Goldman Sachs Bank Europe SE

Pillar 3 Disclosures

For the period ended March 31, 2025

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Introduction

Overview

Goldman Sachs Bank Europe SE (GSBE or the bank) is engaged in a wide range of activities primarily in the E.U. and to a lesser extent internationally, including underwriting and market-making in debt and equity securities and derivatives, wealth management services, deposit-taking, lending (including securities lending), advisory services and transaction banking services. The bank is a primary dealer for government bonds issued by E.U. sovereigns. The bank serves a diversified client base that includes corporations, financial institutions, governments and individuals, from its registered office in Frankfurt am Main, its office in Munich and branches in Amsterdam, Athens, Copenhagen, Dublin, London, Luxembourg, Madrid, Milan, Paris, Stockholm and Warsaw. The London branch of the bank is currently in dormant status after it ceased its business activities during 2024. The bank is registered with the commercial register number HRB 114190 at the local district court in Frankfurt am Main, Germany.

The bank is directly supervised by the European Central Bank (ECB) and additionally by the Federal Financial Supervisory Authority (BaFin) and the Deutsche Bundesbank in the context of the E.U. Single Supervisory Mechanism.

The bank is a wholly-owned subsidiary of Goldman Sachs Bank USA (GS Bank USA), a New York State-chartered bank and a member of the Federal Reserve System. The bank's ultimate parent undertaking and controlling entity is The Goldman Sachs Group, Inc. (Group Inc. or the firm). Group Inc. is a bank holding company and a financial holding company regulated by the Board of Governors of the Federal Reserve System. In relation to the bank, "group undertaking" means Group Inc. or any of its subsidiaries. Group Inc., together with its consolidated subsidiaries, form "GS Group" (also referred to as the firm). GS Group is a leading global financial institution that delivers a broad range of financial services to a large and diversified client base that includes corporations, financial institutions, governments and individuals.

The bank seeks to be the advisor of choice for its clients and a leading participant in financial markets. As part of GS Group, the bank also enters into transactions with affiliates in the normal course of business as part of its market-making activities and general operations.

The bank generates revenues from the following business activities: Investment Banking; Fixed Income, Currency and Commodities (FICC); Equities; and Investment Management, which includes Asset management and Wealth management.

The bank's regulatory capital requirement has been calculated in accordance with the E.U. Capital Requirements Directive (CRD) and the E.U. Capital Requirements Regulation (CRR). These are largely based on the Basel Committee on Banking Supervision's (Basel Committee) final capital framework for strengthening international capital standards (Basel III), which is structured around three pillars: Pillar 1 "minimum capital requirements", Pillar 2 "supervisory review process" and Pillar 3 "market discipline".

The term "CRR" in this document refers to the applicable version of Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012; as regards the leverage ratio, the net stable funding ratio, requirements for own funds and eligible liabilities, counterparty credit risk, market risk, exposures to central counterparties, exposures to collective investment undertakings, large exposures, reporting and disclosure requirements.

The bank's Pillar 3 disclosures for March 31, 2025 have been prepared in accordance with the European Banking Authority (EBA) Guidelines on disclosure requirements under Part Eight of the CRR.

All references to March 2025 and December 2024 refer to the dates, as the context requires, March 31, 2025 and December 31, 2024, respectively. Any reference to a future year refers to a year ending on December 31 of that year. Any statements relating to future periods are subject to a high degree of uncertainty.

Information on the bank's 2025 Quarterly Pillar 3 disclosures, 2024 Annual Pillar 3 disclosures, 2024 Annual Financial Information prepared under International Financial Reporting Standards (IFRS) and 2024 Annual Financial Statements and Management Report prepared under German Commercial Code (HGB) can be accessed via the following links:

https://www.goldmansachs.com/disclosures/gsbank-europe-se-disclosures.html

https://www.goldmansachs.com/investor-relations/financials/subsidiary-financial-info/gsbe

For information on Group Inc.'s financial statements and regulatory capital ratios, please refer to the firm's Pillar 3 Disclosures and Quarterly Report on Form 10-Q. References to the "2025 Form 10-Q" are to the firm's Quarterly Report on Form 10-Q for the period ended March 31, 2025. All references to March 2025 refer to the period ended, or the date, as the context requires, March 31, 2025.

https://www.goldmansachs.com/investor-relations/financials/10q/2025/first-quarter-2025-10-q.pdf

https://www.goldmansachs.com/investor-relations/financials/other-information/2025/1q-pillar-3-2025.pdf

Measures of exposures and other metrics disclosed in this report may not be based on IFRS, may not be directly comparable to measures reported in the IFRS Financial Information, and may not be comparable to similar measures used by other companies.

The capital requirements are expressed as risk-based capital and leverage ratios that compare measures of regulatory capital to risk-weighted assets (RWAs), assets and off-balance-sheet exposures. Failure to comply with these capital requirements could result in restrictions being imposed by the bank's regulators and could limit the bank's ability to pay dividends and make certain discretionary compensation payments. The bank's capital levels are also subject to qualitative judgements by our regulators about components of capital, risk weightings and other factors.

Regulatory Developments

The bank's businesses are subject to extensive regulation and supervision worldwide. New regulations have been adopted or are being considered by regulators and policymakers. Given that many of the new and proposed rules are highly complex, the full impact of regulatory reform will not be known until the rules are implemented and market practices develop under final E.U. regulations.

Risk-Based Capital Ratios

In 2024, the E.U. adopted rules to finalise the implementation of Basel III post-crisis reforms (Basel III Revisions), through amendments to the CRR and CRD, referred to as CRR III and CRD VI. The amendments include the Fundamental Review of the Trading Book (FRTB) rules, revised rules for credit risk capital, a new standardised approach for operational risk and Credit Valuation Adjustment (CVA) risk capital and a floor on internally modelled capital requirements under the standardised approach, commonly known as the "output floor". Substantial parts of these rules became effective in January 2025, though certain provisions applied beginning July 2024. The application date of the FRTB rules is subject to change. While currently legislated for January 1, 2026, a proposed delay to January 1, 2027, is under review.

The changes effective from January 1, 2025, were a significant contributor to the increase in RWAs observed in the period ended March 31, 2025. Given the bank's significant capital surplus, the bank did not require additional CET1 capital to meet its minimum capital requirements including combined buffer requirements. However, the bank drew down additional senior debt from GS Bank USA in December 2024 to meet the projected minimum requirements for own funds and eligible liabilities (MREL).

CRD VI Article 21c

CRD VI includes provisions which will restrict certain non-EU entities from providing core banking services, including lending, to EU clients. Whilst each EU Member State is required to transpose the Directive's minimum requirements into their national laws by January 10, 2026, the bank expects these specific provisions will take effect from January 11, 2027 with a grandfathering provision for transactions executed before July 10, 2026. The bank is analysing EU core banking services required to transition from affiliates, and incorporating this into its business, capital and liquidity planning.

Minimum Requirements for Own Funds and Eligible Liabilities (MREL)

The CRR and the E.U. Bank Recovery and Resolution Directive (BRRD) are designed to, among other things, implement the Financial Stability Board's (FSB) minimum Total Loss Absorbing Capacity (TLAC) requirement for global systemically important institutions (G-SII), such as GS Group.

The CRR requires material subsidiaries of non-E.U. G-SIIs such as the bank, to meet internal TLAC (iTLAC) requirements equivalent to 90% of the external TLAC requirement applicable to E.U. G-SIIs. The bank satisfies this requirement through its total capital and MREL eligible intercompany borrowings.

The BRRD, as amended by BRRD II, subjects institutions to a minimum requirement for own funds and eligible liabilities (MREL). The E.U. Single Resolution Board's (SRB) internal MREL (iMREL) became applicable to the bank from January 1, 2024.

The bank is in compliance with its iMREL/iTLAC requirements. The minimum iMREL requirements are subject to change by the SRB annually and on May 13, 2024, the SRB published its 2024 MREL policy. This policy broadened the scope of firms for which SRB was required to set a Market Confidence Charge and made changes to its calibration, amongst other amendments. This resulted in a 2.4% increase of the bank iMREL to RWAs minimum requirement, effective from March 2025.

The bank's iMREL/iTLAC eligible intercompany borrowing is from its immediate parent undertaking, GS Bank USA.

Swaps, Derivatives and Commodities Regulation. The bank is a swap dealer registered with the Commodity Futures Trading Commission and a security-based swap dealer registered with the U.S. Securities Exchange Commissions. As of March 2025, the bank was subject to, and in compliance with, applicable capital requirements for swap dealers and security-based swap dealers.

Business Environment

During the first quarter of 2025, global economic activity continued to be impacted by inflation and ongoing geopolitical concerns. Additionally, the uncertainty resulting from changes in international trade policies (including the potential for new or increased tariffs) created market volatility. In the Eurozone and U.K., economic activity showed some improvement, and whilst the economy in the U.S. remained resilient, concerns about the prospect of a recession in the future increased. In addition, markets have been focused on the timing and amount of policy interest rate cuts by central banks globally. Uncertainty and concerns about geopolitical risks, global central bank policies, inflation and trade policies, including tariffs, escalated over the course of the first quarter.

Attestation

To the best of our knowledge, we attest that the Pillar 3 Disclosures of Goldman Sachs Bank Europe SE for the period ended March 31, 2025, prepared according to Part Eight of the CRR, have been prepared in accordance with the formal policies and internal processes, systems and controls agreed upon at the management body level.

Date: June 10, 2025

Michael Holmes	Michael Trokoudes
Chief Financial Officer	Chief Risk Officer
Goldman Sachs Bank Europe SE	Goldman Sachs Bank Europe SE

EU iLAC

In accordance with the requirements of Article 92b of Regulation (EU) No 575/2013, the following table shows GSBE's minimum requirement for eligible liabilities, as a material subsidiary of a non-EU headquartered G-SII.

Table 1: EU iLAC: Internal loss absorbing capacity: internal MREL and, where applicable, requirement for own funds and eligible liabilities for non-EU G-SIIs

€ in millions				As of March 2025
		a	b	c
		Minimum requirement for own funds and eligible liabilities (internal MREL)	Non-EU G-SII Requirement for own funds and eligible liabilities (internal TLAC)	Qualitative information
Applicable requirement and level of application				
EU 1	Is the entity subject to a Non-EU G-SII Requirement for own funds and eligible liabilities? (Y/N)			Y
EU 2	If EU 1 is answered by 'Yes', is the requirement applicable on a consolidated or individual basis? (C/I)			I
EU 2a	Is the entity subject to an internal MREL requirement? (Y/N)			Y
EU 2b	If EU 2a is answered by 'Yes', is the requirement applicable on a consolidated or individual basis? (C/I)			I
Own funds and eligible liabilities				
EU 3	Common Equity Tier 1 capital (CET1)	€ 12,672	€ 12,672	
EU 4	Eligible Additional Tier 1 instruments	-	-	
EU 5	Eligible Tier 2 instruments	20	20	
EU 6	Eligible own funds	€ 12,692	€ 12,692	
EU 7	Eligible liabilities	4,800	4,800	
EU 8	Of which permitted guarantees	-		
EU 9a	(Adjustments)	-	-	
EU 9b	Own funds and eligible liabilities items after adjustments	€ 17,492	€ 17,492	
Total risk exposure amount and total exposure measure				
EU 10	Total risk exposure amount	€ 55,951	€ 55,951	
EU 11	Total exposure measure	€ 149,794	€ 149,794	
Ratio of own funds and eligible liabilities				
EU 12	Own funds and eligible liabilities (as a percentage of TREA)	31.3 %	31.3 %	
EU 13	>>> of which permitted guarantees	0.0 %		
EU 14	Own funds and eligible liabilities (as a percentage of leverage exposure)	11.7 %	11.7 %	
EU 15	>>> of which permitted guarantees	0.0 %		
EU 16	CET1 (as a percentage of TREA) available after meeting the entity's requirements	7.4 %	7.4 %	
EU 17	Institution-specific combined buffer requirement[1]		4.5 %	
Requirements				
EU 18	Requirement expressed as a percentage of the total risk exposure amount	23.9 %	16.2 %	
EU 19	>>> of which may be met with guarantees	N/A		
EU 20	Internal MREL expressed as percentage of the total exposure measure	6.0 %	6.1 %	
EU 21	>>> of which may be met with guarantees	N/A		
Memorandum items				
EU 22	Total amount of excluded liabilities referred to in Article 72a(2) CRR[2]		**€ 193,946**	

1. Row EU 17 requires reporting Institution-specific combined buffer requirement, but EBA template mapping refers to cell M 03.00, r0540, c0020 (O-SII requirement). The bank is reporting the Institution-specific combined buffer requirement in this row.
2. Row EU 22 requires reporting Total amount of excluded liabilities referred to in Article 72a(2) CRR, but EBA template mapping refers to cell M 03.00, r0590, c0020 (Other bailinable liabilities with residual maturity of >= 1 year and < 2 years). The bank is reporting Total amount of excluded liabilities in this row.

In the table above:

- Own funds and eligible liabilities as a percentage of TREA (EU 12) as of March 2025 decreased by 10.7 percentage points (pp) to 31.3% compared with December 2024. This is due to increased TREA with drivers split between higher credit RWAs (principally due to the implementation of Basel III Revisions on January 1, 2025) and higher market RWAs (mainly reflecting an increase in European sovereign debt exposures).

- Own funds and eligible liabilities as a percentage of leverage exposure (EU 14) as of March 2025 decreased by 1.1pp to 11.7% compared with December 2024. This was driven by an increase in leverage exposures by €12.9bn to €149.8bn, primarily as a result of increase in on and off balance sheet exposures (reflecting an increase in cash inventory, other commitments and securities financing add-ons).

- Own funds and eligible liabilities as a percentage of TREA (EU 12) and Own funds and eligible liabilities as a percentage of leverage exposure (EU 14) exclude the bank's profits for 2025 and 2024, which were subject to approval by the bank’s shareholder to be included as regulatory capital at the reference date. These profits would have contributed 80 basis points to Own funds and eligible liabilities as a percentage of TREA (EU 12) and 62 basis points to Own funds and eligible liabilities as a percentage of leverage exposure (EU 14).

- The iMREL to TREA minimum requirement (EU 18) for the bank increased by 1.9pp, as a result of the SRB introducing a market confidence charge of 2.4pp effective from March 2025, partially offset by a 0.5pp decrease in the minimums from the most recent SRB decision.

Cautionary Note on Forward-Looking Statements

We have included in these disclosures, and our management may make, statements that may constitute "forward-looking statements." Forward-looking statements are not historical facts or statements of current conditions, but instead represent only our beliefs regarding future events, many of which, by their nature, are inherently uncertain and outside our control. These statements include statements other than historical information or statements of current conditions.

It is possible that our actual results and financial condition may differ, possibly materially, from the anticipated results and financial condition indicated in these forward-looking statements. Important factors that could cause our actual results and financial condition to differ from those indicated in the forward-looking statements include, among others, those discussed in "Forecast and Opportunities Report" within "Management Report" of GSBE's 2024 Financial Statements.