1.2(b)(i)(D)):**	Not Applicable.
(vi) **Payout 5 (Payout Condition 1.2(b)(i)(E)):**	Not Applicable.
(vii) **Payout 6 (Payout Condition 1.2(b)(i)(F)):**	Not Applicable.
(viii) **Payout 7 (Payout Condition 1.2(b)(i)(G)):**	Not Applicable.
(ix) **Payout 8 (Payout Condition 1.2(b)(i)(H)):**	Not Applicable.
(x) **Downside Cash Settlement (Payout Condition 1.2(c)(i)(A))**:	Applicable, for the purpose of Payout Condition 1.2(c)(i)(A), Worst of Basket is applicable.
(a) Minimum Percentage:	Not Applicable.

	(b)	Final Value:	Final Closing Price.
	(c)	Initial Value:	100 per cent. of the Initial Closing Price.
	(d)	Downside Cap:	Not Applicable.
	(e)	Downside Floor:	Not Applicable.
	(f)	Final/Initial (FX):	Not Applicable.
	(g)	Asset FX:	Not Applicable.
	(h)	Buffer Level:	Not Applicable.
	(xi)	**Downside Physical Settlement (Payout Condition 1.2(c)(ii)):**	Not Applicable.
35.	**Warrants Payout (Payout Condition 1.3):**		Not Applicable.
36.	**Barrier Event Conditions (Payout Condition 2):**		Applicable.
	(i)	Barrier Event:	Applicable, for the purposes of the definition of "Barrier Event" in the Payout Conditions, Barrier Reference Value less than the Barrier Level is applicable.
	(ii)	Barrier Reference Value:	Barrier Closing Price.
	(iii)	Barrier Level:	In respect of each Underlying Asset, 60 per cent. (60%) of the Asset Initial Price.
	(iv)	Barrier Observation Period:	Not Applicable.
	(v)	Lock-In Event Condition:	Not Applicable.
37.	**Trigger Event Conditions (Payout Condition 3):**		Applicable.
	(i)	Trigger Event:	Applicable, for the purposes of the definition of "Trigger Event" in the Payout Conditions, Trigger Reference Value less than the Trigger Level is applicable.
	(ii)	Trigger Reference Value:	Trigger Closing Price.
	(iii)	Trigger Level:	In respect of each Underlying Asset, 90 per cent. of the Asset Initial Price.
	(iv)	Trigger Observation Period:	Not Applicable.
38.	**Currency Conversion:**		Not Applicable.
39.	**Physical Settlement (General Instrument Condition 7(e)):**		Not Applicable.
40.	**Non-scheduled Early Repayment**		Fair Market Value.

Amount:

– Adjusted for any reasonable expenses and costs:	Applicable.

EXERCISE PROVISIONS

41.	**Exercise Style of Certificates (General Instrument Condition 7):**	The Certificates are European Style Instruments. General Instrument Condition 7(b) is applicable.
42.	**Exercise Period:**	Not Applicable.
43.	**Specified Exercise Dates:**	Not Applicable.
44.	**Expiration Date:**	If: (i) an Automatic Early Exercise Event does not occur on any Applicable Date, the Latest Reference Date in respect of the Final Reference Date; or (ii) an Automatic Early Exercise Event occurs on any Applicable Date, the Latest Reference Date in respect of such Applicable Date.
	– Expiration Date is Business Day Adjusted:	Not Applicable.
45.	**Redemption at the option of the Issuer (General Instrument Condition 16):**	Not Applicable.
46.	**Automatic Exercise (General Instrument Condition 8(c)):**	The Certificates are Automatic Exercise Instruments – General Instrument Condition 8(c) is applicable.
47.	**Minimum Exercise Number (General Instrument Condition 10(a)):**	Not Applicable.
48.	**Permitted Multiple (General Instrument Condition 10(a)):**	Not Applicable.
49.	**Maximum Exercise Number:**	Not Applicable.
50.	**Strike Price:**	Not Applicable.
51.	**Closing Value:**	Not Applicable.

SHARE LINKED INSTRUMENT / INDEX LINKED INSTRUMENT / COMMODITY LINKED INSTRUMENT / FX LINKED INSTRUMENT / INFLATION LINKED INSTRUMENT / MULTI-ASSET BASKET LINKED INSTRUMENT

52.	**Type of Certificates:**	The Certificates are Share Linked Instruments – the Share Linked Conditions are applicable.

UNDERLYING ASSET TABLE

Underlying Asset	Bloomberg / Reuters	ISIN	Exchange
Telefonaktiebolaget LM Ericsson AB	ERICB SS <Equity> / ERICb.ST	SE0000108656	NASDAQ OMX Stockholm Stock Exchange
ThyssenKrupp AG	TKA GY <Equity> / TKAG.DE	DE0007500001	XETRA
Metso Oyj	METSO FH <Equity> / METSO.HE	FI0009007835	OMX-Helsinki Stock Exchange
Autoliv Inc	ALIV SS <Equity> / ALIVsdb.ST	SE0000382335	NASDAQ OMX Stockholm Stock Exchange

53. **Share Linked Instruments:** Applicable.

(i) Single Share or Share Basket or Multi-Asset Basket: Share Basket.

(ii) Name of Share(s): As specified in the column entitled "Underlying Asset" in the Underlying Asset Table (the "**Shares**").

(iii) Exchange(s): In respect of each Share, as specified in the column entitled "Exchange" in the Underlying Asset Table.

(iv) Related Exchange(s): In respect of each Share, All Exchanges.

(v) Options Exchange: In respect of each Share, Related Exchange.

(vi) Valuation Time: Default Valuation Time.

(vii) Single Share and Reference Dates - Consequences of Disrupted Days: Not Applicable.

(viii) Single Share and Averaging Reference Dates - Consequences of Disrupted Days: Not Applicable.

(ix) Share Basket and Reference Dates - Basket Valuation (Individual Scheduled Trading Day and Individual Disrupted Day): Not Applicable.

(x) Share Basket and Averaging Reference Dates – Basket Valuation (Individual Scheduled Trading Day and Individual Disrupted Day): Not Applicable.

(xi) Share Basket and Reference Dates – Basket Valuation (Common Scheduled Trading Day but Individual Disrupted Day): Applicable in respect of each Reference Date - as specified in Share Linked Condition 1.5.

(a) Maximum Days of As specified in Share Linked Condition 7.

	Disruption:	
	(b) No Adjustment:	Not Applicable.
(xii)	Share Basket and Averaging Reference Dates – Basket Valuation (Common Scheduled Trading Day but Individual Disrupted Day):	Not Applicable.
(xiii)	Share Basket and Reference Dates – Basket Valuation (Common Scheduled Trading Day and Common Disrupted Day):	Not Applicable.
(xiv)	Share Basket and Averaging Reference Dates – Basket Valuation (Common Scheduled Trading Day and Common Disrupted Day):	Not Applicable.
(xv)	Fallback Valuation Date:	Not Applicable.
(xvi)	Change in Law:	Applicable.
(xvii)	Extraordinary Event - Share Substitution:	Applicable.
(xviii)	Correction of Share Price:	Applicable.
(xix)	Correction Cut-off Date:	Applicable. In respect of each Share and each Reference Date, seven Business Days.
(xx)	Depositary Receipts Provisions:	Not Applicable.

54.	**Index Linked Instruments:**	Not Applicable.
55.	**Commodity Linked Instruments (Single Commodity or Commodity Basket):**	Not Applicable.
56.	**Commodity Linked Instruments (Single Commodity Index or Commodity Index Basket):**	Not Applicable.
57.	**FX Linked Instruments:**	Not Applicable.
58.	**Inflation Linked Instruments:**	Not Applicable.
59.	**Multi-Asset Basket Linked Instruments:**	Not Applicable.

GENERAL PROVISIONS APPLICABLE TO THE CERTIFICATES

60.	**FX Disruption Event/CNY FX Disruption Event/Currency Conversion Disruption Event (General**	Not Applicable.

	Instrument Condition 14):	
61.	**Rounding (General Instrument Condition 24):**	
	(i) Non-Default Rounding − calculation values and percentages:	Not Applicable.
	(ii) Non-Default Rounding − amounts due and payable:	Not Applicable.
	(iii) Other Rounding Convention:	Not Applicable.
62.	**Additional Business Centre(s):**	TARGET and Stockholm.
	− Non-Default Business Day:	Applicable.
63.	**Principal Financial Centre:**	Not Applicable.
64.	**Form of Certificates:**	Euroclear Sweden Registered Instruments.
65.	**Minimum Trading Number (General Instrument Condition 5(b)):**	One Certificate (of the Calculation Amount).
66.	**Permitted Trading Multiple (General Instrument Condition 5(b)):**	One Certificate (of the Calculation Amount).
67.	**Calculation Agent (General Instrument Condition 19):**	Goldman Sachs International.

DISTRIBUTION

68.	**Method of distribution:**	Non-syndicated.
	(i) If syndicated, names and addresses of Managers and underwriting commitments:	Not Applicable.
	(ii) Date of Subscription Agreement:	Not Applicable.
	(iii) If non-syndicated, name and address of Dealer:	Goldman Sachs International, Peterborough Court, 133 Fleet Street, London EC4A 2BB, England.
69.	**Non-exempt Offer:**	An offer of the Certificates may be made by the placers other than pursuant to Article 3(2) of the Prospectus Directive in the Kingdom of Sweden (the "**Public Offer Jurisdiction**") during the period from (and including) April 5, 2018 to (and including) May 14, 2018 (the "**Offer Period**"). See further paragraph entitled "Terms and Conditions of the Offer" below.
70.	**Prohibition of Sales to EEA Retail Investors:**	Not Applicable.

Signed on behalf of Goldman Sachs International:

By: ....

Duly authorised

OTHER INFORMATION

1.	**LISTING AND ADMISSION TO TRADING**	Application will be made by the Issuer (or on its behalf) for the Certificates to be listed on the Official List and admitted to trading on the regulated markets of the NASDAQ OMX Stockholm Stock Exchange and the Luxembourg Stock Exchange with effect from, at the earliest, the Issue Date. No assurances can be given that such application for listing and admission to trading will be granted (or, if granted, will be granted by the Issue Date). The Issuer has no duty to maintain the listing (if any) of the Certificates on the relevant stock exchange(s) over their entire lifetime. The Certificates may be suspended from trading and/or de-listed at any time in accordance with applicable rules and regulations of the relevant stock exchange(s).
2.	**LIQUIDITY ENHANCEMENT AGREEMENTS**	Not Applicable.
3.	**RATINGS**	Not Applicable.

4. **INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE OFFER**

A selling commission of up to 6.00 per cent. (6.00%) of the Aggregate Amount has been paid to the Distributor in respect of this offer.

Save as stated above and as discussed in the risk factor, "Risks associated with conflicts of interest between Goldman Sachs and purchasers of Securities", so far as the Issuer is aware, no person involved in the offer of the Certificates has an interest material to the offer.

5. **REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES**

(i)	Reasons for the offer:	The net proceeds from the issue of the Securities will be used in the general business of the Issuer, i.e., for making profit and/or hedging certain risks.
(ii)	Estimated net proceeds:	Not Applicable.
(iii)	Estimated total expenses:	Not Applicable.

6. **PERFORMANCE AND VOLATILITY OF THE UNDERLYING ASSET**

Details of the past and further performance and volatility of each Underlying Asset may be obtained from Bloomberg and Reuters. However, past performance is not indicative of future performance.

See the section entitled "*Performance Scenarios*" above for examples of the potential return on the Securities in various hypothetical scenarios.

7. **OPERATIONAL INFORMATION**

Any Clearing System(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking, société anonyme and the relevant identification number(s):	Euroclear Sweden.
Delivery:	Delivery against payment.
Names and addresses of additional Paying Agent(s) (if any):	Not Applicable.
Operational contact(s) for Principal Programme Agent:	eq-sd-operations@gs.com.

8. **TERMS AND CONDITIONS OF THE OFFER**

Offer Period:	An offer of the Certificates will be made by the placers other than pursuant to Article 3(2) of the Prospectus Directive in the Public Offer Jurisdiction during the period from (and including) April 5, 2018 to (and including) May 14, 2018.
Offer Price:	Issue Price.
Conditions to which the offer is subject:	The offer of the Certificates for sale to the public in the Public Offer Jurisdiction is subject to the relevant regulatory approvals having been granted, and the Certificates being issued. The Offer Period is subject to adjustment by or on behalf of the Issuer in accordance with the applicable regulations and any adjustments to such period will be published by way of notice which will be available on the website of the Issuer (*www.gspip.info*). The offer of the Certificates may be withdrawn in whole or in part at any time before the Issue Date at the discretion of the Issuer.
Description of the application process:	The subscription forms will be collected by the distributor either directly from end investors or via brokers who are allowed to collect forms on behalf of the distributor. There is no preferential subscription right for this offer.
Description of possibility to reduce subscriptions and manner for refunding excess amount paid by applicants:	Not Applicable.
Details of the minimum and/or maximum amount of application:	The minimum amount of application per investor will be one Certificate (of the Calculation Amount) of the Securities. The maximum amount of application will be subject

	only to availability at the time of application.
Details of the method and time limits for paying up and delivering the Certificates:	Each subscriber shall pay the Issue Price to the relevant Distributor who shall pay the Issue Price reduced by the selling commission to the Issuer. The delivery of the subscribed Securities will be done after the Offer Period on the Issue Date.
Manner in and date on which results of the offer are to be made public:	The results of the offer will be filed with the *Commission de Surveillance du Secteur Financier* (CSSF) and published on the websites of the Luxembourg Stock Exchange (*www.bourse.lu*) and the Issuer (*www.gspip.info*) at or around the Issue Date.
Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised:	Not Applicable.
Whether tranche(s) have been reserved for certain countries:	The Certificates will be offered to the public in the Public Offer Jurisdiction. Offers may only be made by offerors authorised to do so in the Public Offer Jurisdiction. Neither the Issuer nor the Dealer has taken or will take any action specifically in relation to the Certificates referred to herein to permit a public offering of such Certificates in any jurisdiction other than the Public Offer Jurisdiction. In other EEA countries, offers will only be made pursuant to an exemption from the obligation under the Prospectus Directive as implemented in such countries to publish a prospectus. Notwithstanding anything else in the Base Prospectus, the Issuer will not accept responsibility for the information given in this Prospectus in relation to offers of Certificates made by an offeror not authorised by the Issuer to make such offers.
Process for notification to applicants of the amount allotted and the indication whether dealing may begin before notification is made:	Allocation of Securities is simultaneous with the acceptance of the offer by each individual investor and subject to (i) the availability of funds in his or her account for the total amount invested and (ii) the total amount for which acceptances have been received not exceeding the maximum Aggregate Amount of Certificates in the Series.
Amount of any expenses and taxes specifically charged to the subscriber or purchaser:	There are no expenses specifically charged to the subscriber or purchaser other than that specified in the

	following paragraph. The Issue Price of 100 per cent. (100%) of the Aggregate Amount includes a selling commission of up to 6.00 per cent. (6.00%) of the Aggregate Amount which has been paid by the Issuer. Please refer to (i) "Swedish withholding tax" in the section entitled "Taxation" in the Base Prospectus and (ii) "Luxembourg Tax Considerations" in the Base Prospectus.
Name(s) and address(es), to the extent known to the Issuer, of the placers in the various countries where the offer takes place:	Garantum Fondkommission AB, Norrmalmstorg 16, Box 7364, 103 90 Stockholm, Sweden, and such other placers as may be notified to potential investors from time to time by publication on the Issuer's website (*www.gspip.info*) in accordance with the applicable laws and regulations of the Public Offer Jurisdiction.
Consent to use the Prospectus:	
Identity of financial intermediary(ies) that are allowed to use the Prospectus:	Garantum Fondkommission AB, Norrmalmstorg 16, Box 7364, 103 90 Stockholm, Sweden, and such other placers as may be notified to potential investors from time to time by publication on the Issuer's website (*www.gspip.info*) in accordance with the applicable laws and regulations of the Public Offer Jurisdiction.
Offer period during which subsequent resale or final placement of Instruments by financial intermediaries can be made:	The Offer Period.
Conditions attached to the consent:	The financial intermediary named above (i) has the Issuer's consent to use this Prospectus in respect of offers of the Securities made in the Public Offer Jurisdiction provided that it complies with all applicable laws and regulations, and (ii) has the Issuer's consent to use this Prospectus in respect of private placements of the Securities that do not subject the Issuer or any affiliate of the Issuer to any additional obligation to make any filing, registration, reporting or similar requirement with any financial regulator or other governmental or quasi-governmental authority or body or securities exchange, or subject any officer, director or employee of the Issuer or any affiliate of the Issuer to personal liability, where such private placements are conducted in compliance with the applicable laws of the relevant jurisdictions thereof. If prior to the listing of the Securities on the NASDAQ OMX Stockholm Stock Exchange and the Luxembourg Stock Exchange any of the conditions attached to the consent are amended, any such information will be the subject of a supplement to this Prospectus under Article 16 of the Prospectus

Directive.

9. **UNITED STATES TAX CONSIDERATIONS**

Section 871(m) Withholding Tax

The U.S. Treasury Department has issued regulations under which amounts paid or deemed paid on certain financial instruments that are treated as attributable to U.S.-source dividends could be treated, in whole or in part depending on the circumstances, as a "dividend equivalent" payment that is subject to tax at a rate of 30 per cent. (or a lower rate under an applicable treaty). We have determined that, as of the issue date of the Certificates, the Certificates will not be subject to withholding under these rules. In certain limited circumstances, however, it is possible for United States alien holders to be liable for tax under these rules with respect to a combination of transactions treated as having been entered into in connection with each other even when no withholding is required. United States alien holders should consult their tax advisor concerning these regulations, subsequent official guidance and regarding any other possible alternative characterisations of their Certificates for United States federal income tax purposes. See "*United States Tax Considerations – Dividend Equivalent Payments*" in the Base Prospectus for a more comprehensive discussion of the application of Section 871(m) to the Certificates.

10. **INDEX DISCLAIMER**

Not Applicable.

ANNEX

ADDITIONAL DEFINITIONS

1. Additional Definitions

For the purposes of this Prospectus, the following terms and expressions shall have the following meanings. Terms not defined herein shall be given their respective meanings as contained in the Contractual Terms or the Base Prospectus, as applicable.

"**Autocall Event Amount**" means, in respect of each Autocall Observation Date, an amount determined by the Calculation Agent to be equal to the *product* of (i) SEK 10,000, *multiplied* by (ii) the *sum* of (a) one, plus (b) the *greater* of (I) the Basket Performance for such Autocall Observation Date and (II) the Step-Up Coupon Autocall Event Percentage for such Autocall Observation Date.

"**Basket Performance**" means, in respect of each Autocall Observation Date, an amount determined by the Calculation Agent as the *aggregate* of the Share Performance of each Share for such Autocall Observation Date.

"**Final Basket Performance**" means an amount determined by the Calculation Agent as the *aggregate* of the Final Share Performance of each Share.

"**Final Share Performance**" means, in respect of each Share, an amount determined by the Calculation Agent to be equal to the *product* of (i) the Weighting, *multiplied* by (ii) the *quotient* of (a) the *difference* between the (I) Final Closing Price of such Share, *minus* (II) the Initial Closing Price in respect of such Share, *divided* by (b) the Initial Closing Price in respect of such Share.

"**Final Step-Up Coupon Percentage**" means an amount as determined by the Calculation Agent on or around May 21, 2018 based on market conditions and which is specified in a notice published by the Issuer on or around the Issue Date. As of the date of this Prospectus, the Final Step-Up Coupon Percentage is indicatively set at 0.75, but which may be a lesser or greater amount provided that it will not be less than 0.60.

"**Share Performance**" means, in respect of each Autocall Observation Date and in respect of each Share, an amount determined by the Calculation Agent to be equal to the *product* of (i) the Weighting, *multiplied* by (ii) the *quotient* of (a) the *difference* between the (I) Reference Price of such Share in respect of such Autocall Observation Date, *minus* (II) the Initial Closing Price in respect of such Share, *divided* by (b) the Initial Closing Price in respect of such Share.

"**Step-Up Coupon Autocall Event Percentage**" means, in respect of an Autocall Observation Date, the amount set forth in the Autocall Table (in paragraph 31 of the Contractual Terms) in the column "Step-Up Coupon Autocall Event Percentage" in the row corresponding to such Autocall Observation Date.

"**Trigger Percentage**" means an amount determined by the Calculation Agent to be equal to the *sum* of (i) one, plus (ii) the greater of (a) the Final Basket Performance and (b) the Final Step-Up Coupon Percentage.

"**Weighting**" means, in respect of each Share, 1/4.

2. Modification to Payout Conditions, Autocall Payout Conditions and Coupon Payout Conditions

(a) Sub-paragraph (i) of sub-paragraph (b) (*Interpretations*) of paragraph 2 (*Definitions and Interpretations*) of the Coupon Payout Conditons, sub-paragraph (i) of sub-paragraph (b) (*Interpretations*) of paragraph 2 (*Definitions and Interpretations*) of the Autocall Payout

Conditons and sub-paragraph (i) of sub-paragraph (b) (*Interpretations*) of paragraph 2 (*Definitions and Interpretations*) of the Payout Conditons shall each be deleted and replaced with the following:

"(i) if "Trading in Nominal" is specified to be applicable in the relevant Final Terms, each reference in the Coupon Payout Conditions, Autocall Payout Conditions and Payout Conditions to "each Security" shall be deemed to be a reference to "each Certificate (of the Calculation Amount)"."

(b) In all of the Conditions including the General Instrument Conditions, all references to "nominal" shall be deemed to be deleted.

GENERAL INFORMATION

1. **Authorisations**

The Programme has been authorised pursuant to a written resolution of the Executive Committee of the Board of Directors of GSI passed on September 28, 1998.

2. **Financial Statements**

The statutory financial statements of GSI for the periods ended December 31, 2017 and December 31, 2016 have been audited without qualification by PricewaterhouseCoopers LLP, Chartered Accountants and Statutory Auditors, of 7 More London Riverside, London, SE1 2RT in accordance with the laws of England. PricewaterhouseCoopers LLP is a registered member of the Institute of Chartered Accountants in England and Wales.

3. **No significant change and no material adverse change**

There has been no significant change in the financial or trading position of GSI since December 31, 2017.

There has been no material adverse change in the prospects of GSI since December 31, 2017.

In this Prospectus, references to the "prospects" and "financial or trading position" of GSI, are specifically to the ability of GSI to meet its full payment obligations under the Securities in a timely manner. Material information about GSI's financial condition and prospects is included in GSI's annual and interim reports, which are incorporated by reference into this Prospectus.

4. **Litigation**

Save as disclosed in (i) "Legal Proceedings" of Note 16 to the Financial Statements (Unaudited) (pages 34 and 35) of GSI's 2017 Third Quarter Financial Report and (ii) "Legal Proceedings" of Note 22 to GSI's 2016 Financial Statements (pages 75 and 76) of GSI's 2016 Annual Report, there have been no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which GSI is aware) during the 12 months before the date of this Prospectus which may have, or have had in the recent past, significant effects on GSI.

5. **Availability of Documents**

For so long as any Securities shall be outstanding, copies of the following documents may be obtained free of charge upon request during normal business hours from the specified office of the Issuer and the office of the Luxembourg Paying Agent and each of the Paying Agents:

(a) the constitutional documents of GSI;

(b) the programme agency agreement in relation to the Securities dated May 29, 2015;

(c) the deed of covenant made by the Issuer dated May 29, 2015;

(d) a copy of this Prospectus and any document incorporated by reference herein; and

(e) all reports, letters and other documents, balance sheets, valuations and statements by any expert any part of which is extracted or referred to in this Prospectus.

6. **Responsibility statement**

The Issuer accepts responsibility for the information contained in this Prospectus. To the best of the knowledge of the Issuer (which has taken all reasonable care to ensure that such is the case) the information contained in this Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information. Where information contained in this Prospectus has been sourced from a third party, this information has been accurately reproduced and, so far as the Issuer is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

7. **Content of websites does not form part of this Prospectus**

No content of any website, cited or referred to in this Prospectus, shall be deemed to form part of, or be incorporated by reference into this Prospectus.

8. **De-listing**

Although no assurance is made as to the liquidity of the Securities as a result of their listing on the Official List of the Luxembourg Stock Exchange or the NASDAQ OMX Stockholm Stock Exchange, as the case may be, delisting the Securities from the Luxembourg Stock Exchange or the NASDAQ OMX Stockholm Stock Exchange, as the case may be, may have a material adverse effect on a purchaser's ability to resell its Securities in the secondary market.

9. **Non-equity securities**

The Securities will not constitute "equity securities" for the purposes of Article 2(1)(b) of the Prospectus Directive and Article 2(1)(v) of the Luxembourg Law dated July 10, 2005 as amended on July 3, 2012 on prospectuses for securities (the "**Luxembourg Prospectus Law**").

10. **Consent to use this Prospectus**

Subject to the conditions set out below, in connection with a Non-exempt Offer (as defined below) of Securities, the Issuer consents to the use of this Prospectus by Garantum Fondkommission AB, Norrmalmstorg 16, Box 7364, 103 90 Stockholm, Sweden, (the "**Authorised Offeror**" or "**Distributor**"). Any new information with respect to the Authorised Offeror unknown at the time of the approval of this Prospectus but which has become known to the Issuer thereafter and which is relevant to such Non-exempt Offer will be published by way of notice which will be available on the website of the Issuer (*www.gspip.info*).

The consent of the Issuer is subject to the following conditions:

(i) the consent is only valid during the period from (and including) April 5, 2018 to (and including) May 14, 2018, (the "**Offer Period**"); and

(ii) the consent only extends to the use of this Prospectus to make Non-exempt Offers (as defined below) of the Securities in the Kingdom of Sweden.

A "**Non-exempt Offer**" of Securities is an offer of Securities that is not within an exemption from the requirement to publish a prospectus under the Prospectus Directive.

The Issuer may (i) give consent to one or more additional Authorised Offerors after the date of this Prospectus, and/or (ii) remove or add conditions and, if it does so, such information in relation to the Securities will be published by way of notice which will be available on the website of the of the Issuer (*www.gspip.info*).

The Issuer accepts responsibility for the content of this Prospectus in relation to any person purchasing Securities pursuant to a Non-exempt Offer where the offer to the Investor is made (i) by an Authorised Offeror (or the Issuer or Dealer named herein), (ii) in a Member State for which the Issuer has given its consent, (iii) during the Offer Period for which the consent is given and (iv) in compliance with the other conditions attached to the giving of the consent, all as set forth in this Prospectus or as subsequently published in accordance with the paragraph immediately above. However, neither the Issuer nor the Dealer has any responsibility for any of the actions of any Authorised Offeror, including compliance by an Authorised Offeror with applicable conduct of business rules or other local regulatory requirements or other securities law requirements in relation to such offer.

Any person (an "**Investor**") intending to acquire or acquiring any Securities from an Authorised Offeror will do so, and offers and sales of Securities to an Investor by the relevant Authorised Offeror will be made, in accordance with any terms and other arrangements in place between such Authorised Offeror and such Investor including as to price, allocations and settlement arrangements. The Issuer will not be a party to any such arrangements with Investors in connection with the offer or sale of the Securities and, accordingly, this Prospectus will not contain such information and an Investor must obtain such information from the relevant Authorised Offeror. **Information in relation to an offer to the public will be made available at the time such sub-offer is made, and such information will also be provided by the relevant Authorised Offeror at the time of such offer.**

11. **Objects and Purposes of the Issuer**

The objects and purposes of the Issuer are provided for in paragraph 3 of the Memorandum of Association of GSI.

12. **Selected Financial Information**

The selected financial information set out below has been extracted from (i) GSI's 2017 Financial Statements and (ii) GSI's 2016 Financial Statements, which have been audited by PricewaterhouseCoopers LLP and on which PricewaterhouseCoopers LLP issued an unqualified audit report.

GSI's 2017 Financial Statements and GSI's 2016 Financial Statements have been prepared in accordance with FRS 101. The financial information presented below should be read in conjunction with the financial statements included in such documents, the notes thereto and report thereon.

The following table shows selected key historical financial information in relation to GSI:

	As at and for the year ended	
(in USD millions)	**December 31, 2017**	**December 31, 2016**
Operating Profit	2,389	2,280
Profit on ordinary activities before taxation	2,091	1,943
Profit for the financial period	1,557	1,456

	As at	
(in USD millions)	**December 31, 2017**	**December 31, 2016**
Fixed Assets	210	140
Current Assets	939,683	934,129
Total Shareholder's funds	31,701	27,533"

INDEX OF DEFINED TERMS

Registered Office of GSI

Goldman Sachs International
Peterborough Court
133 Fleet Street
London EC4A 2BB
England

Principal Office of GSG

The Goldman Sachs Group, Inc.
200 West Street
New York, New York 10282
USA

Principal Programme Agent

Citigroup Global Markets Deutschland AG
Reuterweg 16
60323 Frankfurt am Main
Federal Republic of Germany

Transfer Agents

Banque Internationale à Luxembourg, société anonyme
69 route d'Esch
L-2953 Luxembourg
Grand Duché de Luxembourg

Citibank, N.A., London Branch
Citibank, N.A.
Citigroup Centre
Canada Square
Canary Wharf
London E14 5LB
England

Swedish Paying Agent

Skandinaviska Enskilda Banken AB (publ)
Sergels Torg 2, ST H1
SE-106 40, Stockholm
Sweden

Fiscal Agent

Citibank, N.A., London Branch
Citigroup Centre
Canada Square
Canary Wharf
London E14 5LB
England

Calculation Agent

Goldman Sachs International
Peterborough Court
133 Fleet Street
London EC4A 2BB
England

Auditors to GSI

PricewaterhouseCoopers LLP
7 More London Riverside
London SE1 2RT
England

Independent Accountants of GSG

PricewaterhouseCoopers LLP
300 Madison Avenue
New York, New York 10017
United States of America

Legal Advisers to the Issuer

as to English law
Ashurst LLP
Broadwalk House
5 Appold Street
London EC2A 2HA
England