

Goldman Sachs

OUR BUSINESS PRINCIPLES

- 1/ Our clients' interests always come first. Our experience shows that if we serve our clients well, our own success will follow.**
- 2/ Our assets are our people, capital and reputation. If any of these is ever diminished, the last is the most difficult to restore. We are dedicated to complying fully with the letter and spirit of the laws, rules and ethical principles that govern us. Our continued success depends upon unswerving adherence to this standard.**
- 3/ Our goal is to provide superior returns to our shareholders. Profitability is critical to achieving superior returns, building our capital, and attracting and keeping our best people. Significant employee stock ownership aligns the interests of our employees and our shareholders.**
- 4/ We take great pride in the professional quality of our work. We have an uncompromising determination to achieve excellence in everything we undertake. Though we may be involved in a wide variety and heavy volume of activity, we would, if it came to a choice, rather be best than biggest.**
- 5/ We stress creativity and imagination in everything we do. While recognizing that the old way may still be the best way, we constantly strive to find a better solution to a client's problems. We pride ourselves on having pioneered many of the practices and techniques that have become standard in the industry.**

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- 6/We make an unusual effort to identify and recruit the very best person for every job. Although our activities are measured in billions of dollars, we select our people one by one. In a service business, we know that without the best people, we cannot be the best firm.**
- 7/We offer our people the opportunity to move ahead more rapidly than is possible at most other places. Advancement depends on merit and we have yet to find the limits to the responsibility our best people are able to assume. For us to be successful, our men and women must reflect the diversity of the communities and cultures in which we operate. That means we must attract, retain and motivate people from many backgrounds and perspectives. Being diverse is not optional; it is what we must be.**
- 8/We stress teamwork in everything we do. While individual creativity is always encouraged, we have found that team effort often produces the best results. We have no room for those who put their personal interests ahead of the interests of the firm and its clients.**
- 9/ The dedication of our people to the firm and the intense effort they give their jobs are greater than one finds in most other organizations. We think that this is an important part of our success.**
- 10/We consider our size an asset that we try hard to preserve. We want to be big enough to undertake the largest project that any of our clients could contemplate, yet small enough to maintain the loyalty, the intimacy and the esprit de corps that we all treasure and that contribute greatly to our success.**

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- 11/We constantly strive to anticipate the rapidly changing needs of our clients and to develop new services to meet those needs. We know that the world of finance will not stand still and that complacency can lead to extinction.**
- 12/We regularly receive confidential information as part of our normal client relationships. To breach a confidence or to use confidential information improperly or carelessly would be unthinkable.**
- 13/ Our business is highly competitive, and we aggressively seek to expand our client relationships. However, we must always be fair competitors and must never denigrate other firms.**
- 14/ Integrity and honesty are at the heart of our business. We expect our people to maintain high ethical standards in everything they do, both in their work for the firm and in their personal lives.**

Culture of Compliance

Goldman Sachs has a long standing commitment to establishing and maintaining effective governance processes. Global Compliance plays a central role in the management and oversight of compliance risks.

Specifically,

- Global Compliance advises and assists the firm's businesses to ensure compliance with applicable laws, rules and regulations through advising, testing, monitoring, regulatory reporting, training and developing and implementing policies and procedures

Culture of Compliance

Proactive management of compliance risks are conducted through the following channels:

- legal, compliance, other control functions or the business (e.g., Client and Business Standards Committee)
- in the course of reviewing a new product, new business or new market (e.g., Firmwide New Activity Committee)
- while undertaking a debt or capital markets transaction, making a private investment or onboarding a new client
- while selling a complex structured product to a new or existing client (e.g., Firmwide Suitability Committee)
- in the context of regulatory inquiries, investigations or legal actions involving the firm or other market participants
- through regulatory pronouncements of best practices
- through other media sources or events outside the firm

Culture of Compliance

- **Tone from the Top**
 - **Chairman's Forum, ongoing messaging in key forums**
 - **Self-assessment and review of business standards and practices by BSC**
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Individual Accountability

- **Emphasis on compliance as everyone's responsibility**
- **Inclusion of risk management, compliance and reputational judgment and conduct flags in annual review process**

Empowered & Independent

- **Independent yet embedded in the business**
 - **Strong knowledge of and relationship with the businesses**
 - **Escalation of issues of non-compliance to management**
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Presence & Voice

- **Reports to Executive Office**
- **Management Committee seat**
- **Co-located within the divisions**
- **Firmwide and divisional committee involvement**
- **Input in PMD/MD promotions**

Training

- **Multi-dimensional training at group and divisional levels**
 - **Targeted training for Compliance officers**
 - **Ad hoc topical training, as needed**
 - **Compliance training for new hires**
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Structure

- **Regional and functional matrix**
- **Divisional and centralized functions**

Global Compliance Footprint

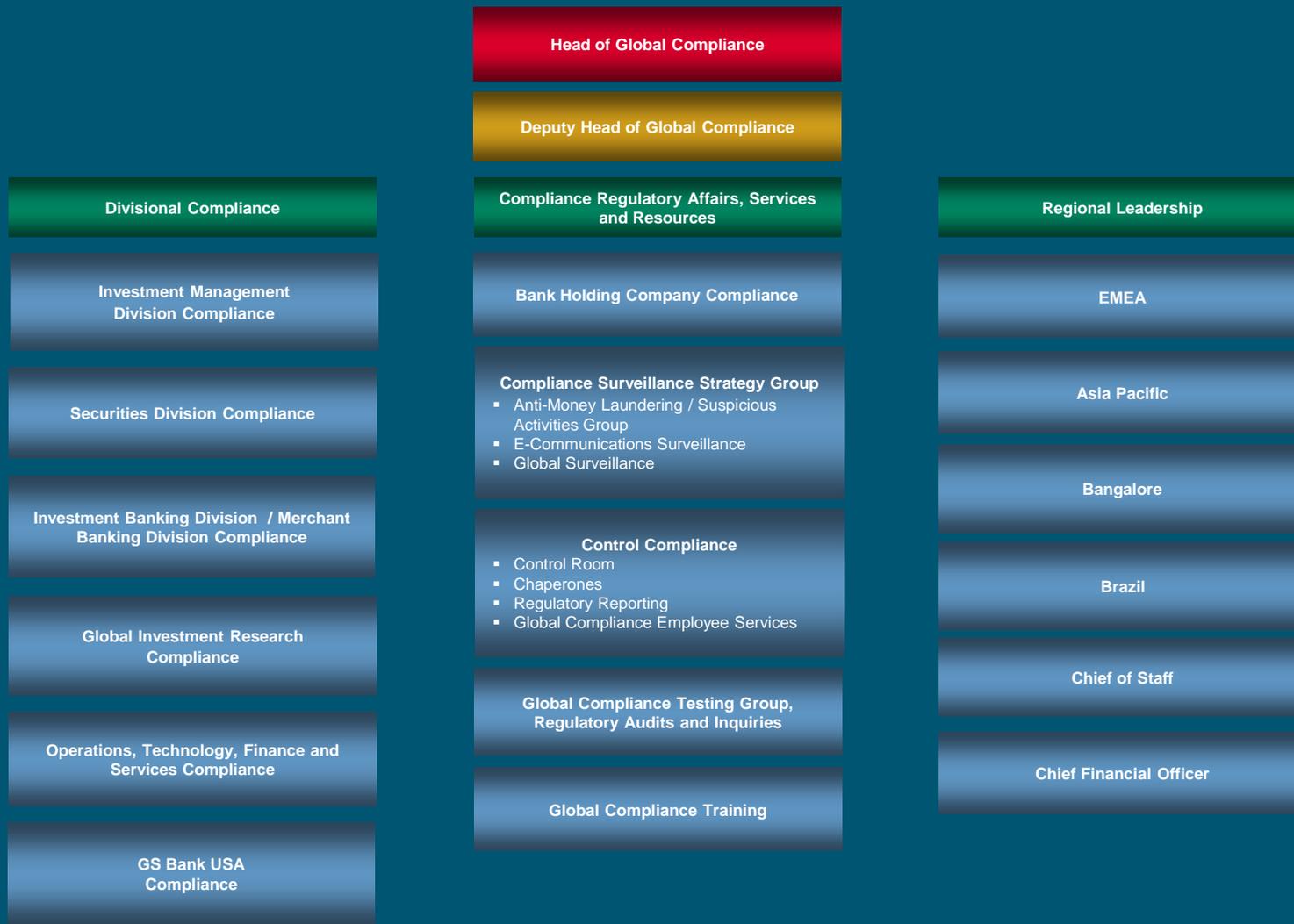
Global Compliance is comprised of over 600 subject matter experts, risk managers and trusted advisors to the business in 30 offices around the world:

- Approximately 50% are in North America, predominantly in New York
- Approximately 20% are in Europe, with the highest concentration in London
- Asia locations include Tokyo, Hong Kong, Shanghai, Singapore, Seoul, Beijing, Mumbai, and Bangalore

The Pillars of Compliance



Global Compliance



Risk Assessment Program

Program Overview

Inherent Risk

Analyze inherent risk of money laundering and other suspicious activities presented by:

- Customers
- Products
- Transactions
- Business / services offered
- Laws & regulations
- Industry regulatory actions
- Screening & surveillance experience

Mitigants and Controls

Determine effectiveness of mitigants & controls to reduce inherent risk to an acceptable level. Inputs to mitigant assessment include:

- Expertise of CSSG management
- Incident/ issue experience
- Management reports
- Risk Assessments performed by other groups
- Independent testing

Residual Risk

Assessment of risk, after considering effectiveness of mitigants / controls.

Actions / Issues

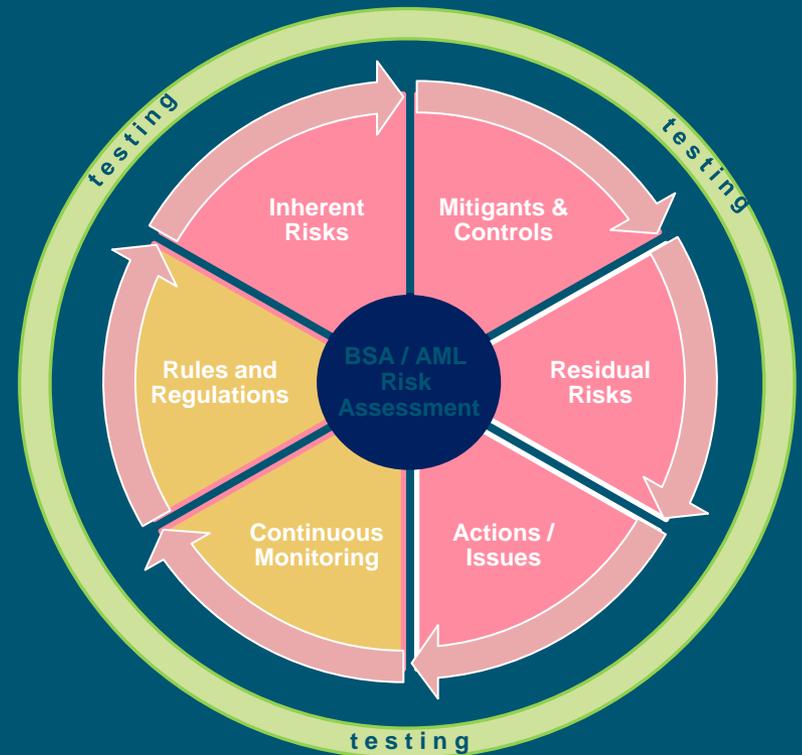
Any actions required to reduce risk to an acceptable level.

Continuous Monitoring

Regular meetings and analysis to identify new or increasing risks that may require proactive investment in, or change to, the control environment.

Rules and Regulations

Continuous identification of AML-related new or updated rules and regulations within each jurisdiction the Firm operates. Requirements incorporated into the relevant BSA / AML assessments.



testing

Testing

Independent testing of BSA / AML risk management and control environment.

Roberto Belchior

Managing Director

Latin America General Counsel and Chief Compliance Officer