

Item 1: Cover Page

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March 29, 2024

This Investment Adviser Brochure ("**Brochure**") provides information about the qualifications and business practices of G Squared Equity Management LP ("**GSEM**"). If you have any questions about the contents of this Brochure, please contact us at (312) 552-7160 or ir@gsquared.com. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission ("**SEC**") or by any state securities authority.

Additional information about GSEM is available on the SEC's website at www.adviserinfo.sec.gov. You can search this site by a unique identifying number, known as a CRD number. GSEM's CRD number is 289285.

G Squared Equity Management is an investment adviser registered with the SEC under the Investment Advisers Act of 1940, as amended (the "**Advisers Act**"). However, registration of an investment adviser with the SEC does not imply that GSEM or any of its principals or employees possesses a particular level of skill or training in the investment advisory business or any other business.

Item 2: Material Changes

GSEM filed its most recent Form ADV Part 2 in December 2023. This annual amendment updates the description of the business practices and advisory services of GSEM and its affiliates, including with respect to various investment-related risk factors, conflicts of interest, enhanced fee disclosures and other similar disclosures.

GSEM routinely makes changes throughout its Brochure in an effort to improve and clarify the descriptions of its and its affiliates' business practices and compliance policies and procedures or in response to evolving industry and firm practices. We encourage all recipients to read this Brochure carefully in its entirety.

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Item 4: Advisory Business

GSEM is a SEC-registered investment adviser with its principal office and place of business located in Chicago, IL. GSEM began conducting business in May 2017 under the name "GSV Equity Management LLC," which was changed to G Squared Equity Management LLC, in November 2017. GSEM was converted from a Delaware limited liability company to a Delaware limited partnership in May 2018.

GSEM's clients include the following (each, a "**Fund**," and together with any future private investment fund or vehicle to which GSEM or its affiliates provide investment advisory services, the "**Funds**"):

- G Squared IV, LP ("**G Squared IV**");
- G Squared V, LP ("**G Squared V**");
- G Squared VI, LP ("**G Squared VI**" and together with G Squared IV, G Squared V and their respective parallel vehicles, each, a "**Flagship Fund**," and collectively, the "**Flagship Funds**");
- G Squared Opportunities Fund IV LLC ("**GSOF IV**");
- G Squared Opportunities Fund V LLC ("**GSOF V**"); and
- G Squared Opportunities Fund VI, LLC ("**GSOF VI**," and together with GSOF IV, GSOF V and any successor vehicles thereto or parallel vehicles to the foregoing, each, an "**Opportunities Fund**," and collectively, the "**Opportunities Funds**").

The following entities serve as the general partners for G Squared IV, G Squared V and G Squared VI, respectively, and are affiliated with GSEM: G Squared Equity GP IV, LLC; G Squared Equity GP V, LLC; and G Squared Equity GP VI, LLC (each, a "**General Partner**" and collectively, the "**General Partners**," and together with GSEM and their affiliated entities, "**G Squared**" or the "**Firm**"). Each General Partner is subject to the Advisers Act pursuant to GSEM's registration in accordance with SEC guidance. This Brochure also describes the business practices of the General Partners, which operate as a single advisory business together with GSEM.

The Flagship Funds are focused on making venture capital or growth equity investment, directly or indirectly, in leading specific developmental-stage or later-stage private companies, broadly involved in the following areas: Cloud + Big Data, Sustainability, Marketplaces, Mobility 2.0, New Age Media and Social/Mobile (G Squared V and G Squared VI also pursue and invest in InsurTech/FinTech companies).

GSEM also advises and serves as the manager for the Opportunities Funds, which are private funds typically organized as segregated liability sub-fund or sub-series vehicles or single investment vehicles and which generally co-invest alongside the Flagship Funds. Each separate series of each respective Opportunities Fund is or will be established for the purpose of making a venture capital or growth equity investment, directly or indirectly, in leading specific developmental-stage or later-stage private companies, broadly involved in the areas relating to their corresponding Flagship Fund.

GSEM's advisory services to the Funds are detailed in the relevant private placement memoranda or other offering documents (as may be supplemented, amended, restated or otherwise modified from time to time, each, a "**Memorandum**"), limited partnership or other operating

agreements (as may be amended, restated or otherwise modified from time to time, each, a "**Partnership Agreement**" and, together with any relevant Memorandum, the "**Governing Documents**") and are further described below under "Methods of Analysis, Investment Strategies and Risk of Loss." Investors in the Funds participate in the overall investment program for the applicable Fund, but in certain circumstances are excused from a particular investment due to legal, regulatory, or other agreed-upon circumstances pursuant to the Governing Documents; for the avoidance of doubt, such arrangements generally do not and will not create an adviser-client relationship between GSEM and any certain investor. The Funds or the General Partners generally enter into side letters or other similar agreements ("**Side Letters**") with certain investors that have the effect of establishing rights under, or altering or supplementing the terms (including economic or other terms) of, the Governing Documents with respect to such investors. As a result of certain Side Letters, investors holding the same Fund interests could have different returns and will receive different information, depending on any arrangements applicable to a given investor's interest. In addition, where GSEM enters into a Side Letter entitling an investor to be excused or excluded from a particular investment, any election to be excused or excluded by such investor will increase the percentage interest of other investors in, and contribution obligations of other investors with respect to, future investments, and reduce the overall size of a Fund, and a Fund's ability to consummate certain investments may be inhibited. Any co-investment rights granted to an investor in a Side Letter may result in fewer co-investment opportunities (or reduced or no allocations) being made available to other investors.

As of December 31, 2023, GSEM managed \$3,098,762,021 billion in client assets on a discretionary basis. 90 New Montgomery Services, Inc. acts as GSEM's general partner. GSEM is controlled by its principal owner, Larry Aschebrook, Managing Partner.

Item 5: Fees and Compensation

In general, GSEM receives a management fee and a carried interest in connection with advisory services. Although neither GSEM nor other Firm entities or affiliates have historically made practice of receiving additional compensation in connection with management and/or other services performed for portfolio companies of Funds, any such additional compensation in the future would offset in whole or in part the management fees otherwise payable to GSEM in accordance with the Governing Documents. Investors in a Fund also bear certain expenses, as discussed in greater detail below.

Management Fees

With respect to the Flagship Funds, the General Partners generally receive a management fee ("**Management Fee**") initially equal to 2.0% on an annual basis of aggregate Flagship Fund investor capital commitments ("**Commitments**"). After the first fiscal quarter following the end of the Fund's commitment period, the annual Management Fee rate generally is 2.0% percent of the aggregate cost basis (as reduced by any permanent write-offs) of portfolio securities held by the Flagship Fund as of the start of the applicable fiscal quarter, subject to certain limitations on Management Fee rate reductions, as specified in the Governing Documents.

With respect to the Opportunities Funds, GSEM generally receives a Management Fee equal to 1.0% per annum of the total capital contributions made to such Funds, payable at such times as are set forth in the Governing Documents of the Opportunities Funds. Management Fees that accrue

after a set period specified in the Governing Documents generally are only paid to GSEM through deductions of amounts that would otherwise be distributed to Opportunities Fund investors.

With respect to the Flagship Funds, the Management Fee will be calculated and charged on a basis that generally is not tied to the Flagship Fund's then-current net asset value. As further specified in the relevant Governing Documents, Management Fees will initially generally be charged based on a formula tied to the amount of the relevant Flagship Fund's aggregate commitments. However, after a certain point in time specified in the relevant Governing Documents, a Flagship Fund's Management Fee generally will be charged and calculated based on a formula tied to the cost basis of investments made by such Flagship Fund (the "Stepdown Date"). As a result, except where the Governing Documents expressly provide to the contrary, the amount of Management Fees generally will not correspond with fluctuations in the Flagship Fund's net asset value, including where the fair market value of an investment exceeds or falls below the total amount of cost basis relating to such investment. Therefore, the Management Fee generally will not be reduced in connection with any partial distributions, partial realizations, reorganizations and write downs except as required by the relevant Governing Documents. Flagship Fund Governing Documents set forth the full list of terms under which a Flagship Fund's Management Fee will be reduced, offset or otherwise be limited, and consequently investors should expect to bear the full specified Management Fee in the relevant Governing Documents until they are reduced in the circumstances and at the point(s) in time specified therein. In many circumstances, the fair value component of such post-Stepdown Date Management Fees will include capitalized transaction-specific expenses of unrealized investments. Further, Management Fees generally will not be reimbursed or refunded under the Governing Documents in the event of realizations, dispositions or partial write-downs that occur partway through the relevant calculation period.

To the extent specified in a Flagship Fund's Governing Documents, GSEM or another Firm entity will be permitted to receive certain supplemental fees and other amounts ("**Fees Subject to Offset**") consisting of transaction, commitment, break-up, advisory, syndication, guarantee, directors, officers, management and other fees paid by a portfolio company. Flagship Fund Governing Documents generally provide that 100% of Fees Subject to Offset received by the Firm will be credited against Management Fees otherwise owed to the Firm.

Carried Interest

With respect to the Flagship Funds, subject to satisfaction of various pre-conditions and limitations (e.g., European waterfall distribution mechanics), the General Partners generally are entitled to receive a carried interest equal to 20% of distributions to the extent that each limited partner has received cumulative distributions over the term of the Fund at least equal to its aggregate capital contributions, as more fully detailed in the Governing Documents. With respect to the Opportunities Funds, subject to satisfaction of various pre-conditions and limitations, GSEM generally is entitled to a carried interest equal to 10% of distributions with respect to each investment series to the extent that each participating member in the relevant investment series has received cumulative distributions equal to its aggregate capital contributions, as more fully detailed in the Governing Documents. It is expected that any future Flagship Funds and Opportunities Funds will have similar fee structures.

Other Information

GSEM is permitted to exempt certain "principal limited partner" investors in the Funds from payment of all or a portion of Management Fees and/or carried interest, including GSEM and any other person designated by GSEM, such as "friends and family" of G Squared or its personnel, or other investors meeting certain qualification requirements based on the timing of their commitment or other strategic or relationship factors. GSEM reserves the right to make any such exemption from fees and/or carried interest by a direct exemption from GSEM and/or its affiliates. For example, in instances where a GSEM professional (or an affiliated entity thereof) invests in a Fund, such professional (or such affiliated entity) generally will be exempt from payment of the Management Fee and carried interest with respect to such Fund. Additionally, to the extent permitted by the Governing Documents, GSEM has the right to permit investors, affiliated with GSEM or otherwise, to invest through the relevant General Partner or other vehicles that do not bear Management Fees or carried interest.

In general, the Management Fee offsets described above apply only with respect to the capital commitments of fee-paying investors. GSEM retains flexibility to structure its compensation from investors and expects in certain circumstances to agree to invoice an investor directly for Management Fees or other compensation, rather than deducting such amounts from the investor's capital account(s).

The Funds generally invest on a long-term basis. Accordingly, investment advisory and other fees are expected to be paid, except as otherwise described in the Governing Documents, over the term of the relevant Fund, and investors generally are not permitted to withdraw or redeem interests in the Funds.

Principals or other current or former employees of the Firm generally receive salaries and other compensation derived from, and in certain cases including a portion of, the Management Fee, carried interest or other compensation received by GSEM or its affiliates.

In addition to the Management Fee and carried interest payable to GSEM, each Fund bears certain expenses. As set forth more fully in the Governing Documents, a Fund bears all costs, expenses and losses incurred by the Fund, the General Partner or GSEM and associated with the formation, operation, dissolution, winding-up, or termination of the Fund, including: (i) out-of-pocket expenses associated with the formation and organization of the General Partner or the Fund or the syndication of interests therein; (ii) legal, accounting, audit, valuation, tax compliance, regulatory compliance, custodial, fund administration, registered agent and other professional fees; (iii) consulting fees relating to services rendered to the Fund that could not reasonably have been rendered by the General Partner or its members in the ordinary course of their activities; (iv) banking, brokerage, registration, qualification, finders, depositary and similar fees or commissions, including fees and allocations payable to third-party sponsors and others by, or in respect of portfolio investments; (v) transfer, capital and other similar taxes, as well as charges, duties and fees, and any other out-of-pocket costs, including broken-deal, unconsummated deal and similar fees and costs incurred in sourcing, evaluating, negotiating, structuring, acquiring, holding, monitoring, selling or otherwise managing or disposing, or hedging against changes in the value, of Fund investment opportunities, assets or obligations; (vi) insurance premiums, indemnifications, costs of litigation (including the amount of any judgment or settlement in connection therewith, but excluding costs, judgments or settlements with respect to which an indemnified party is not entitled to indemnification hereunder), director and officer (D&O) liability and other extraordinary expenses; (vii) costs of financial statements and other reports to Fund investors as well as costs of all governmental returns, reports and other filings; (viii) costs of meetings of Fund investors (and to

the extent provided in the Governing Documents, meetings of the limited partner LP Advisory Committee of the Fund (“**LP Advisory Committee**”), including the reasonable travel and other out-of-pocket costs incurred by the General Partner (and to the extent provided in the Governing Documents, the LP Advisory Committee members) in attending such meetings; (ix) interest expenses and all fees and expenses relating to any credit facility, guarantee or borrowings by the Fund and on behalf of Other Funds (as such term is defined in the Governing Documents of the relevant Fund); (x) amounts paid to or for the benefit of portfolio companies other than as capital contributions thereto or in exchange for securities issued thereby; (xi) the Management Fee, as well as any out-of-pocket costs, expenses or losses incurred in generating or realizing (or in seeking to generate or realize) Fees Subject to Offset; (xii) advertising and public notice costs; (xiii) costs and expenses associated with preparing Fund tax returns, making tax elections and determinations, and similar activities; (xiv) costs and expenses associated with the organization and maintenance of holding vehicles or other investment conduits, and at the election of the General Partner, costs and expenses associated with the organization and maintenance of feeder vehicles; (xv) taxes and other governmental charges imposed upon the Fund as an entity (rather than solely as a withholding agent), provided that imputed underpayment amounts and entity level taxes that are based on the identity of the investors may be attributable to certain investors (or their transferees) consistent with the relevant Governing Documents; (xvi) out-of-pocket travel, business meals and related expenses incurred by the General Partner or GSEM in connection with their activities on behalf of the Fund or a portfolio company; (xvii) costs of Fund, General Partner and GSEM compliance with applicable securities laws, as well as General Partner and GSEM compliance with applicable registration or licensing laws arising from the management of, or provision of advice to, the Fund; (xviii) costs and expenses for software, subscriptions and other databases for purposes of sourcing and monitoring investments; (xix) all costs and expenses incurred in relating to obtaining waivers, consents or approvals pursuant to this Agreement and all reasonable costs and expenses of, and/or incidental to, the preparation of amendments to this Agreement; (xx) costs and expenses associated with attending industry conferences and marketing expenses for trade associations; and (xxi) any other expenses not listed in the preceding clauses (i) through (xxi) that are not normal operating expenses of the General Partner.

Generally included in the expenses permitted to be borne by a Fund are the fees, costs, expenses, liabilities and obligations of legal counsel, consultants and/or other service providers to procure, develop, establish, review, revise, customize, upgrade and/or negotiate relationships relating to the foregoing items, which generally are expected to be significant.

Excluded from Fund expenses are normal operating expenses of the General Partners and their equityholders (including salaries and benefits provided to employees of GSEM or its affiliates, rent and communication expenses). As is typical for private funds, the Funds likely bear additional and greater expenses, directly or indirectly, than many other pooled investment products, such as mutual funds, and there can be no assurance that the benefits to investors will be commensurate with such expenses. To the extent brokerage fees are incurred, they will be incurred in accordance with the general practices described in "Brokerage Practices" further below.

A Fund may incur expenses in connection with a potential investment that is expected to be made by the Fund along with one or more co-invest vehicles. As a general matter, a Fund will be obligated to pay all of its expenses in connection with an investment opportunity that is considered by the Fund, even if the investment is not consummated, and even if potential co-investors do not agree to pay any share of such expenses. To the limited extent set forth in the Partnership Agreement, GSEM is obligated to apportion expenses among the Fund and certain other funds

affiliated with GSEM. However, many other types of circumstances may arise. For example, GSEM (or a member or affiliate thereof) may attempt to create a special purpose vehicle or similar entity that will complete its formation and otherwise be in a position to bear expenses relating to a potential co-investment only if the co-investment is consummated. Thus, there may be no third party that has agreed to share expenses with the Fund if the co-investment is not consummated, with the result that the Fund may bear all of its expenses notwithstanding that third parties may have benefitted from the opportunity to review, investigate and otherwise assess the potential co-investment. Although GSEM generally seeks to avoid such scenarios, GSEM will have no obligation to prevent such circumstances from arising.

The Management Fees, carried interest, and other fees and expenses borne by investors in a co-investment are described in the Governing Documents of the relevant vehicles. GSEM has discretion to (i) receive performance-based compensation, investment advisory fees or other similar fees from co-investors and (ii) collect customary fees in connection with actual or contemplated investments that are the subject of co-investment arrangements.

Any co-invest vehicle may, in certain instances, be contractually required to purchase certain investment opportunities at substantially the same time and substantially the same terms as the applicable Flagship Fund that is invested in that investment opportunity as set forth in such Fund's Governing Documents. However, from time to time, for strategic and other reasons, a co-invest vehicle will purchase a portion of an investment from one or more Flagship Funds after such Flagship Funds have consummated their investment in the portfolio company (also known as a post-closing sell-down or transfer), which generally will have been funded through capital contributions from Flagship Fund investors and/or use of a Flagship Fund credit facility. Any such purchase from a Flagship Fund by a co-invest vehicle generally occurs shortly after the Flagship Fund's completion of the investment to minimize any changes in the valuation of the investment, but in certain instances could be well after the Flagship Fund's initial purchase. The co-invest vehicle has been and may in the future (but is not always required to) be, charged interest on the purchase to compensate the relevant Flagship Fund for the holding period, and may be required to reimburse the relevant Flagship Fund for related costs. To the extent such co-invest vehicles are not charged such interest or do not reimburse for such costs, the Flagship Fund is expected to bear such costs. See "Risk Factors - Warehousing and Syndication of Investments" below for additional information related to use of warehousing of investments.

From time to time, certain of the Funds will incur certain ongoing expenses that benefit a co-invest vehicle (for instance, insurance premiums). In such instances, these ongoing expenses will be borne solely by the applicable Flagship Fund(s) and will not be borne by any benefiting co-invest vehicle.

Item 6: Performance-Based Fees and Side-By-Side Management

As described under "Fees and Compensation," the relevant General Partner or GSEM (as applicable) receives a carried interest allocation on certain distributions made by the Funds, subject to satisfaction of various pre-conditions and limitations (e.g., European waterfall distribution mechanics), as specified in a Fund's Governing Documents. Such fees are calculated based on a share of realized and/or unrealized capital appreciation of Fund assets. The existence of performance-based compensation has the potential to create an incentive for GSEM to operate the relevant Fund in a riskier, more speculative or other manner that is less favorable to investors than

it otherwise would in the absence of such arrangement, although GSEM generally considers performance-based compensation to better align its interests with those of its investors.

Item 7: Types of Clients

GSEM provides investment advice solely to its Fund clients, and references throughout this Brochure to "clients" and to GSEM's related duties to and practices on behalf of its clients and/or investors should be construed accordingly. The Funds generally include investment partnerships or other investment entities formed under domestic or foreign laws and operated as exempt investment pools under the Investment Company Act of 1940, as amended (together with the rules and regulations promulgated thereunder, the "**Company Act**"). The investors participating in the Funds generally include individuals, pension and profit-sharing plans (other than plan participants), organizations, family offices, trusts, estates or charitable organizations or other corporations or business entities and from time to time include, directly or indirectly, principals or other employees of GSEM and its affiliates and members of their families, consultants or other service providers retained by GSEM.

The Funds generally have a minimum investment amount for third-party investors ranging from \$100,000 to \$2,500,000 depending on the particular Fund. The minimum investment amount generally is permitted to be waived by the General Partner or GSEM (as applicable). Generally, investors must be (i) "accredited investors" as defined under Regulation D of the Securities Act of 1933, as amended, and (ii) either "qualified purchasers" or "knowledgeable employees" as defined under the Company Act. Fund investors are required to make representations concerning their financial sophistication and ability to bear the risk of loss of their entire investment. GSEM reserves the right to waive these qualification requirements under certain circumstances.

Item 8: Methods of Analysis, Investment Strategies and Risk of Loss

General

GSEM is a private investment firm generally focused on making venture capital and growth equity investments, directly or indirectly, in specific leading mid-to-late-stage venture-backed private companies broadly involved in the following sectors: Cloud & Big Data, Marketplaces, Mobility 2.0, FinTech / InsurTech, New Age Media & Social-Mobile, and Sustainability. GSEM generally targets dynamic category leaders and disruptors, backing management teams through non-controlling minority stakes as a transitional capital provider. GSEM's investment advisory services consist of identifying and evaluating investment opportunities, negotiating investments, managing and monitoring investments and achieving dispositions for investments. Investments are primarily of non-public companies although certain Funds permit investments in public companies to the extent set forth in the Governing Documents.

There can be no assurance that GSEM will achieve the investment objectives of any Fund and a loss of investment is possible.

Methods of Analysis

GSEM uses the following methods of analysis in formulating its investment advice and/or managing client assets:

Fundamental Analysis. GSEM evaluates the intrinsic value of a security by looking at economic and financial factors (including the overall economy, industry conditions, and the financial condition and management of the company itself) to determine if the company is underpriced (indicating it may be time to buy) or overpriced (indicating it may be time to sell).

Qualitative Analysis. GSEM subjectively evaluates non-quantifiable factors such as quality of management, labor relations, and other factors not readily subject to measurement. A risk in using qualitative analysis is that GSEM's subjective judgment may prove incorrect.

Risks for all forms of analysis. GSEM's securities analysis methods rely on the assumption that the companies whose securities GSEM purchases and sell and other publicly-available sources of information about these securities, are providing accurate and unbiased data. While GSEM is alert to indications that data may be incorrect, there is always a risk that its analysis may be compromised by inaccurate or misleading information. Investment in securities entails risk of loss, which investors should be prepared to bear.

Investment Strategies and Material Risks

The Funds invest primarily in securities of privately-held companies, which have less liquidity means available than the securities of publicly-traded companies.

The following strategies are employed in managing the Funds, provided that the strategy is appropriate to and consistent with the Fund's investment objectives, risk tolerance, and time horizons, among other considerations:

Long-term purchases. Securities generally are purchased for the Funds with the intention of holding them for a year or longer. Typically, this strategy is employed when: (i) GSEM believes the securities to be currently undervalued; and/or (ii) GSEM wants exposure to a particular asset class over time, regardless of the current projection for this class.

Each Fund and its investors bear the risk of loss that GSEM's investment strategy entails. A risk in a long-term purchase strategy is that by holding the security for this length of time, the Fund may not take advantage of short-term gains that could be profitable. Moreover, if GSEM's predictions are incorrect, a security may decline sharply in value before the decision to sell is made.

GSEM's investment strategy and an investment in the competitive field venture-capital backed emerging companies that the Funds generally target involve a number of significant risks, which include, but are not limited to the following:

Portfolio Investments. Identifying and participating in attractive investment opportunities and assisting in the building of successful young/emerging enterprises is difficult. There is no assurance that a Fund's investments will be profitable and there is a substantial risk that a Fund's losses and expenses will exceed its income and gains. Any return on investment to the investors will depend upon successful investments made on behalf of the Fund by GSEM or the General Partner (as applicable). There often will be little or no publicly available information regarding the status and prospects of portfolio companies. Many investment decisions by GSEM or the General Partner (as applicable) will be dependent upon the ability of its members and agents to obtain relevant information from non-public sources, and GSEM or the General Partner (as applicable) often will be

required to make decisions without complete information or in reliance upon information provided by third parties that is impossible or impracticable to verify. The marketability and value of each investment will depend upon many factors beyond the control of GSEM or the General Partner (as applicable). Although in limited cases a member of GSEM or the General Partner (as applicable) may serve on a portfolio company's board of directors, each portfolio company typically will be managed by its own officers (who generally will not be affiliated with the Fund, GSEM or the General Partner). A Fund may hold minority positions in portfolio companies or acquire securities that are subordinated vis-à-vis other securities as to economic, management or other attributes. Portfolio companies may have substantial variations in operating results from period to period, face intense competition, and experience failures or substantial declines in value at any stage. Portfolio companies may need substantial additional capital to support growth or to achieve or maintain a competitive position. Such capital may not be available on attractive terms. A Fund's capital is limited and may not be adequate to protect the Fund from dilution in multiple rounds of portfolio company financing. The public market for emerging growth companies is extremely volatile. Such volatility may adversely affect the development of portfolio companies, the ability of a Fund to dispose of investments, and the value of investment securities on the date of sale or distribution by a Fund. In particular, the receptiveness of the public market to initial public offerings by the portfolio companies may vary dramatically from period to period. An otherwise successful portfolio company may yield poor investment returns if it is unable to be sold or consummate an initial public offering at the proper time. Even if a portfolio company effects a successful public offering, the Fund or the investors may be prevented from disposing of the portfolio company's securities for a material period of time due to a contractual "lock-up," applicable law or other restrictions. Similarly, the receptiveness of potential acquirors to the portfolio companies will vary over time and, even if a portfolio company investment is disposed of via a merger, consolidation or similar transaction, the Fund's stock, security or other interests in the surviving entity may not be marketable. There can be no guarantee that any portfolio company investment will result in a liquidity event via public offering, merger, acquisition or otherwise, and there is a significant risk that some or all of a Fund's investments will yield little or no return. Generally, the investments made by a Fund initially will be illiquid and difficult to value, and there will be little or no collateral to protect an investment once made. At the time of a Fund's investment, a portfolio company may lack one or more key attributes (e.g., proven technology, appropriate patent protection, marketable product, complete management team, regulatory approvals or strategic alliances) necessary for success. Many or most of the portfolio companies will be dependent for their success upon the development, implementation, marketing and customer acceptance of new technologies that can be rendered obsolete or otherwise unattractive at any time. In some (possibly most) cases, the success of the portfolio companies will depend upon the development of business, technology or other "ecosystems" that may or may not reach critical mass during the relevant time period. In particular, there have been many examples of technology-related investments that failed to produce attractive returns simply because they were made too early in the development of such ecosystems, and there can be no assurance that a Fund will make investments at the proper time to achieve its investment goals. Some portfolio companies may be reliant for their success upon regulatory approvals, while others may require changes to existing (or the development of new) regulatory regimes. Regulatory approvals and changed/new regulatory regimes may be costly, difficult or impossible to obtain (and, if obtained, may be forthcoming only after a very extended period of time). Investments into certain types of regulated portfolio companies may impose costly and burdensome regulatory obligations upon a Fund itself. In most cases, investments will be long term in nature and may require many years from the date of initial investment before disposition. It is likely that a Fund will still hold some illiquid securities at the time of the Fund's dissolution, with the result that such securities may be distributed in-kind or sold for a price that reflects their illiquid nature.

The Funds generally intend to invest in late stage companies which may not have reached a point of positive cash flow generation or otherwise able to demonstrate an ability to expand into tangential markets. This type of portfolio investment represents multiple risks. Late stage companies might not have a viable product or service that can scale as envisioned and projected by the companies' management. Valuations of such companies available are typically much higher than those provided for earlier stage companies because such valuations reflect, among other things, the market's high expectations for revenues and/or imminent "exit" options given the stage in the company's life cycle and its initial business success. Even if a liquidity event does materialize, the returns a Fund may receive on its investment may not be as high as returns received from an investment in an earlier stage company. Additionally, late stage companies' management teams that have been leading such companies since their inception may not possess the necessary skills and experience required to lead and grow a late stage company into becoming a mature company that can scale in accordance with market demands, competition, specific industry or general economic environment.

While it is not the primary investment objective of the Funds, a Fund may invest in early stage companies. Relative to mature companies, young/emerging companies often have not yet developed comprehensive legal, regulatory, financial audit/control and similar compliance capabilities. This would make it more difficult for GSEM to conduct diligence upon prospective portfolio companies and to monitor any such companies that have entered a Fund's portfolio, which, in turn, would enhance the risks that otherwise successful portfolio companies will experience adverse consequences due to unintended violations of legal, regulatory or similar obligations. It would also enhance the risks that portfolio companies or a Fund will experience adverse consequences due to intentional wrongdoing by portfolio company personnel or third parties.

Secondary Investments in Portfolio Companies. In addition to the general risks associated with portfolio company investments, a Fund may engage in secondary direct investments in portfolio companies. Such investment strategy presents specialized risks.

While the secondary direct investment market has grown substantially in recent years, it remains a young market relative to more established venture capital/private equity markets. Thus, it may be more prone to rapid swings in the level of market activity, highly variable inflows and outflows of competitors, changing deal terms and conditions, and other attributes of a young, developing marketplace. For example, website operators have begun to create quasi-public markets for secondary direct interests and may achieve greater success in the future, with corresponding detriment to a Fund's more proprietary approach.

Sellers of secondary interests may be passive investors or otherwise have little insight into the true value of such interests and little information to share with GSEM other than reports that have been generated and provided by portfolio company management. The management of a prospective portfolio company may not be willing to assist GSEM in conducting factual investigation and analysis ("diligence") with respect to the prospective portfolio company and may be under no obligation to do so. GSEM typically will seek to position a Fund as an attractive counterparty vis-à-vis portfolio company management, and believes that this positioning often will induce prospective portfolio company management to cooperate with GSEM's efforts to conduct diligence. Nevertheless, portfolio company management (in particular, management of successful portfolio companies) often will have access to many competing capital sources and service providers. Thus, there can be no assurance that prospective portfolio company management will be inclined to

cooperate with GSEM's efforts at diligence or to take such other steps as are necessary to facilitate an investment by a Fund.

The securities that a Fund will seek to acquire on a secondary basis may be subject to substantial limitations on transferability including, without limitation, prohibitions on transfer, tag-along or drag-along rights, or rights of first refusal. Investments that are otherwise attractive may be impracticable or impossible to consummate due to such limitations.

Once GSEM has identified an attractive secondary investment opportunity, and gained access to that opportunity, the terms and conditions of investment may not be ideal. As a secondary purchaser, a Fund will be less likely to obtain information rights or similar rights of the type often available to direct investors and therefore may be less able to protect its interests. Overall, a Fund may have fewer rights to influence portfolio company management than if it were a primary investor.

As a secondary purchaser, a Fund may be required to devote substantial time, effort and resources in seeking to obtain clean title to the securities that it acquires (particularly when the seller is an individual). These efforts may not always be fully successful.

A Fund's intended investment program is based, in significant part, on assumptions regarding the supply of investments available for purchase. That supply is subject to many circumstances beyond the control of GSEM.

Long-Term Investment. An investment in a Fund is a long-term commitment and there is no assurance of any distribution to the investors. Under the rules set forth in the Partnership Agreement, the General Partner may extend the Fund's period of liquidation to resolve outstanding obligations of the Fund. In particular, when selling or similarly disposing of portfolio securities, a Fund may (as a commercial matter) be required to undertake tax or other indemnification obligations with terms extending beyond the ordinary term of the Fund, with the result that the Fund may retain assets during an extended liquidation period to help ensure satisfaction of such obligations before the Fund's final termination.

Growth Equity Transactions; Investments in Growth-Oriented Companies. A Fund's strategy generally is expected to be focused on targeting growth-equity investments. While growth-equity investments offer the opportunity for significant capital gains, such investments may involve a higher degree of business and financial risk that can result in substantial or total loss. Growth-equity portfolio companies may operate at a loss or with substantial variations in operating results from period to period, and many will need substantial additional capital to support additional research and development activities or expansion, to achieve or maintain a competitive position, and/or to expand or develop management resources. Growth equity portfolio companies may face intense competition, including from companies with greater financial resources, better brand recognition, more extensive development, marketing and service capabilities and a larger number of qualified managerial and technical personnel.

A Fund generally expects to make portfolio investments in a number of expansion and growth-oriented companies that have inherently greater risk than more established businesses. To the extent there is any public market for the securities held by the Fund, such securities generally are subject to more abrupt and erratic market price movements than those of larger, more established companies. Such expansion and growth-oriented companies tend to have lower

capitalizations and fewer resources and therefore, often are more vulnerable to financial failure. Oftentimes, such companies also have shorter operating histories on which to judge future performance and in many cases, if operating, will have negative cash flow. Certain expansion and growth-oriented companies may not have significant or any operating revenues, and any such investment should be considered highly speculative and may result in the loss of the Fund's entire investment therein. In addition, less mature companies could be deemed to be more susceptible to irregular accounting or other fraudulent practices. In the event of fraud by any company in which a Fund invests, the Fund may suffer a partial or total loss of capital invested in that company. The foregoing factors also increase the difficulty of valuing such investments. For such privately held companies, exit and liquidity options may be more limited than is the case for larger, more established companies.

Non-Controlling Investments. A Fund generally is expected to hold minority stakes in privately held (and to a lesser extent, public) companies and as a result, will often have limited minority protection rights. For example, a Fund may have limited liquidity rights and management and/or control rights with respect to the operation of such companies and will be entirely dependent on the decisions of the portfolio company and/or third-party investors. As is the case with minority holdings in general, such minority stakes will have neither the control characteristics of majority stakes nor the valuation premiums accorded majority or controlling stakes. Minority stakes will be more difficult to liquidate than a controlling interest in such company would be. Even if a Fund has contractual rights to seek liquidity of the Fund's minority interests in such companies, it may be very difficult to sell such interests or seek a sale of such company or other liquidity event, such as an initial public offering, upon terms acceptable to the Fund, especially in cases where the interests of the other investors in such company have different business and investment objectives and goals.

Although GSEM is responsible for monitoring the performance of each investment and seeks to invest in companies operated by strong management, there can be no assurance that the existing management team, or any successor, will be able to operate the portfolio company successfully. The success of many portfolio companies is heavily dependent on the management of such companies, which is responsible for their day-to-day operations. There can be no assurance that the management team of a company on the date an investment is made will remain the same or continue to be affiliated with the company throughout the period the investment is held. Further, the business and operations of certain companies may often experience rapid organizational change that may strain the performance of such companies' management teams.

In addition, GSEM generally relies on the financial information made available by the companies in which the Funds invest. GSEM generally does not have the ability to independently verify such financial information, and generally is dependent upon the integrity of both the management of these borrowers and issuers and the financial reporting process in general. Material losses can occur as a result of corporate mismanagement, fraud, and accounting irregularities.

Public Company Holdings. It is anticipated that a portion of a Fund's investment portfolio will consist of securities issued by publicly traded companies (e.g., as the result of a direct investment in publicly traded securities, an initial public offering effected by a previously private portfolio company, or acquisition of a private portfolio company by a publicly traded company). The fact that a portfolio company is publicly traded will not necessarily reduce the business and other risks associated with an investment in such company. For example, the last few decades have seen multiple periods during which early stage companies have been able to effect initial public offerings, and the stage at which companies are able to effect an initial public offering varies in

different markets around the world. Moreover, investments in publicly traded companies often are subject to risks that differ in type or degree from those involved with investments in privately held companies. Such risks include, without limitation, greater volatility in the valuation of such companies, increased obligations to disclose information regarding such companies, limitations on the ability of the relevant Fund to dispose of such securities at certain times, increased likelihood of shareholder litigation against such companies' board members, exposure to greater securities law and other regulatory burdens, risks associated with "insider trading" and similar rules as well as increased costs associated with each of the aforementioned risks.

Competition. The venture capital/private equity business is highly competitive. The Funds and GSEM will be competing with other established funds and investment organizations with substantial resources and experience. Moreover, the volume of attractive investment opportunities varies greatly from period to period. There can be no assurance that a Fund will be able to make investments on attractive terms, and it is possible that a Fund's term will expire before the Fund has invested all of its available capital.

Competition in the Software and Technologies Industries. Competitors of the Funds and its portfolio companies in many cases are expected to range in size from diversified global companies with significant research and development resources to small, specialized firms whose narrower product lines may let them be more effective in deploying technical, marketing and/or financial resources. Barriers to entry in the technology and software industries are low, and software products can be distributed broadly and quickly at relatively low cost. Many of the areas in which a Fund and its portfolio companies will participate evolve rapidly with changing and disruptive technologies, shifting user needs, and frequent introductions of new products and services. The emerging nature and rapid evolution of software and other technological products and services generally require portfolio companies operating in such industries to continually improve the performance, features and reliability of their products and/or services, particularly in response to competitive offerings. These industries are challenged by various factors, including rapidly changing market conditions and/or participants, new competing products, changing consumer preferences, short product life cycles, services and/or improvements in existing products. The software sector as a whole is highly cyclical. There can be no assurance that such portfolio companies will be successful in achieving widespread acceptance of their products and/or services before competitors offer products and services with similar or improved performance, features and reliability. In addition, the widespread adoption of new technologies or standards could require substantial expenditures by such portfolio companies to modify or adapt their products or services. Such expenditures negatively affect the profitability of such portfolio companies and, in turn, such Fund's operating results and performance.

Third-party Infringement Claims. In many cases, the value of a company or business in which a Fund invests will be dependent upon protecting proprietary rights with respect to one or more of the products such portfolio company develops, produces or markets. There can be no assurance that any issued patents underlying products of any portfolio company will provide sufficient protection to allow portfolio companies to conduct their businesses in the ordinary course. A Fund or any portfolio company has the potential to receive notices from persons or entities claiming that the Fund or such portfolio company has infringed their intellectual property rights. The quantity of such claims is likely to grow over time due to the fast pace of developments in the software sector, increasing amounts of user-generated content, the extensive patent coverage of existing technologies, and the rapid rate of issuance of new patents. Additionally, portfolio companies are likely to use "open source" software in their products, or may use such software in

the future. Such open source software is generally licensed by its authors or other third parties under open source licenses. It is possible that licensing authors or third parties will allege that a portfolio company has not complied with the conditions of one or more of such licenses. To resolve these and other intellectual property infringement claims, the Funds and/or portfolio companies would need to enter into royalty and licensing agreements on terms that are less favorable than currently available, stop selling or redesign affected products, or pay damages to satisfy indemnification commitments with customers, any of which will cause operating margins to decline. In addition to money damages, in some jurisdictions plaintiffs are permitted to seek injunctive relief that would limit or prevent importing, marketing and selling products that utilize infringing technologies, and it is possible that such injunctive relief may be issued before the parties have fully litigated the validity of the underlying intellectual property rights. The success of portfolio companies will also depend on the preservation of trade secrets, which are often not protected by patents and are instead subject to relevant confidentiality agreements with third parties such as collaborative partners, licensors, employees and consultants. Disclosure of trade secrets or other confidentiality information in violation of any such agreement is likely to adversely affect the relevant portfolio company.

Software Code Protection. The development and protection of source code is critical to many businesses in the software sector. If an unauthorized disclosure of a significant portion of a portfolio company's source code occurs, such portfolio company could potentially lose future trade secret protection for such source code. The loss of trade secret protection could make it easier for others to compete with such portfolio company's products by copying their functionality, which could adversely affect such portfolio company's revenue and operating margins. Unauthorized disclosure of source code could also increase security risks (e.g., viruses, worms, and other malicious software programs that may attack a portfolio company's products and services). Costs for remediating the unauthorized disclosure of source code and other cyber-security breaches may include those related to increased protection, reputational damage, loss of market share, liability for stolen assets or information and repairs to damaged systems. Remediation costs may also include incentives offered to maintain a portfolio company's business and/or customer relationships following a security breach.

Concentration of Investments. A Fund's portfolio may become concentrated in a limited number of companies in certain high technology or other industries, increasing the vulnerability of the portfolio as compared with a portfolio that is more diversified. In certain cases, the Fund may acquire majority or greater interests in portfolio companies, which could further increase the vulnerability of the portfolio. Furthermore, to the extent that the capital raised is less than the targeted amount, a Fund could potentially invest in fewer portfolio companies and thus be less diversified. In addition, if a Fund co-invests with another investment fund (including an Opportunities Fund or any other Fund or funds invested by other sponsors), an investor that is invested in such Opportunities Fund and/or other fund would have exposure to a single portfolio company through more than one fund, potentially multiplying such investor's losses.

Limited or No Control over Portfolio Companies. GSEM generally will not seek control over the management of portfolio companies in which a Fund invests, and the success of each investment generally will depend on the ability and success of the management of the portfolio company. A Fund will almost always invest in companies in which other venture capital/private equity firms have made equity investments. In limited cases, a Fund will have the right to designate a member of the board of directors of its portfolio companies, but irrespective of any such board seat appointment rights, in most cases, other investors generally are expected to have more influence in

decisions made by and affecting portfolio companies. The mere fact that GSEM disagrees with decisions made by other investors in a portfolio company likely will not trigger any particular ability of a Fund to dispose of its investment in such portfolio company, with the result that the value of the Fund's investment in a portfolio company may be materially impacted by the decisions of other investors.

Availability of Investment Capital. Portfolio company investments often require several rounds of capital infusions before the portfolio company reaches maturity. If a Fund does not have funds available to participate in subsequent rounds of financing, that shortfall may have a significant negative impact on both the portfolio company and the value of such Fund's earlier investment. Although the Funds intend to maintain reserves to allow them to participate in follow-on rounds of financing, the Funds do not always intend to provide all necessary follow-on financing that a portfolio company may require. A Fund's capital is limited and may not be adequate to protect such Fund from dilution in multiple rounds of portfolio company financing. Accordingly, third-party sources of financing will be required. There is no assurance that such additional sources of financing will be available, or, if available, will be on terms beneficial to the Funds. A Fund's portfolio companies may not successfully find follow-on financing sources after an investment by such Fund. As a result, the expected return from such Fund's investment may be adversely impacted. Financing from third-party sources may also dilute one or more Funds' ownership in a particular company. In addition to dilution as a result of a third party's financing of a portfolio company, a Fund's ownership in the portfolio company is permitted to be diluted, or such Fund's rights and preferences with respect to that company may be adversely affected, by an investment in that portfolio company by another Fund.

Need for Follow-on Investments. Following its initial investment in a given portfolio company, a Fund may decide to provide additional funds to such portfolio company and/or its subsidiaries or may have the opportunity to increase its investment in a successful portfolio company (whether for opportunistic reasons, to fund the needs of the business or for other reasons). There is no assurance that the Funds will make follow-on investments or that the Funds will have sufficient available capital to make all or any of such investments. Any decision by a Fund not to make follow-on investments or its inability to make such investments may have a substantial negative effect on a portfolio company in need of such an investment. Additionally, such failure to make such investments may result in a lost opportunity for a Fund to increase its participation in a successful portfolio company or the dilution of a Fund's ownership in a portfolio company if a third party or co-invest vehicle invests in such portfolio company and, in circumstances where the follow-on investment is offered at a discount to market value, may result in a loss of value for the Fund relative to those who participated in the follow-on investment. In addition, certain of the Funds' portfolio investments may need additional capital to sustain their working capital needs and/or acquisition strategies. The amount of such additional capital needed will depend upon the maturity and objectives of the particular portfolio company. Each such round of financing (whether from the Funds or other investors) is typically intended to provide a portfolio company with enough capital to reach the next major corporate milestone. If the capital provided by a Fund is not sufficient, or if the Fund is unable to provide additional capital, a portfolio company may have to raise further capital at a price unfavorable to existing investors, including the Fund. To the extent a portfolio company in which a Fund invested receives additional funding in subsequent financings and the Fund does not participate in such additional financing rounds, the interests of the Fund in such portfolio company would be diluted. In the event that the Fund does not make a potential follow-on investment, such follow-on investment may be made by one or more co-investing funds or other

Funds, whether or not such Fund or co-invest vehicle has participated in the initial investment in such portfolio company.

Borrowing. Except with regard to amounts borrowed for short-term periods of time to satisfy short-term needs of a Fund, GSEM generally will not cause a Fund to borrow money. The principal amount of a Fund's indebtedness for borrowed money generally will be limited to a percentage of the total commitments of the investors (although the Governing Documents for G Squared VI permit an asset-based credit facility primarily secured by Fund assets; however, G Squared VI has not entered into any such asset-based facility). GSEM generally retains authority to, on behalf of a Fund and/or for its own account, secure the payment of any indebtedness by mortgage, charge, pledge, lien or assignment of any interest in all or any part of the Fund's assets (including its bank accounts) as well as GSEM's right to serve capital call notices on investors and a Fund's right to receive payment of the capital commitments called pursuant to such capital call notices and all rights relating thereto. Accordingly, an investment in a Fund may be exposed to changes in the interest rates which have steadily increased since March 2022 and which generally are variable over the life of the borrowings.

A Fund may also invest in portfolio companies that may borrow to fund acquisitions or other activities. The use of leverage by a portfolio company may impose restrictive financial and operating covenants, in addition to the burden of debt service, and may impair its ability to operate its business as desired and/or finance future operations and capital needs. Such leverage will increase a portfolio company's exposure to any deterioration in its industry, competitive pressures, adverse economic environment or rising interest rates. As a result, any decline in the value of a leveraged portfolio company may be accelerated and magnified in a market downturn. In the event any portfolio company cannot generate adequate cash flow to meet its debt service, the Fund may suffer a partial or total loss of capital invested in such portfolio company, which could adversely affect the Fund's returns. Additionally, in such a situation, lenders would typically have a claim that has priority over any claim by the Fund to the assets of such portfolio company in an insolvency event or proceeding. Should the credit markets be limited or costly at the time a Fund determines that it is desirable to sell all or a portion of a portfolio company, the Fund may not achieve an exit multiple or enterprise valuation consistent with its forecasts for such portfolio company. If a portfolio company is unable to obtain favorable financing terms for its investments, refinance its indebtedness or maintain a desired or optimal level of financial leverage, the Fund may hold a larger than expected equity investment in such portfolio company and may realize lower than expected returns from such portfolio company, which would likely adversely affect the Fund's returns. Any failure by lenders to provide previously committed financing could also expose a Fund to potential claims by sellers of prospective portfolio companies which a Fund may have been contracted to purchase.

In certain circumstances, at the discretion of GSEM, a Fund is expected to provide cross-guarantees of their respective indebtedness on a joint, several, joint and several or cross-collateralized basis with one or more other Funds and entities managed by GSEM or any of its affiliates, including through Fund subsidiaries and other intermediate entities, and may have a right of contribution, subrogation or reimbursement from or against such entities, in each case, subject to certain limitations as set forth in the Governing Documents of the relevant Funds, including the term of any such indebtedness and the aggregate principal amount of indebtedness that may be outstanding. It is also possible that co-invest vehicles (including an Opportunities Fund) in certain cases will not share in incurring such leverage and that the Fund will disproportionately bear the risk and/or costs of leverage arrangements. Conflicts of interest also have the potential to arise to

the extent that a subscription line is used to make an investment that is contemporaneously or later sold in part to co-invest vehicles (including one or more co-investing Funds, such as the Opportunities Fund(s)), as to the extent co-investors are not required to act as guarantors under the relevant facility or pay related costs or expenses, co-investors nevertheless stand to receive the benefit of the use of the subscription line and neither the relevant Fund nor investors generally will be compensated for providing the relevant guarantee(s) or being subject to the related costs, expenses and/or liabilities. In addition, to the extent a Fund incurs leverage (or provides such guaranties), such amounts are permitted to be secured by Commitments made by such Fund's investors.

Subscription Lines. A Fund generally enters into a subscription line with one or more lenders in order to finance its operations, including the acquisition or financing of the Fund's investments as well as to consolidate or make less frequent capital calls to Fund investors. Fund-level borrowing subjects investors to certain risks and costs. For example, because amounts borrowed under a subscription line typically are secured by pledges of the relevant General Partner's right to call capital from the investors, investors may be obligated to contribute capital on an accelerated basis if the Fund fails to repay the amounts borrowed under a subscription line or experiences an event of default thereunder. Moreover, any limited investor claim against the Fund would likely be subordinate to the Fund's obligations to a subscription line's creditors.

In addition, Fund-level borrowing may result in incremental partnership expenses that may be borne by investors. These expenses typically include interest on the amounts borrowed, unused commitment fees on the committed but unfunded portion of a subscription line, an upfront fee for establishing a subscription line, and other one-time and recurring fees and/or expenses, as well as legal fees relating to the establishment, structuring and negotiation of the terms of the borrowing facility, as well as expenses relating to the maintenance, renegotiating or terminating the facility. Because a subscription line's interest rate may be based in part on the creditworthiness of the relevant Fund's investors and the terms of the Governing Documents, it may be higher than the interest rate an investor could obtain individually. To the extent a particular investor's cost of capital is lower than the Fund's cost of borrowing, Fund-level borrowing can negatively impact an investor's overall individual financial returns even if it increases the Fund's reported net returns in certain methods of calculation. Conflicts of interest have the potential to arise in that the use of Fund-level borrowing typically delays the need for investors to make contributions to a Fund, which in certain circumstances enhances the relevant Fund's internal rate of return calculations and thereby may be deemed to benefit the marketing efforts of GSEM and its affiliates. Conflicts of interest also have the potential to arise to the extent that a subscription line is used to make an investment that is contemporaneously or later sold in part to co-investors (including one or more co-investing Funds, such as the Opportunities Fund(s)), as to the extent co-investors are not required to act as guarantors under the relevant facility or pay related costs or expenses, co-investors nevertheless stand to receive the benefit of the use of the subscription line and neither the relevant Fund nor investors generally will be compensated for providing the relevant guarantee(s) or being subject to the related costs, expenses and/or liabilities.

The credit agreement entered into in connection with establishing a subscription facility frequently may contain other terms that restrict the activities of a Fund or impose additional obligations on them. For example, a subscription line commonly imposes restrictions on the relevant General Partner's ability to consent to the transfer of an investor's interest in the Fund or impose concentration or other limits on the Fund's investments. In addition, in order to secure a subscription line, the relevant General Partner is often required to request certain financial information and other

documentation from investors to share with lenders. The General Partner will have significant discretion in negotiating the terms of any subscription line and may agree to terms that are not the most favorable to one or more investors.

Fund-level borrowing involves a number of additional risks. For example, drawing down on a subscription line allows the General Partner to fund investments and pay partnership expenses without calling capital, potentially for extended periods of time. If the Fund chooses to draw on this line of credit, investors should note that such activity has the potential to give rise to debt-financed UBTI within the meaning of Section 514 of the Code if such indebtedness remains outstanding for a prolonged period of time. Calling a large amount of capital at once to repay the then current amount outstanding under a subscription line could cause short-term liquidity concerns for investors that would not arise had the relevant General Partner called smaller amounts of capital incrementally over time as needed by a Fund. This risk would be heightened for an investor with commitments to other funds that employ similar borrowing strategies or with respect to other leveraged assets in its portfolio; a single market event could trigger simultaneous capital calls, requiring the investor to meet the accumulated, larger capital calls at the same time. The General Partner is authorized to use Fund-level borrowing to pay Management Fees and to reimburse GSEM for expenses incurred on behalf of the Fund. A Fund is also authorized to utilize Fund-level borrowing when the General Partner expects to repay the amount outstanding through means other than investor capital, including as a bridge for equity or debt capital with respect to an investment. If the Fund ultimately is unable to repay the borrowings through those other means, investors would end up with increased exposure to the underlying investment, which could result in greater losses.

Investment- and Intermediate Entity-Level Borrowing. Under the Governing Documents, each Fund is authorized to incur indebtedness that is secured by any assets of the Fund (e.g., asset-based borrowing, as well as “back leverage” and net asset value (NAV) facilities), and is permitted directly or indirectly through one or more intermediate entities (e.g., special purpose vehicles) to incur indebtedness, including to borrow money from any person, to make guarantees or provide other credit support to any person or to incur any other obligation (including other extensions of credit). Indebtedness is permitted to be incurred for any purpose relating to the activities of a Fund, including without limitation to: finance any investment-related activities of a Fund; increase the buying power of a Fund; provide interim financing to the extent necessary to consummate the purchase of investments prior to the receipt of permanent financing or capital contributions or distributions (as applicable); pay for Fund expenses or fund the payment of Management Fees; make, hold or dispose of investments; provide financing or refinancing; fund the payment of amounts to withdrawing limited partners; and/or provide collateral to secure outstanding letters of credit or to create reserves, in each case in accordance with the Governing Documents.

Uncertainty of Projections. Each Fund will use financial projections to help analyze a potential investment, future capital raises and financing for portfolio companies, or for other transactions. In general, projected operating results of a portfolio company will be based primarily on financial projections prepared by such portfolio company’s management, with adjustments to such projections made by the relevant General Partner in its discretion. In all cases, projections are only estimates of future results that are based upon information received from a portfolio company and third parties and assumptions made at the time the projections are developed. Also, general economic factors, which are not predictable, can have a material effect on the reliability of projections. The inaccuracy of certain assumptions, the failure to satisfy certain financial requirements and the occurrence of other unforeseen events will impair the ability of a portfolio

company to realize projected values. There can be no assurance that the results set forth in any projections will be attained, and actual results could differ significantly from projections.

Broad Investment Authority of the General Partner. As described elsewhere in this Brochure, a Fund's investment sourcing, selection, management and liquidation strategies and procedures may deviate from those described herein for a variety of reasons including changes in the external environment within which a Fund operates as well as challenges and opportunities faced by portfolio companies. Subject only to the limits set forth in the Partnership Agreement, GSEM will have broad authority to implement, expand, contract, adapt and otherwise modify a Fund's investment sourcing, selection, management and liquidation strategies and procedures in such manner as GSEM determines to be appropriate.

Reliance on Individual Members of GSEM. A Fund will be particularly dependent upon the efforts, experience, contacts and skills of the individual members of GSEM. The loss of any such individual could have a material, adverse effect on the Funds, and such loss could occur at any time due to death, disability, resignation or other reasons. Moreover, except as specifically provided in the Partnership Agreement, the members of GSEM will not be required to devote their time and attention exclusively to any particular Fund. Additional members may be admitted to GSEM following a Fund's initial closing, existing members may withdraw, and the investors will have no power to prevent any specific person from being admitted to, or withdrawing from, GSEM as a member thereof. Within GSEM, the economic, voting and other rights of the individual members of GSEM will be determined by agreement among such members and will be subject to change from time to time. The investors will not be permitted to evaluate investment opportunities or relevant business, economic, financial or other information that will be used by GSEM in making decisions. Except as specifically provided in the Partnership Agreement, GSEM will have the exclusive right and power to manage the business and affairs a Fund.

Any prior experience that members of GSEM may have in making investments of the type expected to be made by a Fund necessarily was obtained under different market conditions and with different technologies at the forefront of development. There can be no assurance that members of GSEM will be able to duplicate prior levels of success.

GSEM may appoint or admit certain persons to "advisory" or other committees or boards intended to assist GSEM or the Fund by providing insights, advice or assistance regarding such diverse matters as technology, macro trends in economics, markets, product development, and other fields, industry contacts, deal flow, diligence, technical evaluations, portfolio company mentoring, service on portfolio company boards, personnel recruiting, or other matters. Under most circumstances, such persons will have no contractual or other obligation to continue as members of such committees or boards or to provide any particular insights, advice, assistance or other benefits. In evaluating an investment in a Fund, prospective investors must not depend upon any specific benefits accruing to GSEM or the Fund in respect of any such advisory or other committees or boards or the members thereof. Similar considerations apply to persons identified as entrepreneurs-in-residence, executives-in-residence, operating partners, venture partners or advisors, who generally will have no obligation to provide any particular insights, advice, assistance or other benefits to GSEM or the Fund. Moreover, prospective investors are particularly cautioned against relying upon the continued participation of any person identified as an entrepreneur-in-residence, executive-in-residence, operating partner, venture partner, advisor or by any similar title. The relationships identified by such titles frequently are short-term in nature. Without limitation, certain individuals are identified in the Governing Documents as "advisors." Such individuals have no obligation to

provide any particular insights, advice, assistance or other benefits to GSEM or the Fund and prospective investors must not rely upon them for any purpose in connection with a prospective investment in the Fund.

GSEM may organize an "affiliates" or "side" fund (a "**Side Fund**") that would accept capital commitments from potentially helpful individuals or organizations ("**Side Fund Investors**"), and co-invest with a Fund in the manner set forth in the relevant Partnership Agreement. Side Fund Investors may provide insights, advice or assistance of the same types described in the preceding paragraph, and may be permitted to invest in the applicable Side Fund with a lower fee/carry burden than is borne by investors in the Fund. Nevertheless, Side Fund Investors generally would have no contractual or other obligation to provide any actual insights, advice, assistance or other benefits to GSEM or the Fund. Accordingly, prospective investors in the Fund must not rely upon Side Fund Investors for any purpose in connection with a prospective investment in the Fund.

Individual members of GSEM or otherwise may conduct their affairs (including, without limitation, their participation in GSEM) through one or more wealth management, estate planning, tax planning, liability limiting or regulatory compliance entities. The use of such entities may, among other potential consequences, limit the ability of the investors to obtain direct recourse against such individuals in the case of breach of any duty or obligation.

Warehousing and Syndication of Investments. In order to facilitate one or more investments, the General Partner, the Funds and/or other GSEM entities are permitted to make (or commit to make) such investment(s) with a view to selling a portion of such investment to co-invest vehicles or other persons (including other GSEM entities or potential other GSEM entities) in the future. Where a Fund does so, such investments will be sold at the cost in which the Fund invested in the investment, unless the General Partner has reason to believe (in its sole discretion) that such value should be adjusted to account for their fair market value. Given the nature of a Fund's investments, a determination of fair market value may often times be the same as the cost value at which the Fund purchased the investment. If a Fund makes such an investment, the Fund will bear the risk that any or all of the excess portion of such investment may not be sold or financed or may only be sold or financed on unattractive terms and that, as a consequence, the Fund may bear the entire portion of any fees, costs and expenses related to such investment, hold a larger than expected investment or may realize lower than expected returns from such investment. The General Partner endeavors to address such risks by seeking to have such investments be in the best interests of the Fund, regardless of whether any sell-down or financing ultimately occurs. For the avoidance of doubt, the accrued interest and other income attributable to such warehoused investments from their inception until such sale or transfer, including, but not limited to, any interest payments, fees or coupon payments generally will be retained for the benefit of the Funds. If the Funds make such an investment, the Funds will bear the risk that any or all of the excess portion of such investment may not be sold or financed or may only be sold or financed on unattractive terms and that, as a consequence, the Funds may bear the entire portion of any fees, costs and expenses related to such investment, hold a larger than expected investment or may realize lower than expected returns from such investment. To the extent such transaction constitutes a principal transaction or a cross-fund transaction, the General Partner will obtain the necessary consents required. See "Risk Factors - Principal Transactions" and "Risk Factors - Investment Participation by Multiple Funds" for more information.

Reliance on Third Parties. GSEM and the Funds will require, and rely upon, the services of a variety of third parties, including but not limited to attorneys, accountants, bankers, brokers,

custodians, consultants (including "finders" and similar persons engaged to assist with the development and exploitation of portfolio deal flow, as well as similar persons engaged to assist with the assessment of technologies, markets and other matters) and various other persons or agents. GSEM and its affiliated management/advisory entities may also utilize the services of non-executive directors who provide such services on a professional basis and are not primarily part of any single venture capital/private equity firm. Failure by any of these third parties to perform their duties or otherwise satisfy their obligations to a Fund could have a material adverse effect upon the Fund. Except as otherwise provided in the Partnership Agreement, the fees and costs associated with such third parties generally will be paid by the Fund.

Service on Boards of Directors; Material Non-Public Information; Anti-Money Laundering and Other Laws. From time to time, individual members of GSEM have served and in the future are expected to serve as officers or directors of portfolio companies. In their capacity as officers or directors (or even simply by virtue of a Fund's status as a significant shareholder of a portfolio company), such individuals have the potential to become subject to fiduciary or other duties which adversely affect the Fund. For example, a Fund may be unable to sell or otherwise dispose of portfolio securities if a member of GSEM is in possession of material, non-public (i.e., "inside") information relating to the issuer thereof. Nevertheless, the Governing Documents of the Funds generally will not preclude such individuals from serving as officers or directors of portfolio companies or otherwise acquiring material, non-public information regarding portfolio companies. Conversely, the Partnership Agreement will not require that members of GSEM serve as officers or directors of portfolio companies, and there can be no assurance that GSEM will have a legal right to influence the management of any portfolio company.

In general, if there is a conflict between the fiduciary duties of GSEM or a member thereof to a portfolio company and such person's fiduciary duties to a Fund or the investors, such person's fiduciary duties to the portfolio company will prevail.

In addition, such service on boards of directors, especially in light of statutes and regulations relating to corporate governance and increased scrutiny of corporate boards, could expose a Fund or GSEM and its members and affiliates to regulatory action and/or claims by a portfolio company, its security holders and its creditors. While GSEM intends to manage the Funds in a way that will minimize exposure to these risks, the possibility of successful claims or adverse regulatory actions cannot be eliminated, and such events may have a significant adverse effect on a Fund.

Similarly, anti-money laundering, anti-boycott and economic and trade sanction laws and regulations in the United States and other jurisdictions may prevent GSEM or the Funds from entering into transactions with certain individuals or jurisdictions. The United States Department of the Treasury's Office of Foreign Assets Control ("**OFAC**") and other governmental bodies administer and enforce laws, regulations and other pronouncements that establish economic and trade sanctions on behalf of the United States. Among other things, these sanctions generally prohibit transactions with or the provision of services to, certain individuals or portfolio companies owned or operated by such persons or located in jurisdictions identified from time to time by OFAC. Additionally, antitrust laws in the United States and other jurisdictions give broad discretion to the U.S. Federal Trade Commission, the U.S. Department of Justice and other U.S. and non-U.S. regulators and governmental bodies to challenge, impose conditions on, or reject certain transactions. In certain circumstances, antitrust restrictions relating to one Fund's acquisition of a portfolio company either may preclude other Funds from making an attractive acquisition or require one or more other Funds to sell all or a portion of certain portfolio companies owned by them.

As a result of any of the foregoing, a Fund may be adversely affected because of GSEM's inability or unwillingness to participate in transactions that may violate such laws or regulations, or by remedies imposed by any regulators or governmental bodies. Any such laws or regulations may make it difficult or may prevent a Fund from pursuing investment opportunities, require the sale of part or all of certain portfolio companies on a timeline or in a manner deemed undesirable by GSEM or may limit the ability of one or more portfolio companies from conducting their intended business in whole or in part. Consequently, there can be no assurance that any Fund will be able to participate in all potential investment opportunities that fall within its investment objectives.

Limited Access to Information. Fund investors' rights to information regarding a Fund, the relevant General Partner or GSEM generally will be specified, and in many cases strictly limited, by the Partnership Agreement. In particular, it is anticipated that the General Partner and its affiliates will obtain certain types of material information from or relating to a Fund's investments that generally will not be disclosed to investors because such disclosure is prohibited, including as a result of contractual, legal or similar obligations outside of GSEM's control. Decisions by GSEM or its affiliates to withhold information may have adverse consequences for investors in a variety of circumstances. For example, an investor that seeks to transfer its interest in a Fund may have difficulty in determining an appropriate price for such interest. Decisions to withhold information may also make it difficult for an investor to monitor GSEM and its performance. Additionally, it is anticipated that investors that designate representatives to participate on a Fund's LP Advisory Committee generally may, by virtue of such participation, have more or earlier information about a Fund and its investments in certain circumstances than other investors. Fund investors generally will bear the expenses of responding to disclosure requests, including in connection with state public records, similar freedom of information and other laws, whether or not the relevant Fund succeeds in asserting confidentiality for requested documents and other materials, and GSEM reserves the right to withhold certain information from investors subject to such laws for reasons relating to GSEM's public reputation, business strategy or other reasons.

Recycling Investment Proceeds. Except as specifically set forth in the Partnership Agreement, GSEM retains broad authority to "recycle" investment proceeds (e.g., cash received upon sale of portfolio securities) for Fund purposes such as new investments and payment of Fund expenses. While the practice of recycling investment proceeds can have many benefits (such as enabling a Fund to more broadly diversify its portfolio and providing a cushion against cash shortfalls), the authority to recycle investment proceeds effectively increases the amount of capital available to GSEM in managing the Fund (i.e., it effectively increases the Fund's "size"). Moreover, especially in light of a Fund's limited term, it can create conflicts of interest, such as an incentive on the part of GSEM to cause a Fund to make additional, non-marketable investments late in a Fund's term. This, in turn, could make it difficult for investors to deny GSEM requests for an extension to the Fund's term. Recycling investment proceeds typically would result in delayed or reduced distributions to the investors in respect of recycled amounts, and has the potential to incentivize GSEM to seek taxable cash exits for certain portfolio securities in lieu of distributing such securities in kind. More generally, the practice of recycling investment proceeds tends to enhance competition and other conflicts of interest among affiliated (but non-parallel) funds related to GSEM because earlier-formed and later-formed Funds may simultaneously seek to participate in the same investment opportunities or to become co-investors or cross-investors in the same portfolio companies.

Relationship with GSEM Affiliates. Except as otherwise specifically provided in the Partnership Agreement, there is no assurance that a Fund will be offered any specific investment

opportunities that come to the attention of GSEM or that a Fund will be permitted to invest the full amount it desires to invest in any such opportunity that is made available. In many cases, the apportionment of investment opportunities among affiliates of GSEM will be subject to GSEM's discretion.

Economic Interest of GSEM. Because the percentage of profits allocated to the General Partner will exceed the capital contribution percentage of the General Partner, and because certain net losses otherwise allocable to the General Partner will be specially allocated to all the partners (up to the point that the investors' capital account balances reach zero (0)), the General Partner may have an incentive to make investments that are riskier or more speculative than if the General Partner received allocations on a basis identical to that of the investors or were compensated on a basis not tied to the performance of a Fund. Moreover, the members of the General Partner generally will benefit from management fees paid by the Fund even if the Fund is not profitable. Among other things, this arrangement may incentivize the General Partner to maintain the existence of the Fund (or to defer causing the Fund to dispose of portfolio assets) for the purpose of maintaining the payment of management fees. Because the tax rules governing the treatment of carried interest generally deny long-term capital gain treatment to the General Partner's carried interest generally share of gains from sales of capital assets unless the asset has been held for more than three (3) years, the General Partner may also have an incentive to cause the Fund to hold assets for longer than three (3) years.

Valuation of Investments. Generally, GSEM will determine the value of all Fund investments for which market quotations are available based on such available quotations. However, market quotations will likely be available for only a limited number of Fund investments because, among other things, the securities of portfolio companies held by such Fund generally will be illiquid and not quoted on any exchange; therefore, most of Fund investments will be difficult to value. GSEM determines the value of all the relevant Fund's investments that are not readily marketable based on ASC 820 guidelines as promulgated by the Financial Accounting Standards Board and any subsequent valuation guidelines required of an investment fund reporting under generally accepted accounting principles as promulgated in the United States. GSEM estimates the value of all Fund investments in accordance with its valuation policy and procedures, which may be amended from time to time in GSEM's discretion, and in doing so, GSEM will apply a methodology that it determines to be appropriate based on its reasonable judgment in light of the nature, facts and circumstances of the investments. Valuations generally are subject to multiple levels of review for approval and seeking to fairly value portfolio investments is an important focus of GSEM. However, there can be no assurance that GSEM will have all the information necessary to make valuation decisions in respect of these investments, or that any information provided by third parties on which such decisions are based will be correct, and the process of valuing securities for which reliable market quotations are not available is based on inherent uncertainties and the resulting values determined by GSEM are likely to differ from values that would have been determined had an active market existed for such securities and may differ from the prices at which such securities may ultimately be sold. Accordingly, the valuation decisions made by GSEM have the potential to cause it to ineffectively manage the relevant Fund's investment portfolios and risks, and may also affect the diversification of such Fund's portfolio of investments. In addition, the exercise of discretion in valuation by GSEM gives rise to conflicts of interest, including in connection with determining the amount and timing of distributions of carried interest and the calculation of Management Fees when tied to the fair value of the applicable Fund.

Financial Institution Risk; Distress Events; Exposure. An investment in a Fund is subject to the risk that one or more of the Fund's or portfolio investment's banks, brokers, hedging counterparties, lenders to or other custodians of some or all of the Fund's assets (each, a "**Financial Institution**") fails to perform its obligations or experiences insolvency, closure, receivership or other financial distress or difficulty, similar to that experienced by Silicon Valley Bank ("**SVB**") and Signature Bank in March 2023 (each, a "**Distress Event**"). Distress Events can be caused by various factors, including eroding market sentiment, significant withdrawals (e.g., a bank run in which depositors collectively withdraw their balances within a short period of time), fraud, malfeasance, poor performance or accounting irregularities. In the event a Financial Institution experiences a Distress Event, GSEM, the Funds and/or their portfolio investments may not be able to access deposits, borrowing facilities or other services for an extended period of time or ever. Although assets held by regulated Financial Institutions in the United States frequently are insured up to stated balance amounts by organizations such as the Federal Deposit Insurance Corporation, in the case of banks, or the Securities Investor Protection Corporation, in the case of certain broker-dealers, amounts in excess of the relevant insurance (including Fund assets maintained with qualified custodians pursuant to Rule 206(4)-2 under the Advisers Act) are subject to risk of loss, and any non-U.S. Financial Institutions that are not subject to similar regimes pose increased risk of loss. Although in recent years governmental intervention has resulted in additional protections for depositors, there can be no assurance that governmental intervention will be successful or avoid the risk of loss, substantial delays or negative impact on banking or brokerage conditions or markets.

Any Distress Event has a potentially adverse effect on the ability of GSEM to manage the Funds and their investments, and on the ability of GSEM, any Fund or any portfolio company to maintain operations, which in each case could result in operational burdens, significant losses and unconsummated investment acquisitions and dispositions. Such losses could include: a loss of funds; an obligation to pay fees and expenses in the event a Fund is unable to close a transaction (whether due to the inability to draw capital on a credit line provided by a Financial Institution experiencing a Distress Event, the inability of the Fund to access capital contributions or otherwise); the inability of the Fund to acquire or dispose of investments, including at prices that the relevant General Partner believes reflect the fair value of such investments; and/or the inability of GSEM or portfolio companies to make payroll, fulfill obligations and/or maintain operations. If a Distress Event leads to a loss of access to a Financial Institution's services, it is also possible that GSEM will experience operational burdens and expenses, and a Fund or a portfolio company will incur additional expenses and/or delays in putting in place alternative arrangements and/or that such alternative arrangements will be less favorable than those formerly in place (with respect to economic terms, service levels, access to capital or otherwise). There can be no assurance that GSEM will be able to exercise contractual remedies under the agreements with Financial Institutions in the event of a Distress Event, or that such remedies will be successful or avoid losses, delays or other negative impacts. The Funds and their portfolio companies are subject to additional risks in the event a Financial Institution utilized by investors of a Fund or suppliers, vendors, service providers or other counterparties of a portfolio company become subject to Distress Events, which could have a material adverse effect on a Fund, its investors or such portfolio companies, including the risk of investor defaults.

Many Financial Institutions require, as a condition to using their services (including lending services), that GSEM and/or the relevant Fund maintain all or a set amount or percentage of their respective accounts or assets with the Financial Institution, which heightens the risks associated with a Distress Event with respect to such Financial Institutions. Although GSEM seeks to do business

with Financial Institutions that it believes are creditworthy and capable of fulfilling their respective obligations to the Funds, GSEM is under no obligation to use a minimum number of Financial Institutions with respect to any Fund, or to maintain account balances at or below the relevant insured amounts.

SPAC Investments. GSEM (including, potentially, a Fund) is permitted to participate in one or more entities (each such entity, a "SPAC Sponsor") that is formed for the primary purpose of forming, sponsoring, controlling and/or managing a special purpose acquisition company ("SPAC"). A SPAC will register its shares with the SEC in an initial public offering and seek to use the funds raised in such offering to effect a business combination and, thereafter, operate as a public company. To the extent a SPAC is sponsored by a SPAC Sponsor owned by a Fund (either entirely or in part), such Fund will be required to contribute significant capital to the SPAC, including in respect of underwriting fees, deal expenses and working capital (collectively, the "at-risk capital"). If, following a SPAC's initial public offering, the funds held in a SPAC's trust account are insufficient to allow it to operate until it consummates its initial business combination, a SPAC will depend on loans from its SPAC Sponsor or its management team (which management team includes employees (including certain principals), advisors and/or consultants) to fund its search for a business combination, to pay income taxes, if any, and to complete its initial business combination. If a Fund does not control the SPAC Sponsor, there can be no assurance that the other owners of the SPAC Sponsor will loan the SPAC sufficient capital to fund the SPAC's continued search for a suitable target. If a SPAC Sponsor (including any SPAC Sponsor owned, entirely or in part, by a Fund) loans any amounts to its applicable SPAC, a Fund may bear a significant amount of the risk of any such loan and any related expenses. There can be no assurance or guarantee that a SPAC will be able to identify a suitable target business and consummate an initial business combination within the limited completion window of 18-24 months established in connection with the SPAC's initial public offering, and in such case, the SPAC will be forced to cease operations and liquidate, any loans it received (including indirectly from a Fund) will not be repaid and the SPAC Sponsor (including any SPAC Sponsor owned, entirely or in part, by a Fund) will lose the at-risk capital it contributed to the SPAC, which may be substantial. A Fund's interests in a SPAC Sponsor may include indirect ownership of warrants and "founder's shares" in a SPAC. A Fund's ownership percentage of such warrants and "founder's shares" may be less than the proportional amount of capital invested in such SPAC Sponsor by the Fund because some portion of such warrants and "founder's shares" is expected to be allocated to the management team, board members, advisors, consultants, or other industry professionals providing services to the SPAC or SPAC Sponsor and other persons or entities.

Financial Market Conditions and Fluctuations. The private investment industry generally, the market for debt and other investments and the success of a Fund's investment activities in particular, will be affected by general economic and market conditions, such as interest rates, availability of credit, credit defaults, inflation rates, economic uncertainty, changes in applicable laws (including laws relating to taxation of a Fund's investments), trade barriers, currency exchange controls, rate of inflation, currency depreciation, asset reinvestment, resource self-sufficiency and national and international political, environmental and socioeconomic circumstances (including pandemics, wars, terrorist acts or security operations). Moreover, governmental measures undertaken in response to such turmoil (whether regulatory or financial in nature) may have a negative effect on market conditions. General fluctuations in the market prices of securities and economic conditions generally may reduce the availability of attractive investment opportunities for the Fund and may affect the Fund's ability to make investments. Instability in the securities markets and economic conditions generally (including a slowdown in economic growth and/or

changes in interest rates or foreign exchange rates) may also increase the risks inherent in the Fund's investments and could have a negative impact on the performance and/or valuation of the Fund's portfolio companies. These conditions and opportunities may include, among others, the reduction in the availability of subscription facilities, the continuation of debt fund fundraising and deployment, the continued demand for non-investment grade debt and the expansion of the leveraged buyout market. No assurance can be given that such conditions, trends, or opportunities will arise or continue, as applicable, or that investments can be acquired or disposed of at favorable prices or that the market for Investments will either remain stable or, as applicable, grow or improve, since this will depend upon events and factors outside the control of GSEM. These factors may affect the level and volatility of market prices and the liquidity of the Investments, which could impair the Funds' profitability or result in losses. Moreover, governmental measures undertaken in response to such turmoil (whether regulatory or financial in nature) may have a negative effect on market conditions. General fluctuations in the market prices of securities and economic conditions generally may reduce the availability of attractive investment opportunities for the Funds and may affect the Funds' ability to make investments. Instability in the securities markets and economic conditions generally (including a slowdown in economic growth and/or changes in interest rates or foreign exchange rates) may also increase the risks inherent in the Funds' investments and could have a negative impact on the performance and/or valuation of the Funds' portfolio companies. GSEM's financial condition may be adversely affected by a significant general economic downturn, and it may be subject to legal, regulatory, reputational, and other unforeseen risks that could have a material adverse effect on GSEM's businesses and operations and thereby could impact the Funds. Moreover, a recession, slowdown and/or sustained downturn in the U.S. or global economy (or any particular segment thereof) could have pronounced impact on the Funds and could adversely affect a Fund's profitability, impede the ability of a Fund's portfolio companies to perform under or refinance their existing obligations, and impair a Fund's ability to effectively exit investments on favorable terms. Any of the foregoing events could result in substantial or total losses to a Fund in respect of certain investments, which losses will likely be exacerbated by the presence of leverage in a particular portfolio company's capital structure or an obligor's capital structure. GSEM itself could also be affected by difficult conditions in the capital markets and any overall weakening of the financial services industry. Any market turmoil, coupled with the threat of an economic slowdown, as well as a perceived increase in counterparty default risk, may have an adverse impact on the availability of credit to businesses generally, which in turn may adversely affect or restrict the ability of a Fund to sell or liquidate investments at favorable times or at favorable prices or which otherwise may have an adverse impact on the business and operations of the Fund, restrict the Fund's investment activities and/or impede the Fund's ability to effectively achieve its investment objective.

In addition, there can be no assurance that substantial volatility in stock markets will not have an adverse effect on the Funds.

While GSEM expects that the current environment will yield attractive investments for the Funds, there can be no assurances that conditions in the global financial markets will not deteriorate and/or adversely affect one or more of the investments, the Funds' access to borrowing through a subscription line or credit facility or the Funds' overall performance. The Funds' investment strategy and the availability of investments satisfying the Funds' risk-adjusted return parameters rely in part on the continuation of certain trends and conditions observed in the market for investments and the broader financial markets as a whole and in some cases the improvement of such conditions. Trends and historical events do not imply, forecast, or predict future events, and in any event, past performance is not necessarily indicative of future results. There can be no assurance that the

assumptions made or the beliefs and expectations currently held by GSEM will prove correct, and actual events and circumstances may vary significantly.

Changes in Environment. A Fund's investment program is intended to extend over a period of years, during which the business, economic, political, regulatory, and technology environment within which the Fund operates is expected to undergo substantial changes, some of which may be adverse to a Fund. GSEM will have the exclusive right and authority (within limitations set forth in the Partnership Agreement) to determine the manner in which a Fund shall respond to such changes, and investors generally will have no right to withdraw from a Fund or to demand specific modifications to a Fund's operations in consequence thereof. Prospective investors are particularly cautioned that the investment sourcing, selection, management and liquidation strategies and procedures exercised by members of GSEM in the past may not be successful, or even practicable, during a Fund's term. Within the limitations set forth in a Fund's Partnership Agreement, GSEM will have the right and authority to cause a Fund's investment sourcing, selection, management and liquidation strategies and procedures to deviate from those described elsewhere in the Governing Documents.

Uncertain Economic, Social and Political Environment. Consumer, corporate and financial confidence may be adversely affected by current or future tensions around the world, fear of terrorist activity and/or military conflicts, localized or global financial crises, virus or disease epidemics or other sources of political, social or economic unrest. Such erosion of confidence may lead to or extend a localized or global economic downturn. A climate of uncertainty may reduce the availability of potential investment opportunities, and increases the difficulty of modeling market conditions, potentially reducing the accuracy of financial projections. In addition, limited availability of credit for consumers, homeowners and businesses, including credit used to acquire businesses, in an uncertain environment or economic downturn may have an adverse effect on the economy generally and on the ability of a Fund and its portfolio companies to execute their respective strategies and to receive an attractive multiple of earnings on the disposition of businesses. This may slow the rate of future investments by such Fund and result in longer holding periods for investments. Furthermore, such uncertainty or general economic downturn may have an adverse effect upon such Fund's portfolio companies.

Uncertain Exit Strategies and Timing. Due to the illiquid nature of the investments made by the Funds, oftentimes the Adviser is unable to predict with confidence what the exit strategy will ultimately be for any given portfolio investment, or that an exit will definitely be available at an attractive price, or at all. Exit strategies that appear to be viable or profitable when an investment is initiated may be precluded or unprofitable by the time the investment is ready to be realized due to market, economic, legal, political, social or other factors, such as interest rates, availability of credit, credit defaults, inflation rates, economic uncertainty, changes in law (including laws relating to taxation of an interest in a Fund and/or a Fund's investments), trade barriers, currency exchange controls, and national and international political circumstances (including wars, terrorist acts or security operations). Exit timing for a portfolio company of a Fund may also be impacted by additional financing rounds for such portfolio company in which another Fund or other existing or new investors participate. For example, a large additional financing round for a portfolio company of a Fund, which may include participation by another Fund, may enable such portfolio company to stay private for an extended period of time rather than pursuing a potential initial public offering or acquisition that would have constituted (or potentially led to) an exit event for the Fund that had the existing investment in such company. These transactions create potential conflicts of interest that may need to be addressed depending on the particular circumstances but are expected to be

permitted pursuant to the Funds' Governing Documents and generally will not require consent from either the LP Advisory Committee or investors of the applicable Funds. While the additional time for the portfolio company to have an exit event enables certain Funds to potentially capitalize on further increases in the company's value with respect to its investment in such company, the additional financing round potentially defers the timing of what might have otherwise been an exit opportunity for other Funds, as applicable (with no assurance that an exit event will occur later).

Non-United States Investments. A Fund may invest in securities of non-United States portfolio companies. Such investments may present a variety of risks not presented by investments in United States portfolio companies, including risks associated with: (i) fluctuating currency exchange rates including fluctuations in the rate of exchange between the United States dollar and the various foreign currencies in which a Fund's foreign investments are denominated, and costs associated with conversion of investment principal and income from one currency into another; (ii) limitations on currency exchange or the transfer of capital/profits across international boundaries; (iii) different accounting standards; (iv) different legal protections for investors; (v) unusual regulatory burdens; (vi) political instability; and (vii) multiple taxing jurisdictions. Even those portfolio companies that nominally are United States portfolio companies by virtue of their jurisdiction of organization or management headquarters may be exposed to significant non-United States risks due to the increasingly international nature of many early stage technology companies (which may, for example: (a) rely upon international location or outsourcing of research, development, manufacturing or other operations; (b) seek alliances with non-United States partners; or (c) seek non-United States customers). Any adverse change to the political, economic, military or social environments in the host countries of portfolio companies could have a significant adverse effect upon the operations or financial performance of the Fund.

Currency Risk. Certain Fund investments, and the income received by such Fund with respect to such investments, may be denominated in various non-U.S. currencies. However, because the books of each Fund are maintained, and contributions to and distributions from each Fund are made, in United States dollars, currency conversion is required in such circumstances, which may adversely affect the United States dollar value of investments held by such Fund, income from such Fund's investments, gains and losses realized on the sale of such Fund's investments and the amount of distributions, if any, made by such Fund. In addition, the applicable Fund will incur costs in converting from United States dollars to foreign currency and vice versa. Furthermore, non-U.S. portfolio companies may be subject to risks relating to changes in currency values, as described above. If a portfolio company suffers adverse consequences as a result of such changes, the applicable Fund would likely also be adversely affected. Among the factors that will affect currency values are trade balances, short-term interest rates, differences in relative values of similar assets in different currencies, long-term opportunities for investment and capital appreciation and political and economic developments. Subject to the Governing Documents of the relevant Fund, the Adviser reserves discretion (but is not required) to cause the Fund to enter into hedging transactions designed to mitigate such risks, such as investing directly in foreign currencies, buying and selling forward foreign currency exchange contracts and buying and selling options on foreign currencies, but there can be no assurance any such strategies will be undertaken or, if undertaken, will be effective.

Convertible Securities. The Funds are permitted to invest in convertible securities. Convertible securities are preferred stocks or debt obligations that are convertible into common stock. Generally, convertible securities offer lower interest or dividend yields than nonconvertible securities of similar quality and less potential for gains or capital appreciation in a rising stock

market than other equity securities. Convertible securities tend to be more volatile than other fixed income securities, and the markets for convertible securities may be less liquid than markets for common stocks or bonds. Convertible securities have both equity and fixed income risk characteristics. Like fixed income securities, the value of convertible securities is susceptible to the risk of market losses attributable to changes in interest rates. The market value of convertible securities tends to decline as interest rates increase. If, however, the market price of the common stock underlying a convertible security approaches or exceeds the conversion price of the convertible security, the convertible security tends to reflect the market price of the underlying common stock. In such a case, a convertible security may lose much or all of its value if the value of the underlying common stock then falls below the conversion price of the security. As the market price of the underlying common stock declines, the convertible security tends to trade increasingly based on its fixed income characteristics, and thus, may not necessarily decline in price as much as the underlying common stock. Additionally, an issuer may have the right to buy back certain of the convertible securities at a time and price that is unfavorable to the Funds.

Enhanced Scrutiny and Certain Effects of Potential Regulatory Changes. There has been significant discussion recently regarding enhanced governmental scrutiny and increased regulation of the private investment fund and financial services industries. In the aftermath of the global financial crisis in 2008, there have been unprecedented legislative and regulatory actions taken by numerous governments and their agencies. This enhanced oversight and regulation, and the need for additional rulemaking by various governmental bodies, has created uncertainty in the financial markets, including the private fund industry. Many of the regulators to which the Funds, the General Partners, GSEM, or their respective affiliates are expected to be subject globally, including governmental agencies and self-regulatory organizations, are empowered to conduct investigations and administrative proceedings that can result in fines, suspensions of personnel or other sanctions, including censure, the issuance of cease-and-desist orders or the suspension or expulsion of applicable licenses or members. Even if an investigation or proceeding did not result in a sanction or the sanction imposed against any of the Funds, the General Partners, GSEM or their respective affiliates were small in monetary amount, the adverse publicity relating to the investigation, proceeding or imposition of these sanctions could harm the Funds, the General Partners, GSEM or their respective affiliates' reputations, which may adversely affect the Funds' investment performance by hindering their ability to obtain favorable financing or consummate a potentially profitable investment. In light of the heightened regulatory environment in which GSEM operates and the ever-increasing regulations applicable to private investment funds and their investment advisers, it has become increasingly expensive and time-consuming for GSEM and its affiliates to comply with such regulatory reporting and compliance-related obligations. Any further increases in the regulations applicable to private investment funds generally or the Funds, the General Partners or GSEM in particular may result in increased expenses associated with the Funds' activities and additional resources of GSEM being devoted to such regulatory reporting and compliance-related obligations, which may reduce overall returns for investors in the Funds or have an adverse effect on the ability of the Funds to effectively achieve their investment objectives. Increased reporting, registration and compliance requirements may divert the attention of personnel and the management teams of the General Partners and may furthermore place the Funds at a competitive disadvantage to the extent that GSEM is required to disclose sensitive business information.

Additionally, the SEC has proposed and enacted significant rules that will impact the business of GSEM and the Funds. In particular, the SEC has adopted a number of new rules that impose significant changes on private fund advisers and their management of private funds, and the SEC is expected to propose and/or adopt additional rules in the future. Such current and future

rulemaking is expected to materially impact GSEM and its affiliates, the Funds and/or their investments. In addition, the Funds are expected to bear increased and significant costs as a result of such enacted and proposed rules, including costs related to investor reporting and disclosures to investors. Significant time and resources are expected to be required to comply with the new regulations, which potentially will detract from the time and resources dedicated to the Funds. In addition, following the applicable compliance date, such regulations will require the General Partners to disclose to prospective investors and/or investors certain preferential investment terms that the General Partners provide to any investor in connection with its investments in the Funds, which could cause the General Partners to deny certain preferential terms to investors.

Impact of Government Regulation and Reform. The growth of the private fund industry, and the increasing size and reach of transactions, has prompted additional governmental and public attention to the industry and its practices. Portfolio companies will be subject to the antitrust and competition rules that apply in those countries or regions in which they do business. Failure to comply with those rules could expose the infringing company to sanctions or penalties including fines and civil damage actions. In some situations, private equity sponsors could be held jointly and severally liable for any sanctions or penalties imposed on a current or previously owned portfolio company for breach of the applicable antitrust rules. In recent years, there have been governmental investigations and lawsuits over whether certain club deals or consortium bids constituted an illegal attempt to collude and drive down the prices of acquisitions. Consortium bids are deals in which two or more unaffiliated entities either provide equity financing or divide the target business being acquired. These transactions can range in size from the large private equity club deals in which the target remains intact to much smaller deals in which a target is broken up and sold to multiple strategic buyers. Private investment firms that engage in potentially anti-competitive practices in an otherwise permissible and lawful club deal could be liable for monetary damages to former shareholders of target companies and be subject to U.S. Department of Justice (“DOJ”) investigation and civil and criminal prosecution resulting in fines. The Antitrust Division of the DOJ has previously issued information requests relating to private equity transactions among multiple fund sponsors, and in 2014, several fund sponsors settled claims that they had conspired to not bid against each other on eight large “take- private” buyouts that occurred prior to the global financial crisis. There can be no assurance that the Funds will not be subject to third-party litigation and/or investigations involving consortium bids.

In addition, numerous regulatory initiatives have been launched and significant legislation has been enacted as a result of the severe global market volatility and dislocations, financial institution failures and defaults and large financial frauds that occurred during the global financial crisis. U.S. regulators, including the Federal Reserve, the Office of the Comptroller of the Currency, and the Federal Deposit Insurance Corporation, have also recently warned banks against leveraged lending that load companies with large amounts of debt. Regulation generally, as well as regulation more specifically addressed to the private fund industry, including tax laws and regulation, whether in the U.S. or outside of it, could further increase the cost of acquiring, holding or divesting portfolio investments and the cost of operating the Funds, as well as harm the profitability of enterprises and interfere with the ability of the Funds to engage in certain transactions.

Certain segments within the software industry in which a Fund may invest are subject to laws and regulations that (i) are complex and may be ambiguous, with a lack of clear judicial or regulatory interpretive guidance; and (ii) are or may become highly regulated at both the federal and state levels in the United States and internationally, and subject to frequent regulatory change. While GSEM intends for the Funds to invest in companies that seek to comply with applicable laws

and regulations, an adverse review or determination by any applicable judicial or regulatory authority of any such law or regulation, or an adverse change in applicable regulatory requirements, could have a material adverse impact on the profit potential of the Funds and on the operations and/or financial performance of the companies in which the Funds may invest.

SEC Examinations and Investigations. There can be no assurance that any Funds, a Fund's General Partner, GSEM or any of their affiliates will avoid regulatory examination and possibly enforcement actions in the future. Recent SEC enforcement actions and settlements involving U.S.-based private fund advisers have involved a number of issues, including, among others, failure to update Form ADV to report delivery of audited financial statements and the undisclosed (or insufficient disclosure of) allocation of fees, costs and expenses, including those related to co-investment transactions (i.e., the allocation of deal expenses). Although GSEM believes certain practices related to the foregoing and other general practices have been common historically among private fund advisers within the U.S. private funds industry, if the SEC or any other governmental authority, regulatory agency or similar body were to take issue with past or future practices of GSEM, then GSEM and/or such affiliates may be at risk for regulatory sanction. Even if an investigation or proceeding did not result in a sanction or the sanctions imposed against GSEM were small in monetary amount, any Fund, its General Partner, GSEM or their respective affiliates may be subject to adverse publicity relating to the investigation, proceeding or imposition of any such sanction. Any such investigations could be costly, distracting and/or time consuming for GSEM management. There is also a risk that regulatory agencies in the United States and beyond will continue to adopt new laws or regulations (including tax laws or regulations), or change existing laws or regulations, or enhance the interpretation or enforcement of existing laws and regulations.

Outbreaks of Infectious or Contagious Diseases; COVID-19. Pandemics and other widespread public health emergencies, including outbreaks of infectious diseases such as SARS, H1N1/09 flu, avian flu, Ebola, and COVID-19, have and are resulting in market volatility and disruption, and future such emergencies have the potential to materially and adversely impact economic production and activity, all of which may result in significant losses to a Fund.

In an effort to contain such health emergencies, national, regional, and local governments, as well as private businesses and other organizations, have taken, or have the potential to take, restrictive measures, including instituting local and regional quarantines, restricting travel (including closing certain international borders), prohibiting public activity (including "stay-at-home" and similar orders), and ordering the closure of large numbers of offices, businesses, schools, and other public venues. Any such measures have the potential to significantly diminish economic production and activity of all kinds and contribute to volatility in financial markets, and demand across categories of consumers and businesses, as well as in the credit and capital markets. Restrictive measures, whether on an initial or re-imposed basis, also have the potential to cause labor force and operational disruptions, slowing or complete idling of certain supply chains and manufacturing activity, steep increases in unemployment levels in the United States and several other countries, and strain and uncertainty for businesses and households, with a particularly acute impact on industries dependent on travel and public accessibility, such as transportation, hospitality, tourism, retail, sports and entertainment.

The ultimate impact of any such health emergency—and any resulting decline in economic and commercial activity across—on global economic conditions, and on the operations, financial condition and performance of any particular industry or business, is impossible to predict but could have a significant adverse impact and result in significant losses to the Funds. The extent of any

impact on the Funds' and their portfolio companies' operational and financial performance will depend on many factors, all of which are highly uncertain and cannot be predicted, and this impact may include significant reductions in revenue and growth, unexpected operational losses and liabilities, impairments to credit quality and reductions in the availability of capital. These same factors may limit the ability of the Funds to source, diligence and execute new investments and to manage, finance and exit investments in the future, and governmental mitigation actions may constrain or alter existing financial, legal and regulatory frameworks in ways that are adverse to the investment strategy the Funds intend to pursue, all of which could adversely affect the Funds' ability to fulfill their investment objectives. They may also impair the ability of portfolio companies or their counterparties to perform their respective obligations under debt instruments and other commercial agreements (including their ability to pay obligations as they become due), potentially leading to defaults with uncertain consequences. In addition, the operations of the Funds, their portfolio companies, the General Partners and GSEM may be significantly impacted, or even temporarily or permanently halted, as a result of any such health emergencies, or any measures, restrictions, remote-working requirements and other factors related thereto, including its potential adverse impact on the health of any such entity's personnel. These measures may also hinder such entities' ability to conduct their affairs and activities as they normally would, including by impairing usual communication channels and methods, hampering the performance of administrative functions such as processing payments and invoices, and diminishing their ability to make accurate and timely projections of financial performance.

Russia-Ukraine Conflict, Israel, Middle East Security, Military and Related Risks. An ongoing military conflict exists between Russia and Ukraine, which has caused various disruptions to global financial systems, trade and transport, and food security in certain regions of the world, among other things. In response, multiple other countries have put in place global sanctions and other severe restrictions or prohibitions on the activities of individuals and businesses connected to Russia. The U.S. and allied countries have taken steps to prevent certain Russian banks from accessing international payment systems and implemented sanctions on certain Russia exports, including oil and natural gas. Additionally, the U.S. and allied countries have issued sanctions on certain foreign individuals and national leaders who have supported Russia's invasion of Ukraine, restricting such persons from particular transactions in the U.S. and allied countries. Russia's invasion of Ukraine, related cyberattacks, the displacement of persons both within Ukraine and to neighboring countries and the increasing international sanctions could have a negative impact on various economies and business activity globally (including in the countries in which the Funds invest), and therefore could adversely affect the performance of a Fund's investments. It may also limit the ability of a Fund to source, diligence and execute new investments and to manage, finance and exit investments in the future. Given the ongoing and evolving nature of the conflict and its ongoing escalation (such as Russia's decision to place its nuclear forces on high alert, its potential involvement in the conflict between Israel and Hamas, its recent suspension of its participation in its last nuclear arms treaty and the possibility of significant cyberwarfare against military and civilian targets globally), it is difficult to predict the conflict's ultimate impact on global economic and market conditions, and, as a result, the situation presents material uncertainty and risk with respect to the Funds and the performance of their investments or operations, and the ability of the Funds to achieve their investment objectives. Given the involvement of the broader international community in the conflict, including via the supply of weapons to Ukraine and China's role in proposing various ceasefires, there remains a risk of spread of the conflict beyond Eastern Europe.

On October 7, 2023, Hamas, a Palestinian terrorist group who has sought to control the Gaza Strip since 2006, breached the fences separating Israel and Gaza, and conducted a violent, surprise

attack on Israeli civilians. This attack sparked an armed conflict, which is currently ongoing, between Hamas and other Palestinian militant groups and Israel, known as the 2023 Israel-Hamas war. Across the Middle East region, tensions have risen, and the conflict has begun to spill over into Lebanon, Iraq, Syria, and Yemen, including attacks on U.S. presence in those countries. There is concern that the Hamas-Israel conflict could continue to expand to involve other regional powers and global actors. This new conflict has created tremendous unrest and uncertainty in the region, which may threaten any existing or future peace agreements. The ultimate course of a conflict such as the Israel-Hamas war, and its impact on global economic and commercial activity and conditions, and on the operations, financial condition and performance of a Fund or any particular industry, business or investee country, including a Fund's portfolio companies, in particular such companies with any operations or exposure to Israel, as well as the duration and severity of such effects, is impossible to predict. This impact may include reductions in revenue and growth, cyber-attacks, unexpected operational losses and liabilities, reductions in the availability of capital and reductions in the availability and productivity of the workforce. It may also limit the ability of the Funds to source, diligence and execute new investments and to manage, finance and exit investments in the future. The conflict could also deter the Funds from making certain investments in or with connections or exposure to Israel, and as a result, the Funds could experience lower returns than if they had made such investments, in particular if the conflict resolves more quickly than anticipated. Developing and further governmental actions (military or otherwise), regional spillover, and international negotiations over such conflicts may cause additional disruption and constrain or alter existing financial, legal and regulatory frameworks and systems in ways that are adverse to the investment strategy which the Funds intend to pursue, all of which could adversely affect a Fund's ability to fulfill its investment objectives.

Force Majeure. "Force majeure" refers to the legal concept, included in certain commercial and other contracts, whereby a party to a contract may be excused from performing its obligations to a counterparty under such contract where performance is made impossible or highly impracticable as a result of an event that the contract parties could not have anticipated or controlled. Examples of force majeure include earthquakes, floods, national emergencies and potentially (under certain facts and circumstances) government-mandated closures resulting from viral outbreaks like COVID-19 (as defined herein). Portfolio companies may be parties to contracts that include force majeure clauses and, as a result, these contracts may not be enforceable against certain of their counterparties (including suppliers of their raw materials and purchasers of their finished goods, products or services) if a force majeure event has been deemed to have occurred. The determination of whether a force majeure event has been triggered under a contract or has otherwise occurred is a mixed factual and legal one, and portfolio companies may incur legal costs (which may be significant) in disputes with counterparties regarding whether any such event has occurred, with the likely outcome of any such dispute hard to predict. If a portfolio company were unable to enforce a material contract as a result of a force majeure event, and/or if it incurred significant legal expenses in a dispute over a force majeure event, the results and prospects of that portfolio company (and possibly the Fund) may be adversely affected. Importantly, the Partnership Agreements generally do not include a force majeure clause and, as such, neither (i) GSEM or the General Partner (as applicable) nor (ii) the investors have a contractual basis for non-performance based on events that may constitute force majeure.

CFIUS and National Security Clearance Considerations. Certain investments are expected to be subject to or require review and approval by the U.S. Committee on Foreign Investment in the United States ("CFIUS"), such as where CFIUS-related laws, regulations or guidance deem non-U.S. persons or entities under their control (such as a Fund, co-investors and/or rollover sellers) to be

acquiring a U.S. business (including a business with assets, employees, facilities, and/or operations in the United States). CFIUS has the authority to review proposed or existing transactions or investments or to seek to impose limitations on or prohibit investments, and CFIUS filings and other considerations can materially impact transaction timing, feasibility, certainty and costs. In certain circumstances, CFIUS considerations have the potential to prevent a Fund from maintaining or pursuing investments, or limit the universe of available buyers for an existing investment. Any of these factors have the potential to adversely affect a Fund's performance, and the likelihood that CFIUS considerations will be implicated is expected to increase where non-U.S. investors comprise a substantial percentage of a Fund. Under the Governing Documents, the relevant General Partner or GSEM (as applicable) generally is authorized, although not required, to excuse or otherwise limit non-U.S. investors' ability to invest in U.S. businesses (or to exercise voting or advisory board rights with respect thereto) in order to anticipate or comply with CFIUS considerations. However, there can be no assurance that invoking any such excuse provisions or other limitations will allow the Fund to proceed with or maintain any investment, or to avoid losses relating thereto. Similar considerations are expected to apply with respect to reviews by non-U.S. national security or investment clearance regulators.

United Kingdom Exit from the European Union. On March 29, 2017, the United Kingdom ("UK") formally notified the European Council of its intention to leave the European Union (the "EU") ("**Brexit**"). The UK formally left the EU on January 31, 2020, and entered a transition period that ended on December 31, 2020. On December 24, 2020, the UK government and the EU Commission provisionally agreed a trade and cooperation agreement governing their future relationship, which, following a ratification process, is expected to apply on a provisional basis through an additional transition period.

Although provisionally agreed, the terms of UK's ongoing and future relationship with the EU are still uncertain, including the extent to which UK businesses will have access to the EU single market and the extent to which EU businesses have access to the UK market. There is also risk of significant disruption to trade between the UK and the EU, particularly as new trade arrangements are intended to be ratified and implemented.

There can be no assurance that any renegotiated laws or regulations will not have an adverse impact on a Fund and its investments, including the ability of a Fund to achieve its investment objectives.

The legal, political and economic uncertainty generally resulting from the UK's exit from the EU may adversely affect both EU and UK-based businesses, including GSEM and Fund portfolio companies, as applicable. This uncertainty may also result in an economic slowdown and/or a deteriorating business environment in the UK and in one or more EU Member States.

Cybersecurity Risks. Recent events have illustrated the ongoing cybersecurity risks to which operating companies are subject, particularly operating companies in historically vulnerable industries such as the food services and retail industries. To the extent that a portfolio company, Fund, General Partner, GSEM or one or more of their respective service providers is subject to cyber-attack or other unauthorized access is gained to their systems, substantial losses may occur in the form of stolen, lost or corrupted: (i) data or payment information; (ii) financial information; (iii) software, contact lists or other databases; (iv) proprietary information or trade secrets; or (v) other items. If technology systems are compromised, become inoperable for extended periods of time or cease to function properly, GSEM, the General Partners, the Funds and/or portfolio companies may

incur significant time or expense to fix or replace them and to seek to remedy the effects of such issues. The failure of these systems and/or of disaster recovery plans for any reason could cause significant interruptions in GSEM's, the Funds', portfolio companies' and/or service providers' operations, including the ability to make distributions to investors, and result in a failure to maintain the security, confidentiality or privacy of sensitive data, including personal information relating to investors (and the beneficial owners of investors). In certain events, a failure or deemed failure to address and mitigate cybersecurity risks may be the subject of civil litigation or regulatory or other action. The use of internet- or cloud-based programs, technologies and data storage applications generally heightens these risks, and the risks of attack are expected to be heightened in remote work environments. Any of such circumstances could subject a portfolio company, or the relevant Fund, to substantial losses, including losses relating to: misappropriation of assets, intellectual property or confidential information; corruption, deletion or destruction of data; physical damage and repairs to systems; reputational harm; financial losses from remedial actions; and/or disruption of operations. Third parties, including activist, criminal, nation-state or terrorist actors, may also attempt fraudulently to induce portfolio companies or their personnel to disclose sensitive information (including passwords) in order to gain access to data, accounts, funds or other assets, or otherwise to inflict harm. In addition, in the event that such a cyberattack or other unauthorized access is directed at GSEM or one of its service providers holding its financial or investor data, GSEM, its affiliates or the Funds may also be at risk of loss, despite efforts to prevent and mitigate such risks under GSEM's policies and practices.

Privacy and Data Protection Law Compliance Risk. The adoption, interpretation and application of consumer protection, data protection and/or privacy laws and regulations in the United States, Europe and other jurisdictions ("**Privacy Laws**") could significantly impact current and planned privacy and information security related practices, the collection, use, sharing, retention and safeguarding of personal data and current and planned business activities of GSEM, the General Partners, the Funds and/or their portfolio companies, and increase compliance costs and require the dedication of additional time and resources to compliance for such entities. A failure to comply with such Privacy Laws by any such entity or their service providers could result in fines, sanctions or other penalties, which could materially and adversely affect the results of operations and overall business, as well as have a negative impact on reputation and Fund performance. As Privacy Laws are implemented, interpreted and applied, compliance costs for GSEM, the General Partners, the Funds and/or their portfolio companies, are likely to increase, particularly in the context of ensuring that adequate data protection and data transfer mechanisms are in place.

For example, California has passed the California Consumer Privacy Act of 2018, as amended, and the EU has enacted the General Data Protection Regulation (EU 2016/679), each of which broadly impacts businesses that handle various types of personal data, potentially including private fund managers and their funds and investments. Such laws impose stringent legal and operational obligations on regulated businesses, as well as the potential for significant penalties.

Other jurisdictions, including other U.S. states, have proposed or are considering similar Privacy Laws, which if enacted could impose similarly significant costs, potential liabilities and operational and legal obligations. Such Privacy Laws and regulations are expected to vary from jurisdiction to jurisdiction, thus increasing costs, operational and legal burdens, and the potential for significant liability for regulated entities, which could include GSEM, the General Partners, the Funds and/or their portfolio companies.

Potential Conflicts of Interest

GSEM and its related entities engage in a broad range of advisory and non-advisory activities, including investment activities for their own account and for the account of the Funds, and providing transaction-related, legal, management, administration and other services to Funds, SPACs and portfolio companies. GSEM will devote such time, personnel and internal resources as are necessary to conduct the business affairs of the Funds in an appropriate manner, as required by the relevant Partnership Agreement, although the Funds and their respective investments will place varying levels of demand on these resources over time. In the ordinary course of GSEM conducting its activities and the activities of the Funds, the interests of a Fund have the potential to conflict with the interests of GSEM, one or more other Funds, portfolio companies or co-invest vehicles in certain circumstances. As a general matter, GSEM will determine all matters relating to structuring transactions and Fund operations using its best judgment considering all factors it deems relevant, but in its sole discretion, subject in certain cases to the required approvals by the LP Advisory Committees of the participating Funds. There can be no assurance that GSEM will resolve all conflicts of interest in a manner that is favorable to a Fund or its investors.

The material conflicts of interest encountered by a Fund include those discussed below, although the discussion below does not necessarily describe all of the conflicts that may be faced by a Fund. Other conflicts may be disclosed throughout this brochure and the brochure should be read in its entirety for discussion of other conflicts.

Resolution of Conflicts

GSEM and its affiliates will address all conflicts of interest using their reasonable judgment, but in any case, in their sole discretion. In resolving conflicts, GSEM and its affiliates may consider various factors, including the interests of the Funds it advises in the context of both the immediate issue at hand and the longer-term course of dealing among Funds and other GSEM Funds. When conflicts arise between the Funds, GSEM will seek to mitigate or resolve the conflict. In the case of all conflicts involving a Fund, determination as to which factors are relevant, and the resolution of such conflicts, will be made in GSEM's sole discretion. There can be no assurance that GSEM will resolve all conflicts of interest in a manner that is favorable to a particular Fund.

The following factors may alleviate, but will not eliminate, conflicts of interest:

- A Fund will not make any investment unless GSEM believes that such investment is an appropriate investment considered from the viewpoint of such Fund;
- Many important conflicts of interest may be resolved pursuant to set procedures, restrictions, or other provisions contained in the relevant Governing Documents;
- Flagship Fund Governing Documents require these Funds to establish LP Advisory Committees. The LP Advisory Committees will provide such advice and counsel as is requested by the relevant General Partner in connection with the relevant Flagship Fund's investments, potential conflicts of interest (including potential conflicts the General Partner is required to present to the LP Advisory Committee pursuant to their respective Governing Documents), and other Flagship Fund matters.
- Where GSEM deems appropriate, unaffiliated third parties may be used to help resolve conflicts (e.g., to opine as to the fairness or "arm's-length" nature of a purchase or sales price);

- GSEM has adopted and implemented certain policies and procedures designed to reduce certain conflicts of interest; and
- Prior to subscribing for interests in a Fund, each investor receives information relating to significant potential conflicts of interest arising from the proposed activities of the Fund, as detailed within the respective Fund's Governing Documents.

In addition, certain provisions of a Fund's Governing Documents are designed to protect the interests of investors in certain situations where conflicts may exist, although these provisions do not eliminate such conflicts. While GSEM endeavors to resolve all conflicts in a fair and impartial manner, there can be no assurance that its own interests will not influence its conduct and decisions.

Principal Transactions

Section 206 of the Advisers Act regulates principal transactions among an investment adviser and its affiliates, on the one hand, and clients thereof, on the other hand. The Advisers Act generally requires that, when an investment adviser or an affiliate of the adviser proposes to purchase a security from, or to sell a security to, an advisory client (what is commonly referred to as a "principal transaction"), the adviser must make certain disclosures to the client of the terms of the proposed transaction and obtain the client's consent to the transaction. Although GSEM does not expect to engage in principal transactions, in the event GSEM decided to engage in a principal transaction, GSEM would obtain the consent of the participating Fund's LP Advisory Committee, unless the relevant Governing Document and applicable rules and regulations allow for or prescribes a different course of action.

Investment Participation by Multiple Funds

GSEM reserves the right from time to time to cause a Fund to enter into a transaction whereby the Fund sells securities to other GSEM co-invest vehicles or GSEM entities. Certain of such transactions raise potential conflicts of interest, including where the investment of one Fund supports the value of portfolio companies owned by another Fund. These conflicts are heightened to the extent the relevant securities are illiquid or do not have a readily ascertainable value, and there generally can be no assurance that the price at which such transactions are entered into represent what would ultimately be the underlying investment's fair value. GSEM intends that any such transactions be conducted in a manner that it believes to be fair and equitable to the Fund under the circumstances, including a consideration of the potential present and future benefits with respect to the Fund.

Although GSEM generally structures the Funds to avoid circumstances in which one Fund ultimately bears liability for all or part of the obligations of another Fund or any GSEM affiliate, in certain circumstances lenders and other market participants negotiate for the right to face only select Fund entities, which may result in a single Fund being solely liable for other Funds' share of the relevant obligation and/or joint and several liability among Funds. In such cases, GSEM intends to cause the relevant other Funds to enter into a back-to-back guarantee, indemnification or similar reimbursement arrangement, although the Fund undertaking the obligation in the first instance generally will not receive compensation for being primarily liable under these arrangements. In other circumstances, lenders and other market parties are expected to seek "cross default" rights under which a Fund will be treated as in default under the relevant facility in the event of a default by another Fund or a GSEM affiliate relating to their respective lending or other facilities; if any such

provision were to be triggered, a Fund's investors could suffer adverse effects resulting from any default by any Fund or a GSEM affiliate, whether or not related to the Fund in which such limited partners have invested.

Investment Activity by GSEM Personnel

Under certain circumstances, members or affiliates of GSEM are permitted to make venture capital/private equity investments separate and apart from, or alongside with, the Fund. As set forth in the Partnership Agreement, GSEM and its members generally will be permitted to manage other investment funds and similar vehicles (including the Opportunities Funds and other investment vehicles which co-invest with the Flagship Funds) during a Fund's term, any of which may compete with the Fund for investment opportunities, management time and attention, or otherwise.

Under certain circumstances, a Fund may invest in companies in which members of GSEM or other investment funds sponsored by affiliates of GSEM have a pre-existing interest or subsequently acquire an interest via different investment funds or other means. Among other considerations, when members of GSEM hold interests in portfolio companies other than through the Fund, those interests may substantially differ from the Fund's interests in such companies due to differences in liquidation preference, voting rights or other investment terms. This has the potential to result in such members having personal investment interests that directly conflict with the interests of the Fund.

Members or affiliates of GSEM from time to time are permitted to enter into (or have entered into) non-competition or similar agreements that effectively preclude a Fund from taking advantage of certain investment acquisition or disposition opportunities or otherwise adversely impact a Fund.

Conflicts of interest are not limited GSEM members who are investment professionals. They may extend to all affiliated personnel, including finance, compliance and other back-office staff of GSEM and its affiliates.

Portfolio companies may be in or come into competition with other companies in which members of GSEM have an interest via different investment funds or other means. In addition, portfolio companies may acquire, or be acquired by, portfolio companies of other investment funds directly or indirectly associated with members of GSEM.

Except to the limited extent specifically provided in the Governing Documents of the relevant Funds, neither GSEM nor its members or affiliates will have any obligation to alter their own investment activities or the activities of any other investment fund in order to protect or promote the interests of the Funds.

Provisions contained within the Partnership Agreements that authorize GSEM or its members to engage in investment, management or other activities outside, or alongside with, a Fund, or to cause a Fund to make investments (or otherwise approve transactions) in respect of which members of GSEM have conflicting interests, will override certain common law and statutory fiduciary duties that would apply in the absence of such provisions and (in particular) have the potential to place the investors in a materially less favorable position than if GSEM and its members engaged in no activities other than managing the Funds or were otherwise subject to unmodified fiduciary duties to the Funds and the investors. For example, such provisions may enable the members of GSEM to

direct attractive investment opportunities to persons other than a Fund or to place themselves in a conflict situation pursuant to which they are incentivized to exercise voting rights in respect of specific portfolio securities in a manner that harms the Fund but benefits other investment funds/persons with which such members are associated. The Partnership Agreement will contain certain protections for investors against conflicts of interest faced by GSEM or its members, but those protections will be strictly limited to their terms and will not purport to address all types of conflicts that have the potential to arise. Moreover, as a practical matter, it may be difficult for investors to subject the behavior of GSEM or its members to close scrutiny. In particular, the Partnership Agreement generally will specify circumstances in which GSEM or its members retain authority to subject themselves to conflicts of interest or engage in actual transactions that conflict with the interests of the Fund, without providing specific notice thereof to the Fund or the investors.

Except to the limited extent specifically provided in the relevant Partnership Agreement, prospective investors should assume that a Fund will not have a "right" to participate in any investment opportunity made available to GSEM or its members or affiliates, and that any such opportunity may be presented to other persons. Such other persons could include, without limitation, a subset of the investors, other investment vehicles managed by members or affiliates of GSEM, and third parties who are in a position to provide benefits to members or affiliates of GSEM. A Fund's right to participate in investment opportunities will be specifically limited and defined in the Partnership Agreement, and it is expected and intended that members and affiliates of GSEM will exercise their rights to carry out investment and investment-related activities outside (and potentially in competition with) the Fund. This generally will include providing other persons with the opportunity to co-invest with the Fund on a deal-by-deal or continuing basis.

Without limitation on the foregoing, except as specifically provided in the relevant Partnership Agreement, GSEM (or an affiliate of GSEM) may, from time to time, create successor funds, special purpose investment vehicles, co-investment funds, "spillover" or "excess opportunity" funds, annex funds, and other types of funds/vehicles, any of which may compete with the Fund for investment opportunities, co-invest or cross-invest with a Fund, or otherwise give rise to conflicts of interest. GSEM (or an affiliate of GSEM) could be or could become subject to binding obligations to make co-investment or cross-investment opportunities available to such other funds/vehicles or to a subset of the investors. Except as specifically provided in the Partnership Agreement, GSEM will have no obligation to provide notice to investors of co-investment or cross-investment opportunities or the fact that co-investments or cross-investments have taken place. An investor that desires to co-invest or cross-invest with a Fund, but has not been granted specific co-investment or cross-investment rights, must assume that no such rights exist.

Risks relating to conflicts of interest are not limited to conflicts affecting GSEM or its members. The investors are expected to have widely differing interests on a variety of tax, regulatory, business, investment profile and other issues. Without limitation, some investors may invest in a Fund for strategic reasons unrelated to maximizing their direct financial returns through their interest in the Fund. These differing interests may, in turn, give rise to a number of risks that the investors as a group will not act in a manner consistent with the best interests of the investors as a group or the best interests of the Fund itself. For example, an investor may decline to provide its consent to a proposed action by a Fund or GSEM due to goals or incentives that are unique to such investor and in conflict with the interests of the Fund or other investors. Furthermore, conflicts of interest among the investors likely will make it impracticable for GSEM to manage the affairs of the Fund in a manner that is viewed as optimal by all investors, and GSEM will be under no

obligation to do so. In general, prospective investors should assume that GSEM will not take their unique interests into account when managing the Fund's affairs.

Investment Allocations; Co-Investments

Until GSEM is permitted by a Fund's Partnership Agreement to raise a successor investment fund to the relevant Fund, GSEM generally will pursue all appropriate investment opportunities principally for the benefit of such Fund, subject to certain exceptions. However, GSEM and its affiliates currently manage several other investment funds and investments similar to those in which any particular Fund will be investing, and expect in some cases to direct certain relevant investment opportunities or resources to those investment funds and investments. GSEM's investment staff will continue to manage and monitor such investment funds and investments. GSEM believes the significant investment by GSEM in each Fund, as well as GSEM's interest in the carried interest, operate to align, to some extent, the interest of GSEM with the interest of such Fund's investors, although GSEM has economic interests in other Funds including interests in Management Fees and carried interest. Other investment funds and investments that GSEM controls or manages generally have the potential to compete with a Fund or companies in which a Fund invests. At such time as GSEM is permitted to raise a successor investment fund to a particular Fund, GSEM will continue to manage the Fund's investments, but also reserves the right to, and likely will, focus its investment activities on other opportunities unrelated to such Fund's investments.

As noted above, GSEM has formed and expects to form additional Opportunities Funds to take advantage of opportunities that exceed the investment limitations of the Flagship Funds or are otherwise not appropriate for the Flagship Funds, as determined by GSEM in its sole discretion and in accordance with its investment allocation policy. GSEM can make no assurance regarding the apportionment of investment opportunities between or Flagship Fund(s) and/or Opportunities Fund(s). Moreover, the formation and operation of an Opportunities Fund has the potential to cause certain conflicts of interest because the manager of the Opportunities Fund (GSEM) and the General Partners of the Flagship Funds are under common control.

From time to time, GSEM will be presented with investment opportunities (including investment opportunities that potentially will be allocated to co-invest vehicles) that would be suitable not only for a particular Fund, but also for other Funds and other investment vehicles operated by advisory affiliates of GSEM. Investments by more than one client of GSEM in a portfolio company also potentially raises the risk of using assets of a client of GSEM to support positions taken by other clients of GSEM.

GSEM must first determine which Fund(s) will, or are required to, participate in the relevant investment opportunity. In determining which Funds should participate in investment opportunities, subject to the Partnership Agreements, GSEM and its affiliates, including the relevant General Partners, are subject to potential conflicts of interest among the investors in the various Funds. GSEM will determine the allocation of investment opportunities among the Funds in such manner as GSEM in its sole discretion determines to be fair and equitable under the circumstances over time and consistent with the Partnership Agreements. GSEM's allocation of investment opportunities among the Funds are not always, and often will not be, proportional based on the relevant Funds' respective available capital. Therefore, such allocations may be more advantageous to one Fund relative to some or all of the other Funds, or vice versa.

Funds with similar investment objectives, scope, criteria and strategy generally are permitted (to the extent capital is available, such investment is permitted by the Governing Documents of such Fund, and GSEM deems it advisable and in accordance with its investment allocation policy) to invest side-by-side or to cross-invest contemporaneously with the other Funds. GSEM generally assesses whether an investment opportunity is appropriate for a particular Fund based on: the Fund's Partnership Agreement (including any limitations on targeted investments or investment sizes disclosed therein); amount of available capital (including distributions that are recalled, recallable or recycled), as limited by the reserves that GSEM determines to be necessary or advisable to be retained by such Fund; anticipated future capital requirements of the investment opportunity compared to the likely future capital available from the Fund; expected time likely to be necessary to obtain liquidity consistent with GSEM's underwriting expectations compared to the remaining term of the Fund; conflicts provisions or investment, pace of call or other limitations in the Fund's Governing Documents (and any applicable LP Advisory Committee approvals in connection therewith that are necessary or advisable); investment guidelines, strategy or restrictions of the relevant Fund as set forth in the relevant Governing Documents; legal, tax, regulatory or other similar considerations; risks, including portfolio risk, attributable to adding the investment to the relevant Fund's portfolio; and other factors set forth in GSEM's investment allocation policy. In making purchase or sale decisions on behalf of Funds with differing tax classifications or attributes, a Fund's General Partner is subject to a number of considerations relating to seeking beneficial tax treatment across such entities. In such circumstances, the relevant General Partner reserves the right in its sole discretion to cause such affiliated Fund entities to undertake certain steps with respect to an investment, including to: (i) pay the same or different per-interest prices; (ii) receive proportionate or disproportionate distributions or other proceeds; and/or (iii) receive a share of aggregate proceeds relating to a proportionate or disproportionate share relative to Commitments.

Following the initial assessment described above, GSEM also will determine if the investment opportunity is appropriate for a potential co-investment, and GSEM reserves the right to offer such opportunity to one or more potential co-invest vehicles (including the Opportunities Funds), subject to applicable Partnership Agreements, Side Letters and GSEM's investment allocations policy. GSEM's investment allocations policy permits it to take into consideration a variety of factors in allocating co-investment opportunities to co-investors, including but not limited to: the size of the investment allocation available to GSEM (and not being allocated to Flagship Fund), and the practicality of splitting the allocation into smaller tranches; potential strategic benefits to the current or prospective portfolio company or any of its equityholders, including (without limitation) the ability of a co-investor to provide the company with strategic insight and/or consulting services, industry contacts, potential new clients, customers and/or suppliers, potential new employees, and/or additional capital, or whether GSEM believes that allocating investment opportunities to certain co-investors will help establish, recognize, strengthen and/or cultivate relationships that have the potential to provide longer-term benefits to the relevant Fund or the Firm; potential to generate goodwill between a co-investor and the Fund or the current or prospective portfolio company; potential strategic benefits to the Fund (including without limitation: the ability of a co-investor to source future transactions for a Fund or the current or prospective portfolio company); whether a co-investor has expressed an interest in evaluating co-investment opportunities, including the perceived intensity of that interest; the ability of a co-investor to provide consulting or similar services to the current or prospective portfolio company or the Fund; the ability of a co-investor to (i) identify additional sources of capital for the current or prospective portfolio company or (ii) assist the Fund or current or prospective portfolio company in developing and executing an exit strategy or acquisition strategy; the speed and ease with which

the co-invest vehicle and/or co-investor is able to participate in the co-investment opportunity, including the perceived ability of the co-invest vehicle and/or co-investor to approve the investment pursuant to any applicable internal approval processes (including the predictability of such investment process), and to otherwise execute the transaction, in a timely manner with respect to the timeframe in which GSEM believes favorable transaction terms may be achieved, and in any of the foregoing cases, the co-investor's historical ability to transact in such timely manners on co-investment opportunities; the scope and timing of due diligence to be performed by a co-investor with respect to the current or prospective portfolio company; the expertise, knowledge and sophistication of the proposed co-investor(s) with respect to the issuer, segment, industry, geographic region or other characteristics that are relevant to the co-investment; the expertise, knowledge and sophistication of the proposed co-investor with respect to the type or structure of the co-investment opportunity; confidentiality concerns that may arise (or that historically have arisen) in connection with providing any certain co-investor with specific information relating to a co-investment opportunity and/or any related or equally sensitive confidential information; the ability of a co-investor to invest in the current or prospective portfolio company without requiring additional structuring to accommodate any tax, regulatory, securities laws and/or other legal considerations which may apply; whether a co-investor assisted GSEM in sourcing or developing the investment opportunity; GSEM's perception of whether the investment opportunity may subject the prospective co-investor to legal, regulatory, reporting, or other burdens that either (a) make it less likely that the prospective co-investor would act upon the investment opportunity if offered or (b) would, in GSEM's view, impair GSEM's ability to execute the relevant transaction within the timeframe or on the terms necessary to achieve consummation thereof; the ability of the co-investor to invest an amount of capital that is consistent with GSEM's expectations regarding the current or future needs of the investment, taking into account the amount of capital reasonably expected to be needed (including for potential additional rounds of financing and other potential additional investments) and the maximum number of investors that can realistically participate in the transaction; any requirements of any third-party lenders as to the identity of any co-investors, or as to the creditworthiness of any co-investors, or as to the number of co-investors, or as to other matters with respect to any or all investors in the transaction; whether the co-investor has a history of consummating co-investment opportunities with the GSEM; whether the co-investor has the financial, administrative and operational resources and other relevant wherewithal to evaluate and participate in a co-investment opportunity (including GSEM's perception of whether such co-investor has such resources and wherewithal to participate without routine complication relative to GSEM's historical experience with other co-investors); whether the co-investor has any existing interests or verifiably prospective interests in any competitor of the underlying investment; the size of the co-investor's interest to be held in the underlying current or prospective portfolio company as a result of any existing Fund investment(s) (which is likely to be based on the size of the co-investor's capital commitment and/or contributions to such Fund(s)); whether the co-investor has any known investment policies and restrictions, guideline limitations or investment objectives that are relevant to the transaction, including (without limitation) targets around early or recurring distributions; the extent to which the co-investor has previously been provided or participated in a greater amount of co-investment opportunities relative to other co-investors; and other factors that GSEM considers important in connection with the specific transaction or investment. Although GSEM reserves the right to consider a prospective co-investor's willingness to invest in future Funds, such willingness generally will not be the sole determining factor considered by GSEM in identifying co-investors.

The factors above are not listed in order of importance or priority and GSEM is not required to, and does not, consider all of the factors described above in any particular investment and some

factors may be more or less important depending upon the nature of the particular investment and attendant circumstances or from which Fund strategy the co-investment opportunity was generated.

Notwithstanding the foregoing, GSEM is generally required to first present to relevant Flagship Fund investors the available co-investment opportunities arising with respect to a Flagship Fund; provided that (i) such investment opportunities, in GSEM's good faith judgment, meet the co-invest vehicle's investment criteria and (ii) a co-invest vehicle is able to make such investments and such investments are not materially limited as a result of investment restriction or applicable law or regulation. Any co-investment opportunities remaining after such presentation to Flagship Fund investors generally may then be presented to other third-party co-investors based on the factors listed above. Subject to applicable contractual restrictions, GSEM retains broad discretion in establishing the terms of the co-investment arrangements.

In addition, participants in the co-invest vehicles such as the Opportunities Funds should be aware that potential conflicts of interest will arise in connection with such Fund's activities and that such Funds will be bound by the waivers of conflicts or other approvals provided by one or more Flagship Funds' LP Advisory Committees. This leads to conflicts of interest because the participants of the co-invest vehicles will generally not have the ability to provide their own approval or consent with respect to a matter, and there is no assurance that the interests of such participants, on the one hand, and the LP Advisory Committee(s), on the other hand, will necessarily align on all issues related to the matter, particularly because the investors on the LP Advisory Committee(s) are not necessarily also participants (on the whole) in such co-invest vehicles. Accordingly, the LP Advisory Committee(s) could take actions that impact the co-invest vehicles such as the Opportunities Funds in a negative manner and not take into account consideration of such Funds when acting in a way that benefits one or more other Funds.

GSEM or its affiliates may establish dedicated co-invest vehicles for specific investors to facilitate investments by the relevant investors as co-investment parties alongside a Fund, which may have more favorable rights and/or terms than the Opportunities Funds and/or other co-invest vehicles. Any such vehicle will be established at GSEM or its affiliates' sole discretion and GSEM and its affiliates have no obligation to offer a similar opportunity to any other investor.

GSEM or its affiliates, directly or through a vehicle, may also purchase, as a co-investment with a Fund, a portion of an investment opportunity that GSEM or its affiliates intend at the time of such investment to bridge or warehouse for the benefit of an existing or potential co-invest vehicle or Fund. In connection with such transaction, GSEM or its affiliates would expect to dispose of its portion of such investment at a time when the Fund would continue to hold such investment, and such Fund would not be given the opportunity to dispose of any portion of its investment as part of such transaction.

GSEM's allocation of investment opportunities among the persons and in the manner discussed above may not, and often will not, result in proportional allocations among such persons, and such allocations may be more or less advantageous to some such persons relative to other such persons. For example, GSEM will have the incentive to offer a particular co-investment opportunity to certain persons over others based on its economic arrangements with such persons. Different economic arrangements among co-investment participants will also create an incentive for GSEM to allocate certain co-investment opportunities (for example, those that are expected to generate higher carry) to the co-investment participant with greater economic potential for GSEM (e.g., those

with higher management fees and/or performance-based fees). In addition, GSEM will maintain full discretion regarding the Funds implementing their investment strategies, including in the acquisition and ownership composition of portfolio companies, and certain investment vehicles managed or advised by venture capital, private equity or debt fund managers and other persons who GSEM believes will provide a benefit to a Fund or Fund and/or one or more portfolio companies or who provide a strategic or similar benefit to GSEM, a Fund, and/or a portfolio company may receive allocations of investment opportunities in priority to other co-invest vehicles. While GSEM allocates investment opportunities in a manner that it believes in good faith is fair and equitable to its clients under the circumstances over time and considering relevant factors, there can be no assurance that a Fund's actual allocation of an investment opportunity, if any, or the terms on which that allocation is made will be as favorable as they would be if the conflicts of interest to which GSEM is subject, discussed herein, did not exist.

In the event GSEM determines to offer an investment opportunity to co-invest vehicles, there can be no assurance that GSEM will be successful in offering a co-investment opportunity to a potential co-investor, in whole or in part, that the closing of such co-investment will be consummated in a timely manner, that the co-investment will take place on the terms and conditions that will be preferable for the Fund, or that expenses incurred by the Fund with respect to the syndication of the co-investment will not be substantial, and the Funds bear the risk that any or all excess portion of an investment is not sold or is sold on unattractive terms. As a consequence, the Fund may bear the entire portion of any fees, costs and expenses related to such investment, including, but not limited to, breakup fees and hold a larger than expected portion of such investment. Further, it is possible that a potential co-investment party may experience financial, legal or regulatory difficulties and may, from time to time, have economic, tax, regulatory, contractual or other business interests or goals that are inconsistent with those of a Fund and as a result, may take a different view from GSEM as to appropriate strategy for an investment or may be in a position to take a contrary action to a Fund's investment objective. In the event that GSEM is not successful in offering a co-investment opportunity to potential co-invest vehicles, in whole or in part, the Fund may consequently hold a greater concentration and have more exposure in the related investment opportunity than was initially intended, which could make the Fund more susceptible to fluctuations in value resulting from adverse economic and/or business conditions with respect thereto. An investment that is not syndicated to co-invest vehicles as originally anticipated could significantly reduce a Fund's overall investment returns. Similarly, it is possible that the market value of an investment may increase between the time that GSEM closes on the investment and the time that the syndication is completed. In most cases the purchase price paid by syndicate buyers will not reflect this increase. Therefore, it is possible that a Fund that overcommits to an investment will bear a disproportionate allocation of the risks associated with the transaction without being compensated for assuming such risks.

Subject to the foregoing discussion and the below, allocation of investments between one Fund, on the one hand, and any other Fund, on the other hand, are generally expected to take place in accordance with any number of considerations beyond contractual obligations as set forth in the Allocation Policy, as such policy may be updated from time to time.

In order to facilitate the acquisition of a portfolio company, a Fund reserves the right to make (or commit to make) an investment in the company with a view to selling a portion of the investment to co-invest vehicles or other persons prior to or following the closing of the acquisition. In such event, the relevant Fund will bear the risk that any or all of the excess portion of such investment may not be sold or may only be sold on unattractive terms, including for example the

risk that a portion of the investment will be syndicated at reduced cost, at cost, or at a lower amount at a time when GSEM believes the value of such investment has appreciated or should be higher than that paid (or willing to be paid) by a co-invest vehicle. However, where a co-invest vehicle (such as an Opportunities Fund) purchases a portion of an investment from one or more Funds after such Funds have consummated their investment in the portfolio company (also known as a post-closing sell-down), any such purchase generally occurs shortly after the Fund's completion of the investment to avoid any changes in valuation of the investment (although in certain instances there is a possibility that such purchase could be well after the Fund's initial purchase). Where appropriate, and in GSEM's sole discretion, GSEM reserves the right to charge interest on the purchase to the co-investor or co-invest vehicle (or otherwise equitably to adjust the purchase price under certain conditions) and to seek reimbursement to the relevant Fund for related costs. To the extent such a syndication is made, the General Partner's interest in limiting the Fund's exposure to a given investment while providing a potential benefit to co-investors investing at such lower values will give rise to a potential conflict of interest. As a consequence of a failed co-investment syndication process or a co-investment syndication on unattractive terms, the relevant Fund would be required to (i) bear the entire portion of any breakup, topping or other fees, costs and expenses related to such investment (including the proportionate share of such amounts that were expected to have been borne by co-investors), (ii) hold a larger-than-expected investment in such portfolio company, (iii) receive less-than-fair-market value for the syndicated portion of the investment and/or (iv) realize lower than expected returns from such investment. Co-investment opportunities typically will be offered to Flagship Fund investors in GSEM's sole discretion, and a Flagship Fund investor may be offered fewer co-investment opportunities than other investors in the same Fund, with the same, larger, or smaller capital commitments to such Fund, and Flagship Fund investors expressing interest in co-investments have the potential to receive none. Certain third parties may be offered co-investment opportunities and Flagship Fund investors may be offered smaller amounts than originally requested in cases where the aggregate requested allocation of the Flagship Fund investors exceeds the amount of the available investment opportunity; certain persons other than Fund investors (e.g., GSEM and its affiliates, consultants, persons associated with a portfolio company and other third parties, including persons who GSEM believes will provide a benefit to a Fund and/or one or more portfolio companies or who provide a strategic or similar benefit to GSEM, a Fund, and/or a portfolio company) will, from time to time, be offered co-investment opportunities in the sole discretion of GSEM and its affiliates; and co-investors may purchase their interests in a portfolio company at the same time as the Funds or may purchase their interest from the applicable Funds after such Funds have consummated their investment in the portfolio company (also known as a post-closing sell down or transfer), including in circumstances in which the Fund's line of credit is used to initially fund an investment. In the latter case, the applicable General Partner generally will value such interests for the co-investors at the cost in which the Fund made its investment (including any applicable interest expense), unless the General Partner has reason to believe (in its sole discretion) that such value should be adjusted to account for fair market value. GSEM will generally seek to ensure that the Funds and any co-investors participate in any co-investment and any related transactions on comparable economic terms to the extent GSEM determines appropriate and subject to legal, tax, and regulatory considerations. Investors should note, however, that such participation may not be appropriate in all circumstances and that the Funds may participate in such investments on different and potentially less favorable economic terms than other parties if GSEM deems such participation as being otherwise in the Funds' interests. Each co-investment opportunity is likely to be different and allocation of each such opportunity will be dependent on the facts and circumstances specific to that unique situation (e.g., timing, industry, size, geography, asset class, projected holding period, exist strategy and counterparty). To the extent a Fund borrows under a subscription line credit facility in order to

acquire a portion of an investment (or pay related expenses) that it subsequently transfers to a co-invest vehicle such as an Opportunities Fund, the interest accrued on such borrowing may be paid by the applicable Fund and born by its investors. Additionally, nonbinding acknowledgements of interest in co-investment opportunities are not investment allocation requirements, and do not require GSEM to notify the recipients of such acknowledgements if there is a co-investment opportunity.

Furthermore, GSEM or its related persons expect to make decisions regarding whether and to whom to offer co-investment opportunities in consultation with other participants in the relevant transactions, such as a lender or co-sponsor. Additionally, from time to time, certain service providers (e.g., lenders) seek to negotiate co-investment rights as a component of their compensation or in exchange for granting better terms to GSEM, a Fund or portfolio company in connection with the services provided. When and to the extent that employees and related persons of GSEM and its affiliates make capital investments in or alongside certain Funds, GSEM and its affiliates are subject to potentially conflicting interests in connection with these investments. There can be no assurance that any Fund's return from a transaction will be equal to and not less than that of another Fund participating in the same transaction or that it will be as favorable as it would have been had such conflict not existed. In addition to the above, in certain instances, GSEM (or an affiliate thereof) expects to refer certain investment opportunities that are not appropriate for, or cannot be pursued by, a Fund to one or more persons (including, for example, investors in an Opportunities Funds).

GSEM's allocation of investment opportunities among the Funds often will not result in proportional allocations based on available capital. Therefore, in various scenarios, such allocations likely will be more advantageous to a Fund relative to some or all of the other Funds, or vice versa. While GSEM will allocate investment opportunities in a way that it believes is fair and equitable to the relevant clients under the circumstances, there can be no assurance that a Fund's actual allocation of an investment opportunity, if any, or the terms on which that allocation is made, will be as favorable as they would be if the potential conflicts of interest did not exist. Additionally, conflicts of interest arise in the allocation of co-investment opportunities to the extent that such allocation benefits GSEM instead of, or more than, the relevant Fund or is not in the best interests of a participating investor. Fund investments made with co-invest vehicles typically involve risks and conflicts of interests not present in investments where a third-party is not involved, such as where a third-party co-venturer or partner has economic or business interests or goals that are inconsistent with those of a Fund, or is in a position to take action contrary to the investment objectives of the Fund. In addition, a Fund may in certain circumstances be liable for actions of its third-party co-investor, co-venturer or partner. GSEM attempts to resolve the related conflicts of interest in light of its obligations to the investment vehicles it manages, and attempts to allocate investment opportunities among the Funds and such other investment vehicles in a fair and equitable manner under the circumstances and consistent with the relevant Partnership Agreement(s) and its investment allocations policy. As contemplated under the applicable Governing Documents, GSEM also reserves the right to consult with and/or seek consent to conflicts from an LP Advisory Committee consisting of investors in the applicable Fund(s) or such other investment vehicles.

Potential conflicts of interest likely will arise if a Fund makes an investment in a portfolio company in conjunction with or following an investment made by another Fund. For instance, a Fund may not invest through the same investment vehicles, have the same access to credit or employ the same hedging or investment strategies as such other Fund. This likely will result in

differences in price, investment terms, leverage and associated costs between such Fund and any other Fund. Where multiple Funds invest in the same company at different times, the first Fund to invest typically will bear all or a higher level of fees, costs and expenses (including diligence and transaction amounts) than later Funds. There can be no assurance that the Fund and the other Fund(s) will exit the investment at the same time or on the same terms. If additional capital is necessary to preserve or protect a Fund's portfolio investment, including in situations where the related issuer is experiencing financial or other difficulties, the Fund and the other Fund(s) may or may not provide such additional capital, and each generally will supply such additional capital in such amounts, if any, as determined in the discretion of GSEM and the relevant General Partners, subject to the terms of the relevant Governing Documents.

Subject to the Governing Documents of a Fund and any required consents thereunder from an LP Advisory Committee, a Fund is permitted to acquire its interests in a portfolio company at the same time or at separate times and on similar or different terms than other Funds. Examples of such transactions include (i) a Fund making an investment in a pre-existing portfolio company of another Fund and (ii) one or more other Funds later investing in portfolio companies in which a Fund has invested. In each case, the foregoing transactions may have an effect (either positive or negative) on the market value of a Fund's investment. In connection with any investment in which any other Fund also participates, GSEM reserves the right to make independent decisions regarding recommendations of when a Fund, as compared to any other Fund, should purchase and sell investments. As a result, a Fund may be purchasing an investment at a time when another Fund is selling the same or a similar investment, or vice versa. There can be no assurance that the return on a Fund's investments will not be less than the returns obtained by any other Funds participating in the investment.

Conflicts Related to Transfers and Different Positions in the Capital Structure

From time to time, the Funds are expected to invest in conjunction with an investment being made by another Fund and are expected to invest in the securities of a company in which any such other Fund has already made an investment, including if the Funds invest in different types of securities of the same portfolio company, and potential conflicts are expected to arise in connection with such investments. GSEM is permitted to cause the Flagship Funds and other GSEM entities to invest in a broad range of asset classes throughout the corporate capital structure, including investments in convertible note securities, preferred equity securities, and common equity securities. Accordingly, Funds and GSEM entities are permitted to invest in different parts of the capital structure of a company or other issuer in which a different Fund invests, subject to provisions of the relevant Governing Documents or partnership agreements (as applicable), without LP Advisory Committee approval. For example, GSEM may invest in the equity securities of a portfolio company on behalf of Flagship Funds and at a later date, on behalf of a successor Flagship Fund. A Fund may not, for example, invest through the same investment vehicles, have the same access to credit, or employ the same hedging or investment strategies as other Funds. This likely will result in differences in price, terms, leverage, and associated costs. Where multiple Funds invest in the same company at different times, the first Fund to invest could bear a higher level of fees, costs and expenses than later Funds as a result of due diligence, transaction and other fees, costs and/or expenses (as applicable) that are typically associated with an initial investment in a company but that can often be mitigated in connection with subsequent investments in such company.; similarly, to the extent a transaction does not proceed, the first Fund to invest typically will bear the full amount of broken deal expenses relating to the transaction, regardless of whether other Funds could or would have invested in the company in potential future transactions. Further, there can be no

assurance that the relevant Fund and the other Fund or vehicle with which it co-invests will exit such investment at the same time or on the same terms, or that the terms of the Fund, other Funds and a co-invest vehicle will be perfectly aligned (for example, in instances where the Fund bears any guarantee obligations in connection with financing a transaction and the co-investors are not required to bear such risks), nor is the relevant Fund, subject to the relevant Governing Documents, required to obtain LP Advisory Committee approval in order to do so. GSEM and its affiliates may from time to time express inconsistent views of commonly held investments or of market conditions more generally. For example, GSEM may choose to sell all or part of an investment in an entity while another Fund holds or increases its investment in such entity (or vice versa). These variations in timing may not equally benefit one Fund relative to the other Fund(s). In addition, investment opportunities may be appropriate for one or more Funds at the same, different or overlapping levels of a company's capital structure. Other than as set forth in relevant Governing Document or partnership agreement (as applicable), a General Partner will not be required to obtain any consent or seek any approvals from the LP Advisory Committee or the Flagship Fund investors in the case of any of the foregoing conflicts.

In instances where multiple Funds invest in a company at the same time or different times and the company seeks additional capital, if one Fund is unable to invest its share of additional capital (e.g., in the event such Fund does not have sufficient available capital), the other Fund may be obligated (or the General Partner thereof may otherwise choose) to fund more than its share of such amount. In such event, the participating Fund will gain greater exposure to such investment than may have been intended and the other Fund will be diluted in such investment. In such scenario, the returns of any applicable Fund may be negatively impacted as a result of the foregoing. In addition, investment opportunities may be appropriate for one or more Funds at the same, different, or overlapping levels of a company's capital structure.

In the event that one Fund has a controlling or significantly influential position in a portfolio company, it will have the ability to elect one or more members on the board of directors of such a portfolio company, thereby influencing the policies and operations, including the appointment of management, future issuances of securities, payment of dividends, incurrence of debt and entering into extraordinary transactions. In addition, a Fund with a controlling or otherwise influential position is likely to have the ability to determine, or influence, the outcome of operational matters and to cause, or prevent, a change in control of such a company. Any such management and operational decisions could potentially conflict with other Funds which have smaller positions in the same portfolio company and which do not possess the same level of control or influence.

There can be no assurance that the return on a Fund's investments will be the same as the returns obtained by other Funds participating in a given transaction or that the return would have been more favorable had such conflict not existed. As investment adviser to multiple Funds, GSEM owes a fiduciary duty to each Fund.

Investments by more than one Fund in a portfolio company also have the potential to raise the risk of using assets of another Fund to support positions taken by other Funds, or that a Fund may remain passive in a situation in which it is entitled to vote or otherwise capable of influencing management and/or other decisions. There can be no assurance that any such conflict can be resolved in a manner that is beneficial to each participating Fund. In that regard, actions taken for one or more Funds may adversely affect other Funds managed by GSEM. GSEM will resolve all such conflicts using its reasonable judgment, but in any case, in its sole discretion, subject in certain cases to approval by the LP Advisory Committees of the participating Funds.

In addition, where more than one Fund invests in the same portfolio company, there can be no assurance that such parties will dispose of investments at the same time and on the same terms. For example, because GSEM has a potential incentive to show realized returns in connection with other fundraising activities (including fundraising for a successor fund) and because a predecessor Flagship Fund's term will expire before the end of the successor Flagship Fund's term, such Funds may dispose of the investment at different times. Investments disposed of at different times will likely be disposed of at different valuations and, as a result, each Fund may realize different returns as compared to the same investment held by another Fund. Variation in exit timing has the potential to be significantly more or less favorable for one participating Fund versus another. At the same time, if GSEM determines it is advisable for a Fund to exit an investment at the same time as another Fund, the term of which may expire sooner than the former Fund's, such former Fund may dispose of its interest earlier than it otherwise would have and such earlier disposition could prove to be less advantageous over time than a later disposition would have been.

Finally, in rare circumstances, if more than one Fund is participating in an investment, one Fund may bear more than its pro rata share of expenses relating to such investment in the event the other participating Fund(s) do not have the resources to bear such expenses (including, for instance, as a result of insufficient reserves and/or the inability to call capital to cover such expenses). In such a scenario, GSEM would take steps to reduce the potential conflicts of interest between the various Funds, including causing a Fund to take certain actions that, in the absence of such conflict, it would not take (e.g., a Fund could divest itself of an asset it otherwise may have retained or GSEM could cover the pro rata expenses only for the Funds with inadequate available). Any such steps could have the effect of benefiting one Fund versus (or at the expense of) another Fund.

From time to time, a Fund may (i) invest in opportunities that other Funds have declined or (ii) decline to invest in opportunities in which other Funds have invested.

The application of a Fund's Governing Documents and GSEM's policies and procedures are expected to vary based on the particular facts and circumstances surrounding each investment by two or more Funds in different classes of an issuer's capital structure (as well as across multiple issuers or borrowers within the same overall capital structure) and, as such, in the absence of all the particular facts and circumstances in any such scenario there could be a degree of perceived variation or inconsistencies, in the manner in which potential or actual conflicts are addressed. There can be no assurance that any such conflict can be resolved in a manner that is beneficial to each relevant Fund. In that regard, actions may be taken that are more or less advantageous for certain Fund(s) versus other(s).

If additional capital is necessary as a result of financial or other difficulties of a portfolio company, or to finance growth or other opportunities, the Funds (individually or with another Fund) may or may not provide such additional capital, and if provided, each Fund generally will supply such additional capital in such amounts, if any, as determined by GSEM in its sole discretion. Conflicts also have the potential to arise in situations where GSEM could potentially cause portfolio companies owned by different Funds to merge in whole or part with each other or to be purchased or sold in whole or in part to each other. Such transactions would lead to a conflict of interest because GSEM controls the Funds on each side of such transactions. And depending on the transaction structure, such transaction may disproportionately benefit the purchasing, selling, or merging Fund (or GSEM as a result of its interests in a Fund), and the other Fund may incur expenses or forego gains that would have been obtained had it not exited such company or companies.

Determining consideration or other terms of such transactions would have the potential to create a conflict of interest because of the terms (including the fee terms) of the Funds and GSEM's interest in such Funds. There can be no assurance that any such conflicts can be resolved in a manner that is beneficial to each Fund.

The allocation of securities between or among multiple Flagship Funds may be affected by their respective lifecycle stages. GSEM generally will determine all matters relating to structuring transactions, including the amount and terms of securities and allocation of securities among Funds, using its reasonable judgment considering all factors it deems relevant, but in any case, in its sole discretion.

In certain circumstances GSEM may enter into transactions with Fund investors or their affiliated parties to dispose of a portion of certain investments held by one or more Funds. In exercising its discretion to pursue purchaser(s) of such investments, GSEM will comply with the requirements set forth in the Governing Documents to the applicable Fund(s), or to the extent not addressed in the Governing Documents of the applicable Fund(s), GSEM may consider some or all of the factors listed above under "Investment Allocations; Co-Investments." The sales price for such transactions will be mutually agreed to by GSEM and such purchaser(s); however, determinations of sales prices involve a significant degree of judgment by GSEM. Although GSEM is not obligated to solicit competitive bids for such sales transactions or to seek or obtain the highest available price, it will first determine that such transaction is in the best interests of the applicable Fund(s), taking into account the sales price and the other terms and conditions of the transaction. There can be no assurance, in light of the performance of the investment following such a transaction, that such transaction will ultimately prove to be the most profitable or advantageous course of action for the applicable Fund(s). Any such transactions will comply with the Governing Documents of the applicable Fund(s).

A Fund may sell down an interest in its portfolio companies to co-invest vehicles. Subject to the Governing Documents, GSEM reserves the right to charge (or may decide not to charge) a co-invest vehicle (such as an investor or third party) interest costs for the time period between the closing of the applicable Fund's investment in a portfolio company to the date of the transfer of interests in such portfolio company to the applicable co-invest vehicles.

The Funds will, from time to time, enter into equity commitment arrangements whereby, subject to any applicable documentation, a Fund agrees that upon the closing of a transaction with respect to a potential portfolio company, it will purchase equity securities in a transaction. While certain co-invest vehicles such as the Opportunities Funds which participate alongside the Flagship Funds (including co-invest vehicles through which GSEM personnel and affiliates participate) generally are expected to pay their proportionate share of the equity purchase price (whether pursuant to the applicable Funds' Governing Documents or otherwise), such co-invest vehicles generally are not direct parties to the equity commitment arrangements (although the participating Funds (including co-invest vehicles such as the Opportunities Funds) generally enter into to agreements by and among each other which set for their respective obligations). Therefore, in the unlikely event that a co-invest vehicle defaults on an arrangement with the Fund to pay its proportionate share of the equity purchase price (if any) or such an arrangement does not exist, the Fund would be held responsible for the entire equity purchase price or other applicable obligations.

Follow-on Investments

Follow-on investments are a regular part of the business of the Funds. Follow-on investments may present conflicts of interest, including determination of the equity component and other terms of the new financing. In addition, a Fund may participate in leveraging and recapitalization transactions involving portfolio companies in which other Funds have invested or will invest. Recapitalization transactions may present conflicts of interest, including determinations of whether existing investors are being cashed out at a price that is higher or lower than market value and whether new investors are paying too high or too low a price for the company or purchasing securities with terms that are more or less favorable than the prevailing market terms. GSEM will resolve conflicts using its reasonable judgment but in its sole discretion, subject in certain cases to approval by the respective LP Advisory Committees of the participating Funds.

If additional capital is necessary as a result of financial or other difficulties, or to finance growth or other opportunities, the Funds (individually or with another participating Fund) may or may not provide such additional capital, and if provided, each Fund generally will supply such additional capital in such amounts, if any, as determined by GSEM in its sole discretion. Conflicts would also arise in situations where GSEM could potentially cause portfolio companies owned by different Funds to merge in whole or part with each other or to be purchased or sold in whole or in part to each other. As a fiduciary to each Fund in such a transaction, GSEM will act in the best interests of each Fund (as determined in its sole discretion), but there is no assurance that such transaction will be equally profitable or advantageous to each participating Fund.

Further, there is no assurance that a Fund will make follow-on investments or that it will have sufficient funds to participate in follow-on investments. Additionally, all or a portion of a follow-on investment opportunity may be allocated to other Funds in accordance with the Allocation Policy and subject to the relevant Governing Documents. Any decision by a Fund not to make follow-on investments or its inability to make such follow-on investments may have a substantial negative effect on a portfolio company in need of follow-on investment capital (including an event of default under applicable loan documents). Additionally, such failure to make such follow-on investments may result in a lost opportunity for the applicable Fund to increase its participation (and/or dilution) in an investment which ultimately proves successful.

Potential Conflicts Related to SPACs

Although GSEM does not currently anticipate forthcoming involvement with future SPACs, certain Funds are permitted to serve as a sponsor of, or invest in SPAC Sponsors. Serving as a Sponsor generally involves marketing, organizing, sponsoring and/or serving as a director, founder or manager of the SPAC, for which such persons could potentially receive compensation which would not offset against the Management Fee of the relevant Fund. It is possible that certain opportunities that could be viewed as appropriate for a Fund could be appropriate for or pursued by a SPAC. While the organizational documents of a SPAC typically contain waivers of provisions requiring their sponsors to present to them investment opportunities, GSEM and/or its affiliates and personnel are likely to have obligations to pursue certain acquisitions through a SPAC if they are acting as its Sponsors. In the event an investment opportunity is suitable for such SPAC and a Fund, GSEM will make an allocation decision as described herein and/or in the relevant Governing Documents, and in accordance with its investment allocation policy.

GSEM personnel, including certain principals, may serve in director, executive or consulting roles with respect to a SPAC, which generally requires a portion of their time. As with Funds' other portfolio investments, in respect of a SPAC arrangement, relevant Funds generally bear certain

expenses related to the SPAC. Such expenses generally are borne by such Fund indirectly as the Fund bears start-up and ongoing expenses of a Sponsor Vehicle and the SPAC, regardless of whether third party consultants or any other persons unaffiliated with the Adviser serve as directors or executives of the SPAC. Certain of the capital contributions made by a Fund with respect to a Sponsor Vehicle generally are used to fund the “at risk capital” of a SPAC, which is used to fund certain offering expenses, the upfront portion of the underwriting discount, and the working capital of each SPAC, for which the Sponsor Vehicle typically receives warrants to purchase ordinary shares of the SPAC. In exchange for supplying the initial capital contribution to the SPAC, a Sponsor Vehicle generally acquires and holds “founder shares” or “promote”. However, if the SPAC fails to locate and consummate a business combination or gain approval for the business combination from the SPAC’s shareholders within the specified time-period, a Fund could lose its at-risk capital and write down the value of its investment to zero.

In addition, a SPAC has the potential to compete with a Fund’s portfolio companies for investments (e.g., add-on investments). A SPAC has the potential to conduct activities that give rise to many of the same potential conflicts of interests posed by Funds in relation to a Fund as discussed herein, including but not limited to, time and attention, economic incentives, investments by a Fund in conjunction with a SPAC, business combinations, transactions and/or services between Fund portfolio companies and the SPAC, transactions between a Fund and the SPAC, the allocation of investment opportunities and expenses and the sharing of personnel.

Transactions between portfolio companies of different Funds may engage, directly or indirectly, in commercial transactions (including mergers and acquisitions, and initial business combinations in the case of a SPAC) with one another, and a Fund and/or its respective portfolio companies may engage, directly or indirectly, in commercial transactions with another Fund and their respective portfolio companies, from time to time as they determine to be appropriate in their business judgment. The Adviser anticipates that material transactions between portfolio companies and/or the Funds generally would be on an arm’s length basis at market rates or on terms otherwise considered equitable to both parties under the circumstances, in accordance with the Adviser’s conflict procedures. However, such transactions could benefit one or more Fund (or one or more portfolio companies of such other Funds) more than another Fund (or one or more its portfolio companies).

Given the collaborative nature of the Adviser’s business and the portfolio companies in which the Funds have invested or will invest, the Adviser anticipates that, from time to time, situations when the Adviser is in the position of recommending the products or services of a portfolio company of a Fund to other portfolio companies of such Fund or portfolio companies of another Fund, which generally are not expected to involve fees, commissions or servicing payments to the Adviser, a Fund, an affiliate of the Adviser or a portfolio company but could potential involve discounts to such persons. In addition, the Adviser will enter into strategic partnerships with other companies that the Adviser believes can add important business development relationships and/or build value for a portfolio company or for a Fund’s portfolio as a whole. In most cases, the relevant Fund(s) will not consent, participate in the negotiations, or be directly involved in such arrangements. The Adviser will be presented with a conflict of interest in making such recommendations in that it has an incentive to maintain goodwill with the existing and prospective portfolio companies of the Funds, while the products or services recommended may not necessarily be the best available or lowest price available. Although use of any such products or services by a portfolio company of a Fund would be the portfolio company’s choice, such Fund’s portfolio companies may nevertheless feel conflicted in their choice of vendors and might select the other

portfolio company when there may be better or cheaper products or services offered by unrelated companies. The benefits received by a portfolio company of one Fund regarding a product or service may be greater than those received by the portfolio company of another Fund regarding such product or service.

From time to time, the Adviser anticipates that it will be presented with an investment opportunity for a Fund in a company that is a competitor of a portfolio company of another Fund. The Adviser may decline to pursue such opportunity for a Fund because of the competitive situation even though the opportunity might otherwise be an attractive one for such Fund. On other occasions, a Fund may invest in companies that are, or that subsequently become, competitors of other companies in which such Fund has invested or in which another Fund has invested. Such competitive situations result in conflicts for the Adviser and Adviser personnel in their ongoing interactions with the competitive companies and could, in certain circumstances, result in the Adviser receiving less information about such companies than it might have received in the absence of such competitive situation. Competitive situations could also result in a Fund or the Adviser and its related persons (who are generally indemnified by such Fund) facing legal claims regarding misuse of a company's confidential information, breach of duties to the portfolio companies or other matters related to the competitive situation.

Many of the Funds have established an LP Advisory Committee consisting of representatives of a limited number of investors in the applicable Fund. Certain transactions by a Fund that would otherwise be prohibited by its Governing Documents, including certain transactions that involve potential conflicts of interest between such Fund, on the one hand, and other Funds or the Adviser or its affiliates, on the other hand, may be effected with the consent of such Fund's LP Advisory Committee. Additionally, the Adviser may notify, consult with, or seek the consent of the applicable Fund's LP Advisory Committee for certain transactions that involve potential conflicts of interest, but for which such notice, consultation, or consent is not otherwise required by the applicable Governing Documents. Some or all of the members of a Fund's LP Advisory Committee will likely also be on the LP Advisory Committee of the other Funds with which there is a potential conflict, or will likely represent investors that have an interest in both of the Funds involved in such conflict of interest. There is often significant overlap between the members of the LP Advisory Committee for a Fund and the members of the LP Advisory Committees of other Funds. Such overlapping LP Advisory Committee members are not precluded from participating in discussions with respect to, or from voting on, such transactions that involve potential conflict of interests, including between such Funds. In addition, the LP Advisory Committee of a Fund will not represent the interests of all of the investors in such Fund, each member of the LP Advisory Committee may act in the interests of the investor with which it is associated, and the members of the LP Advisory Committee may themselves be subject to various other conflicts of interest, which may influence their decisions on matters presented to the LP Advisory Committee. For example, a member of an LP Advisory Committee may be associated with an investor that is (or an affiliate of which is) a participant in a transaction that is subject to the consent of a Fund's LP Advisory Committee or a member or its associated investor may have separate business or personal relationships with the Adviser, its affiliates or Adviser personnel. A member of an LP Advisory Committee who is, or who is associated with an investor that is, subject to a conflict of interest with respect to a matter brought before such LP Advisory Committee or arising out of another business or personal relationship with the Adviser, its affiliates or Adviser personnel will not be prohibited from participating in discussions with respect to, or from voting on, matters brought to such LP Advisory Committee. In general, the investors in a Fund will not be entitled to control the selection of members of such Fund's LP Advisory Committee or to review the actions or deliberations of such Fund's LP Advisory Committee.

Receipt of Material Nonpublic Information

From time to time, GSEM or its affiliates will come into possession of material nonpublic information. Should this occur, GSEM will be restricted from buying or selling securities, derivatives, or loans of the issuer on behalf of the Funds until such time as the information became public or was no longer deemed material to preclude the Funds from participating in an investment. Due to these restrictions, a Fund may not be able to sell a portfolio investment that it otherwise might have sold. Consequently, the possession of material nonpublic information by GSEM may limit the ability of one or more Funds to wholly or partially exit a position in the relevant company.

Allocation of Fees and Expenses

Subject to any relevant restrictions or other limitations contained in the Governing Documents of the Funds, GSEM will allocate fees and expenses in a manner that it believes is fair and equitable to its clients under the circumstances over time and considering such factors as it deems relevant, but in any case, in its sole discretion. In exercising such discretion, GSEM has been and likely will be faced with a variety of potential conflicts of interest.

As a general matter, Fund expenses typically will be allocated among all relevant Funds (including co-invest vehicles such as the Opportunities Funds), other clients and other parties which have a relationship with GSEM, including single-investor and -investment vehicles (collectively, "Expense Parties") eligible to reimburse expenses of that kind. In all such cases, subject to applicable legal, contractual or similar restrictions, expense allocation decisions generally will be made by GSEM or its affiliates using their best judgment, considering such factors as they deem relevant, but in their sole discretion. In certain cases, the allocations of such expenses are not expected to be proportional. The Funds have different expense reimbursement terms, which have and likely will result in the Funds bearing different levels of expenses with respect to the same investment.

GSEM's allocates expenses among the Expense Parties in a manner that seeks to be fair and equitable under the circumstances over time (in GSEM's discretion) and is consistent with (i) the Governing Document(s) of the relevant Funds and/or Expense Parties, (ii) GSEM's fiduciary obligations and (iii) the following guidelines (without limitation): expenses that are "Partnership Expenses" (or similar) under the Governing Documents of an Expense Party generally will be borne by such Expense Party; amounts in excess of any expense cap provided in such Governing Documents generally will be borne by the person(s) intended to bear such excess under such Governing Documents; and expenses generally will be allocated among an Expense Party and any related or parallel vehicles in the manner outlined in such Governing Documents. In the event that an Expense Party's Governing Documents do not outline a procedure for allocating a particular expense among the Expense Parties or between an Expense Party and GSEM, GSEM (or the relevant general partner or manager entity) will determine the allocation of such expense in a manner that seeks to be fair and equitable under the circumstances over time (in GSEM's discretion) and is consistent with (i) the Governing Document(s) of the relevant Funds and/or Expense Parties, (ii) GSEM's fiduciary obligations and (iii) the following guidelines (without limitation): expenses generally will be allocated pro rata among Expense Parties participating; (or proposing to participate) in the relevant transaction; where necessary or appropriate, or as required by the relevant Expense Party's Governing Documents, GSEM will consult the relevant LP Advisory Committee(s) for approval or input on a conflict of interest posed by the allocation of expenses at issue; and expenses incurred by GSEM in connection with conducting due diligence or negotiations

with regard to potential investments by the Expense Parties generally will initially be borne by GSEM. In the event that a letter of intent is executed or other formal approval process or documentation is completed in connection with the investment, expenses incurred as a result of such investment (including those incurred by GSEM in connection therewith) generally will be allocated to the applicable Expense Parties (to the extent such expenses fall within expense categories itemized in the relevant Governing Documents) in accordance with the expense provisions of each Expense Party's Governing Documents.

Indebtedness-Related Conflicts

As described herein, if a Fund enters into any indebtedness or guaranty with another Fund on a joint and several basis, the applicable General Partners are expected to cause such Funds to enter into one or more agreements that provide each Fund with a right of contribution, subrogation or reimbursement. In administering, or seeking to reinforce, these agreements, GSEM is potentially subject to conflicts of interest, for example between a Fund with a reimbursement obligation and a Fund seeking reimbursement. GSEM intends to mitigate any potential conflicts by structuring such agreements in a manner intended to cause each Fund to bear its proportionate share of the applicable indebtedness.

GSEM, its affiliates, and equity holders, officers, principals and employees of GSEM and its affiliates, reserve the right to buy or sell securities or other instruments that GSEM has recommended to a Fund. In addition, subject to any restrictions in the Limited Partnership Agreements and any related policies and procedures set forth in GSEM's Code of Ethics (the "Code"), officers, principals and employees reserve the right to buy securities in transactions deemed unsuitable for a Fund, but will not in such circumstances be required to share in or reimburse the relevant Fund for due diligence or other expenses (including broken deal expenses) incurred by the Fund in connection with the Fund's consideration of the relevant investment opportunity. The investment policies, fee arrangements and other circumstances of these investments generally vary from those of any Fund. Employees and related persons of GSEM have, and are expected to continue to have, capital investments in or alongside certain Funds, or in prospective portfolio companies directly or indirectly, and therefore would have additional conflicting interests in connection with these investments.

In addition, in certain cases, a Fund is permitted to borrow funds pursuant to a revolving credit facility or other debt facility, including a facility based on the aggregate commitments available to be called. Each Fund's use of such facilities will be determined by the relevant General Partner, and the performance of the relevant Fund would be impacted by whether and how the General Partner causes the Fund to utilize such facilities. Although the use of such a facility increases a Fund's ability swiftly to invest capital, it also generally will cause the relevant Fund to incur fees, interest expense and other costs. Conflicts of interest are expected to arise in that the use of such facilities likely would delay the need for partners to make certain contributions to the relevant Fund, which generally operate to enhance the relevant Fund's performance figures and thereby benefit GSEM.

Research Costs for Investments

There have been and may in the future be circumstances where GSEM considers a portfolio company on behalf of a Fund and initially determines not to make such an investment, but eventually makes an investment in such portfolio company in another Fund or other investment

vehicle sponsored by GSEM. In these circumstances, the Funds, GSEM, or such vehicles are expected to benefit from research by the original investment team researching the investment and/or from costs related thereto borne by the applicable Fund in pursuing the potential portfolio investment but will not be required to reimburse the Funds for expenses incurred in connection with such investment.

Fund Level Borrowing

The Funds from time to time borrow funds or enter into other financing arrangements for various reasons, including to pay fund expenses and liabilities, to pay Management Fees, to make or facilitate new or follow-on investments (including borrowings pending receipt of capital contributions from investors), to make payments under hedging transactions, to cover any shortfall resulting from an investor's default or exclusion. If a Fund borrows in lieu of calling capital to fund the acquisition of an investment, the borrowing would be used for all investors in such Fund on a pro rata basis, including the General Partner. The Funds will also utilize subscription facilities to benefit co-investment parties. For example, a Fund will borrow to fund a co-investment party's pro rata share of an investment or expense related to an investment. GSEM expects that all parties participating in an investment (including the General Partner and any co-investment party and/or joint venture partner) will bear their pro rata share of the interest expenses, but not necessarily origination and other costs allocable to the extension of credit. The relevant Fund will therefore bear a disproportionate amount of the credit risk in incurring the debt on behalf of the other parties, and is permitted to bear a disproportionate amount of costs incurred in connection with the extension of credit. In addition, credit facilities for certain Funds are available to provide borrowed funds directly to the portfolio companies of such Funds, in which case such borrowed amounts would be guaranteed by such Funds. In such instances the Funds would bear the sole liability for the borrowed funds in the event of a default, and as a result, such portfolio company and any of its other investors (including direct investments by the General Partner and any co-investor) benefit from the credit risk taken by the Fund's guarantee. Accordingly, any interest charged to the portfolio company for such lend funds would be retained solely by the guaranteeing Fund.

In addition, a credit agreement frequently will contain other terms that restrict the activities of a Fund and its investors or impose additional obligations on them. For example, a subscription line may impose restrictions on the applicable General Partner's ability to consent to the transfer of an investor's interest in the Fund or impose concentration or other limits on the Fund's investments. In addition, in order to secure a subscription line, the General Partner may request certain financial information and other documentation from investors to share with lenders. The applicable General Partner will have significant discretion in negotiating the terms of any subscription line and may agree to terms that are not the most favorable to one or more investors.

To the extent the Fund uses borrowed funds in advance or in lieu of capital contributions or a portfolio company borrows funds directly through the Fund facility, the Fund's investors generally make corresponding later capital contributions, but the Fund will bear the expense of interest on such borrowed funds. As communicated to investors, GSEM recently modified its subscription line policy to bring it more in line with market practice and utilize the subscription line for longer periods than before and minimize the number of capital calls to investors. As a result, the Fund's use of borrowed funds will impact the calculation of net performance metrics (to the extent that they measure investor cash flows) and generally make net IRR calculations higher than they otherwise would be without fund-level borrowing as these calculations generally depend on the amount and timing of capital contributions and fund-level borrowing increases the likelihood that any hurdle or

preferred return component in the Fund's Carried Interest arrangements will be met. In other circumstances the use of Fund-level borrowing can increase the base of a Fund's Management Fee calculation, such as during periods where Management Fees are based in whole or in part on an acquisition cost that includes a borrowing component. The use of Fund-level borrowing arrangements, and the repayment or nonrepayment thereof, can also influence the determination of the end of a Fund's investment period, and cause or defer a related change in the basis of the relevant Fund's Management Fee calculation under the Governing Documents. It is expected that the interest will accrue on any such outstanding borrowings at a lower rate than any preferred return, which will begin accruing when capital contributions to fund such investments, or repay borrowings used to fund such investments, are actually made to the relevant Fund. Thus, while the Fund will bear the expense of borrowed funds, such borrowings can also increase the Carried Interest received by the Fund's General Partner by decreasing the amount of distributions from the Fund that are required to be made to Fund investors in satisfaction of any preferred return. The General Partner therefore has a conflict of interest in deciding whether to borrow funds because the General Partner could receive disproportionate benefits from such borrowings.

Fund-level borrowing involves a number of additional risks. For example, drawing down on a subscription line allows a Fund's General Partner to fund investments and pay partnership expenses without calling capital, potentially for extended periods of time. Calling a large amount of capital at once to repay the then-current amount outstanding under a subscription line could cause short-term liquidity concerns for investors that would not arise had the General Partner called smaller amounts of capital incrementally over time as needed by the Fund. This risk would be heightened for a Fund investor with commitments to other funds that employ similar borrowing strategies or with respect to other leveraged assets in its portfolio; a single market event could trigger simultaneous capital calls, requiring an investor to meet the accumulated, larger capital calls at the same time. The General Partner is authorized to use fund-level borrowing to pay Management Fees and to reimburse GSEM for expenses incurred on behalf of the Fund. The Fund is also permitted to utilize fund-level borrowing when the General Partner expects to repay the amount outstanding through means other than investor capital, including as a bridge for equity or debt capital with respect to an investment. If the Fund ultimately is unable to repay the borrowings through those other means, the Fund investor would end up with increased exposure to the underlying investment, which could result in greater losses. In certain circumstances, due to separate evaluations of creditworthiness by lenders or facility providers, a portfolio company or other Fund subsidiary is expected to bear higher rates under a borrowing facility than are borne by the Fund, resulting in a potential net benefit to the Fund, or additional potential liquidity constraints or other burdens on the relevant portfolio company or Fund subsidiary.

In other circumstances, lenders and other market participants are expected to seek "cross default" rights under which a Fund will be treated as in default under the relevant facility in the event of a default by another Fund or a GSEM affiliate relating to their respective lending or other facilities; if any such provision were to be triggered, a Fund's investors could suffer adverse effects resulting from any default by any Fund or a GSEM affiliate, whether or not related to the Fund in which such investors have invested.

If an investment appreciates in value and is disposed of prior to repayment, the relevant Fund generally would apply disposition proceeds to repay the borrowing and related interest and expenses, the absence of invested capital funded by investors potentially will result in a distribution of net proceeds without a preferred return accrual on the amount invested. Accordingly, borrowings have the potential to support the distribution of proceeds to investors and increase the potential

Carried Interest for the relevant General Partner, as reduced by the interest incurred by the relevant Fund. Subject to any limitations in the Governing Documents, this scenario potentially incentivizes the relevant General Partner to permanently fund the acquisition and ongoing capital needs of a Fund's investments and related expenses with the proceeds of such borrowings in lieu of drawing down capital contributions on an as-needed basis, and, accordingly, capital contributions to repay such borrowings may be required only at the time of the disposition of an investment (or never, if principal and interest on such borrowings are always repaid out of disposition proceeds).

Borrowing by the Fund will generally be secured by capital commitments made by the investors to the Fund and/or by the Fund's assets, and documentation relating to such borrowing may provide that during the continuance of a default under such borrowing, the interests of the investors may be subordinated to such Fund-level borrowing. Moreover, tax-exempt investors should note that the use of borrowings by the Fund has the potential to cause the realization of UBTI.

Positions with Portfolio Companies

As a result of a Fund's sizeable interests in or GSEM's influence with a particular portfolio company, from time to time GSEM will have the right to appoint one or more board members to such portfolio companies, to influence their appointment or to sit as an observer on the board. From time to time, portfolio company board members (including such members who are GSEM personnel, senior advisors or consultants to GSEM) approve compensation or other amounts payable to GSEM or its affiliates including, but not limited to, cash, transaction fees, profits, or equity interests, or other compensation. In addition, GSEM and or its affiliates have the ability to appoint third parties as portfolio company board members.

Certain decisions made by a director may subject GSEM, its affiliate, or a Fund to claims they would not otherwise be subject to as an investor, including claims of breach of duty of loyalty, securities claims, and other director-related claims. In general, the Funds will indemnify GSEM personnel from such claims.

Side Letters and Relationships with Investors

As discussed in Item 4, GSEM or the General Partner of a Fund reserves the right to enter into side letters or other similar agreements with certain investors in connection with their admission to such Fund without the approval of any other investor. The side letters or similar agreements may have the effect of establishing rights (including economic or other rights) under, altering, or supplementing the terms of the Governing Documents of the applicable Fund with respect to one or more such investors in a manner more favorable to such investors than those applicable to other investors. Such rights may provide (or may provide in the future) such investors with different or preferential rights or terms, including, but not limited to, different fee structures or arrangements (including discounted compensation terms, modified waterfall mechanics and/or receipt of a portion of GSEM's compensation, none of which generally will be subject to the "most-favored nation" provisions of a Fund's Governing Documents), information, notice or reporting rights, rights to opt out of certain categories of investments, rights to serve on the Fund's advisory committee, liquidity or transfer rights, confidentiality protections and disclosure rights, modification of default remedies, consent rights to certain amendments to a Fund's Governing Documents, as well as economic procedural and other terms.

GSEM is likely to have its own economic and/or other business incentives to provide certain terms to certain Fund investors (e.g., based on historical ‘anchor investor’ relationships, commitment amount to a Fund or the timing thereof, the ability of an investor to provide sourcing or other services to GSEM, its affiliates and personnel or the Funds, or the potential to establish, recognize, strengthen or cultivate relationships that have the potential to provide longer-term benefits to GSEM, its affiliates and personnel, or the Funds). Except where required by Governing Documents, other investors will not receive copies of side letters or related provisions, and as a general matter, the other investors have no recourse against a Fund, GSEM, the relevant General Partner or any of their affiliates in the event that certain investors have received additional and/or different rights and/or terms as a result of such side letters. Side letters subject GSEM to potential conflicts of interest, including in circumstances where an investor’s right to serve on the relevant Fund’s Advisory Committee results in the investor receiving additional information relative to other investors. To the extent an investor is subject to statutory or other limitations on indemnification, or otherwise negotiates rights relating thereto, other investors may be subject to increased losses, or be required to bear an increased portion of indemnification amounts. Other side letter rights are likely to confer benefits on the relevant investor at the expense of the relevant Fund or of investors as a whole, including in the event that a side letter confers additional reporting, information rights and/or transfer rights, the costs and expenses of which are expected to be borne by the relevant Fund. As a consequence of one or more investors being excused or excluded, or from regulatory, tax or other factors altering or limiting their participation in investments, or ability to bear certain liabilities or obligations, the aggregate returns realized by participating or nonparticipating investors could be adversely affected in a material manner by the unfavorable performance of particular investments; similar considerations apply in the event an investor defaults on a drawdown in respect of an investment. Although GSEM believes it to be unlikely, excuse or other rights requested or received by one or more investors (or such regulatory, tax or other factors applicable to such investors) representing a substantial percentage of a Fund have the potential to create significant variations in investor investment returns, or exposures to liabilities or obligations, or to influence or affect the investment strategy and pursuit of investment opportunities by the General Partner on behalf of the relevant Fund as a whole. An investor’s voting rights for regulatory or other reasons can be limited in circumstances specified in the Governing Documents; conversely, a limitation on one or more investors’ voting rights generally will increase the voting rights percentage of other investors in the relevant Fund. Further, investors with different domiciles or tax categorizations could receive different investment returns or amounts of tax basis and/or pay different levels of expenses, e.g., based on tax savings or ownership of alternative investment vehicle, “blocker” or other structures used to facilitate their investments in, through or below a Fund.

GSEM has no obligation to offer all such additional rights, terms, or conditions, to any other investors in the Funds, except to the extent required by the Governing Documents of the applicable Funds. Once invested in a Fund, investors generally cannot impose additional investment guidelines or restrictions on such Fund. In addition, side letter arrangements with certain investors of the Funds impose additional restrictions on investing in certain types of assets, geographies, or industries in order to meet certain legal, tax, regulatory, internal policy, or other requirements of such investors. While these restrictions are intended to apply solely to such investors, they may ultimately restrict the investments made by an applicable Fund.

In addition, certain investors in the Funds are also strategic investors who are either directly or indirectly invested in GSEM or otherwise have entered into a strategic relationship or co-sponsorship with GSEM, and GSEM provides such strategic investors rights that it does not provide to all prospective investors and/or investors, which may include preferential economic, liquidity,

and/or investment opportunity rights, as well as access to portfolio company management teams. In addition to these conflicts of interest for GSEM, GSEM's relationship with strategic investors or co-sponsors may lead to conflicts of interests for the strategic investors or co-sponsors because those parties may have conflicting interests from other investors as a result of their broader relationship with GSEM.

Conflicts Relating to GSEM

GSEM and its principals and employees carry on investment activities for their own accounts, for personal or employee investment vehicles (including through family offices) and, potentially, for family members and friends who do not invest in the Fund (including holding passive ownership positions in other advisory entities not otherwise affiliated with GSEM), as well as establish trusts, endowments, charitable programs, foundations or similar arrangements, give advice and recommend securities to other accounts or investment Funds which may differ from advice given to, or securities recommended or bought for, the relevant Fund, even though their investment objectives may be the same or similar. GSEM and its principals and employees reserve the right to pay or receive compensation in relation to the foregoing. GSEM, GSEM personnel (including GSEM employees), their relatives and related persons of GSEM also have, and are expected to continue to have, capital investments in or alongside certain Funds, or in prospective portfolio companies, directly or indirectly, and therefore, expect to have additional potential conflicting interests in connection with these investments. In addition, subject to the Funds' Governing Documents, Funds are permitted from time to time to invest in securities of companies in which GSEM, GSEM personnel, their relatives, and other related persons of GSEM have previously invested for their own accounts. Furthermore, subject to the Funds' Governing Documents, GSEM, GSEM personnel, their relatives and/or other related persons are permitted from time to time to invest for their own accounts in securities of companies in which the Funds invest. While the significant interests of GSEM, GSEM personnel, their relatives and/or related persons generally align the interest of such persons with the Funds, such persons may have differing interests from the Fund with respect to such investments (for example, with respect to the availability and timing of liquidity) creating conflicts of interest. In addition, to the extent an advisory opportunity is received that is deemed unsuitable for a Fund, in GSEM's sole discretion, GSEM, GSEM personnel and their relatives reserve the right to refer such opportunity to third parties or to make personal investments in the relevant opportunity. Such transactions are subject to conflicts of interest because GSEM personnel and their relatives investing in the opportunity will, for some investments, benefit from the evaluation, investigation and due diligence undertaken by GSEM on behalf of the Fund. In such circumstances, subject to any restrictions in such Fund's Governing Documents and any policies and procedures set forth in GSEM's Code of Ethics, the investing GSEM personnel and their relatives will not be required to share in or reimburse the relevant Fund for any expenses (including broken deal expenses) incurred by the Fund in connection with the Fund's consideration of the relevant investment opportunity.

In addition, GSEM personnel may also buy securities and hold interests as passive investors in other investment vehicles (including private equity funds, venture capital funds, hedge funds, real estate funds and other similar investment vehicles) which may include potential competitors of the Funds and/or which may invest in similar industries and sectors as the Funds. Such GSEM personnel have a conflict of interest with respect to their personal investment holdings. There could be situations in which such investment vehicle purchases securities from, or sells securities to, a Fund. The investment policies, fee arrangements, and other circumstances of these investments generally vary from those of any Fund. Such GSEM personnel may be incentivized to cause a Fund to act in a

manner that benefits such other investment vehicles and, indirectly, themselves as investors in such investment vehicles.

Unless restricted by the Governing Documents, GSEM personnel are permitted to serve on boards or act in other roles unaffiliated with GSEM, the Funds, or their portfolio companies, including boards of charitable and educational institutions, public companies, and former portfolio companies.

GSEM, its affiliates, its principals, and employees will devote so much of their time to the activities of the Fund as they deem necessary and appropriate. Except as set forth in the Funds' Governing Documents, the General Partner, GSEM, and its affiliates are not restricted from forming additional GSEM Funds, from entering into other investment advisory relationships, or from engaging in other business activities, even though such activities may be in competition with the Funds and/or may involve substantial time and resources of GSEM, the General Partner, and affiliates. These activities could be viewed as creating a conflict of interest in that the time and effort of the members of GSEM and its respective principals and employees will not be devoted exclusively to the business of a particular Fund but will be allocated between the businesses of GSEM's various GSEM Funds.

Item 9: Disciplinary Information

Neither GSEM nor its management persons have been subject to any material legal or disciplinary events required to be discussed in this Brochure.

Item 10: Other Financial Industry Activities and Affiliations

As described under "Advisory Business" above, GSEM is affiliated with other GSEM investment advisers, including General Partners and equivalent entities formed from time to time and subject to the Advisers Act pursuant to GSEM's registration in accordance with SEC guidance. These entities operate as a single advisory business together with GSEM and serve as managers or general partners of Funds and other pooled vehicles and generally share common owners, officers, partners, employees, consultants or persons occupying similar positions.

Currently, the Funds are GSEM's only private fund clients; however, subject to the Governing Documents of the Funds, GSEM and its affiliates are not restricted from forming additional investment funds, entering into other investment advisory relationships or engaging in other business activities, even though such activities may be deemed to be in competition with the Funds and/or may involve substantial time and resources of the Firm and its affiliates. Potentially, such activities could be viewed as creating a conflict of interest in that the time and effort of the Firm's management personnel and employees will not be devoted exclusively to the business of the Funds but could be allocated between such businesses and other of the Firm's business activities and those of its affiliates. GSEM aims to mitigate this potential conflict of interest by monitoring, on a regular basis, the time spent by the Firm's senior management personnel and other employees in (i) the rendition of administrative as well as advisory services to each of the Firm's various client groups and (ii) the performance of other functions pertaining to GSEM's advisory business.

In addition, certain GSEM advisors (including former GSEM personnel) are registered with Financial Industry Regulatory Authority, Inc. ("**FINRA**") member firms which are SEC-registered broker-dealers and which are not affiliated with GSEM.

Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

GSEM has adopted a Code of Ethics for all supervised persons of the Firm, which sets forth standards of conduct that are expected of Firm principals and employees, addresses conflicts that arise from personal trading, and which describes the standard of business conduct and fiduciary duty to GSEM clients. The Code of Ethics includes provisions relating to the confidentiality of client information, a prohibition on insider trading, a prohibition of rumor mongering, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things.

GSEM's supervised persons and access persons associated with GSEM are required to follow the Code of Ethics. The Code of Ethics includes policies and procedures for the review of quarterly securities transactions reports, as well as initial and annual securities holdings reports that must be submitted by the Firm's supervised persons. Among other things, the Code also requires the prior approval by the Chief Compliance Officer of any transactions in securities in a limited offering (e.g., a private placement), an initial public offering or in securities on GSEM's restricted list.

GSEM has also adopted a written Insider Trading Policy which implements the Firm's prohibition of the use, by any supervised person or access persons associated with GSEM, of material non-public information when conducting securities investment activity on behalf of a GSEM client or personal account. All supervised persons and access persons associated with GSEM are instructed by the Insider Trading Policy that the further communication of such information is subject to various specific affirmative requirements and prohibitions and can never be used in connection with actual securities trading activity, whether personally or on behalf of a GSEM client.

Existing or prospective GSEM clients and/or Fund investors may request a copy of the Code of Ethics by contacting us at (312) 552-7160 or via email at ir@gsquared.com.

Principals and employees of GSEM and its affiliates generally are expected to directly or indirectly own an interest in one or more Funds, including certain co-invest vehicles. To the extent that co-invest vehicles exist, such vehicles are expected to invest in one or more of the same portfolio companies as a Fund. Co-invest opportunities generally are also expected to be presented to certain affiliates of GSEM, and in limited circumstances, to third-party investors and other persons, and such co-investments may be effected through co-invest vehicles, directly in a particular portfolio company or through an intermediate entity in a portfolio company's structure. Such co-investment opportunities generally will be allocated in the manner described under "Methods of Analysis, Investment Strategies and Risk of Loss."

GSEM and its affiliates, principals and employees expect from time to time to carry on investment activities for their own account, for personal or employee investment vehicles and, potentially, for family members, friends or others who do not invest in a Fund, as well as give advice and recommend securities to vehicles which may differ from advice given to, or securities recommended or bought for, any Fund, even though their investment objectives may be the same or similar. The Governing Documents and investment programs of certain Funds generally restrict, limit or prohibit, in whole or subject to certain procedural requirements, investments of certain other vehicles in issuers held by such Funds or give priority with respect to investments to such Funds. Some of these restrictions could be waived by investors (or their representatives) in such Funds or be subject to limitations (e.g., by time or percentage of capital deployed).

Due in part to the fact that potential investors in a Fund (including purchasers of an investor's interests in a secondary transaction) or a co-investment opportunity may ask different questions and request different information, the Adviser may provide certain information to one or more prospective investors that it does not provide to all of the prospective investors or investors.

Item 12: Brokerage Practices

GSEM Funds generally originate investments in or buy and/or sell securities of privately-held companies in three different ways: (1) directly with an issuer; (2) directly with a shareholder; and (3) indirectly via a secondary trading marketplace or other intermediary. In the event GSEM engages in a market transaction through a broker on behalf of a Fund client, GSEM's policy is to seek best execution of such transaction for such Fund client. This requires good faith judgment at the time that orders are placed. Best execution includes the duty to seek the best overall execution, which takes best net price into account, but is not solely determined by it. GSEM will not seek or accept any payment from a broker in connection with such transactions. Furthermore, GSEM will pay no more than a reasonable brokerage fee in connection with any such transaction.

GSEM considers a number of factors in selecting appropriate broker-dealers. In selecting broker-dealers to execute transactions, GSEM need not solicit competitive bids and does not have an obligation to seek the lowest available commission cost. In selecting brokers, GSEM may or may not negotiate "execution only" commission rates; thus, a client may be deemed to be paying for other services provided by the broker to the client and/or its respective affiliates which are included in the commission rate. Additionally, GSEM will also take into account any clearing and/or other fees charged by the prime broker to execute transactions through other brokers. In negotiating commission rates, GSEM will take into account the financial stability and reputation of brokerage firms and the brokerage, research and other services provided by such brokers, although the client may not, in any particular instance, be the direct or indirect beneficiary of the services provided.

GSEM does not have any soft-dollar arrangements and does not receive any soft dollar benefits for its transactions.

When transacting in the same publicly-traded security for two or more GSEM Funds, GSEM reserves the right to aggregate the orders into a single order ("bunched order") if GSEM, in exercising reasonable judgment at the time of the aggregation, believes the bunched trade is reasonably likely to result in an overall economic benefit to each GSEM Fund. Such determination is based on an evaluation that the GSEM Fund will benefit from relatively better purchase or sale prices, lower commission expenses, or better timing of the transactions, or a combination of these and other factors. In instances where the execution prices are different due to the volume and execution time of the securities transacted, each of the GSEM Funds will generally receive the average transaction price.

In the event a bunched order is only partially executed, the executed portion of combined transaction orders for two or more GSEM Funds will be allocated, when possible, on a pro rata basis (to the nearest round lot), with each GSEM Fund receiving a percentage of the executed portion of the order based upon each GSEM Fund's percentage of the original order. This policy will apply to all GSEM Funds participating in the execution under the same trading circumstances (price limits, time of entry, etc.). The allocation will be made at the average execution price or at prices mathematically closest to the average price. Every effort will be made to use a single average price in such allocations; the documentation will be maintained by the executing broker. The executing

broker will provide an average price for the day for the execution(s) unless the orders are placed separately with a wide discrepancy in price paid/received.

Item 13: Review of Accounts

The investments made by the Funds are generally private, illiquid and long-term in nature. Accordingly, the review process is not directed toward a short-term decision to dispose of securities. However, GSEM monitors companies in which the Funds invest; Firm personnel periodically check to confirm that each Fund is maintained in accordance with its stated objectives; and Fund portfolio company holdings generally are discussed by GSEM's investment committee on a weekly basis, and more frequently as may be needed.

Each Fund generally will provide to its investors (i) annual GAAP audited and quarterly unaudited financial statements, (ii) annual tax information necessary for each investor's tax return and (iii) quarterly reports providing a narrative summary of and update on the status of portfolio company holdings.

Item 14: Client Referrals and Other Compensation

Although GSEM does not anticipate engaging in the following practice, GSEM and/or its affiliates generally are permitted to provide certain business or consulting services to companies in a Fund's portfolio, in which case such persons would expect to receive compensation from these companies in connection with such services. As described herein and in the Governing Documents, this compensation may, in many cases, offset a portion of the Management Fees paid by such Fund. However, in other cases (e.g., reimbursements for out-of-pocket expenses directly related to a portfolio company), such fees would be in addition to Management Fees.

GSEM has entered into, and likely will in the future enter into, solicitation arrangements pursuant to which it compensates third parties for referrals that result in a potential investor becoming an investor in a Fund. Any fees payable to any such placement agents generally will be paid by GSEM but a portion generally is expected to be borne by the applicable Fund up to a certain threshold specified in the Governing Documents.

Item 15: Custody

GSEM has established an account with the following qualified custodians to hold funds and securities on behalf of the Funds: Silicon Valley Bridge Bank, N.A., 3003 Tasman Drive, Santa Clara, CA 95054; European Depositary Bank SA, 3, Rue Gabriel Lippmann L-5365 Munsbach, Registre de Commerce: Luxembourg B 10700; Morgan Stanley Smith Barney, LLC, 2000 Westchester Avenue, Purchase, NY 10577; and UBS Financial Services Inc., 1200 Harbor Boulevard, Weehawken, NJ 07086.

Item 16: Investment Discretion

GSEM has discretionary authority to manage investments on behalf of each Fund. As a general policy, GSEM does not allow clients to place limitations on this authority. Pursuant to the terms of the Governing Documents, however, GSEM and/or its affiliates have entered, and expect to enter, into Side Letters with certain investors whereby the terms applicable to such investor's investment in a Fund are altered or varied, including, in some cases, the right to opt-out of certain

investments for legal, tax, regulatory or other similar reasons. GSEM assumes this authority pursuant to the terms of the Governing Documents and powers of attorney executed by the investors in such Fund.

Item 17: Voting Client Securities

GSEM has been delegated the responsibility and authority to vote the proxies of Fund portfolio companies. GSEM has adopted a Proxy Voting Policies and Procedures (the "**Proxy Policy**") to address how it will vote proxies. The Proxy Policy seeks to ensure that GSEM votes proxies in the best interest of GSEM, including where there may be material conflicts of interest in voting proxies.

Although the Funds invest primarily in private companies that generally do not routinely issue formal proxies, GSEM's Proxy Policy sets forth the principles and procedures by which GSEM votes or gives consent with respect to securities owned by the Funds. GSEM's guiding principle with respect to any proxy vote in which it participates is to vote in the best interest of its Funds. The Proxy Policy contains guidelines only, and there may be instances when GSEM does not vote in accordance with the Proxy Policy due to the specific circumstances of the company in question. Further, GSEM reserves the right to and often will abstain on any particular vote or otherwise withhold its vote or consent on any matter where GSEM determines that the cost of voting the proxy exceeds the expected benefit to the Fund and would not be in the Fund's best interest, or if the circumstances otherwise make such an abstention or withholding advisable and in the best interests of the relevant Funds. GSEM cannot anticipate every situation and certain issues are better handled on a case-by-case basis. The guidelines included in this Policy are subject to change as GSEM periodically reassesses these policies and procedures to reflect developments in Proxy voting and the best interest of Clients. GSEM will review on a case-by-case basis each proposal submitted for a stockholder vote to determine its impact on the portfolio securities held by the Fund. Although GSEM will generally vote against proposals that may have a negative impact on a Fund's portfolio securities, it may vote for such a proposal if there exist compelling long-term reasons to do so. GSEM's proxy voting decisions are made by its management team who are responsible for monitoring the investments of GSEM clients. In the event GSEM determines there is or may be a material conflict of interest between GSEM and a client in voting proxies, GSEM will address such material conflict of interest using the appropriate procedure outlined in its Proxy Policy (e.g., refer to LP Advisory Committee or establish and refer to a conflicts committee).

Investors in GSEM Funds can obtain GSEM's Proxy Policy as well as information regarding how proxies regarding Fund portfolio companies have been voted by contacting us at (312) 552-7160 or ir@gsquared.com.

Item 18: Financial Information

GSEM does not have fee payment structures or any other events requiring disclosure under this item of the Brochure.