

Discovery Global Millennial Share Portfolio

July 2022

As millennials have entered their prime earning / spending years, they have become the world's most important consumer force reshaping spending patterns across global industries. This disruption is creating powerful, long-term, secular growth opportunities for investors which we call the 'Millennial Effect'. The strategy offers a thoughtful way of gaining exposure to the 'Millennial Effect' through an actively managed portfolio investing across all regions, sectors and market caps in order to effectively capture the widespread impact of this generation. The strategy invests in fundamentally solid companies that are aligning business models to service the tech-enabled consumption habits of the millennial generation. By carefully evaluating the quality of each business and investing at a reasonable valuation, we believe we can give our clients thoughtful exposure to the 'Millennial Effect', creating a well-diversified portfolio capable of generating wealth over the long-term.

The strategy is managed by 3 Co-Portfolio Managers, aided by 80+ research analysts working in 6 locations across the world. We think our local insights and global connectivity enables us to identify less researched companies that can benefit from the impact of the millennial generation. The Co-PMs work with the local analysts to identify what we believe are the best opportunities for this differentiated portfolio. Our team of 80+ investment professionals based across 6 locations globally has identified a proprietary universe of 400+ securities where the revenues are aligned to the millennial thematic. We look at companies that offer products as well as services that are catering to the spending patterns of the millennial generation and aim to keep a balanced portfolio. While the entire team vigorously debates investment ideas and overall portfolio structure, all final buy/sell decisions for the portfolio are a product of the collective decision of the Co-Portfolio Managers.



Contents

Contents	1
Market Review	2
Performance Overview	Error! Bookmark not defined.
Performance Commentary	3

Market Review

Global equities rose in the month of July, returning 6.98% (total returns in USD). Markets recovered during the month as focus shifted to corporate earnings and recessionary concerns eased. Hope for a potential decrease in the aggressiveness of interest rate hikes by the Federal Reserve was sparked after positive commentary from officials, which helped growth catch up to the value style factor.

Corporate earnings released during the month led to markets taking on a more bullish stance. High levels of consumer and corporate spending helped companies report better-than-expected earnings numbers on an overall basis. However, keeping in mind the stickiness of commodity price rises and the persistence of supply chain issues, management guidance remained mixed. Strong numbers motivated investors to tilt focus and pivot investments back to the growthier segments of the market.

The US Federal Reserve revised interest rates upwards by another 75 bps during the month, in line with market expectations. However, positive commentary from FOMC officials around recessionary risks instilled market optimism around a potential reel back in contractionary stance during the latter part of the year. A majority of global central banks continued to hike interest rates to battle inflationary pressures. US CPI numbers came in above consensus expectations, reflecting the largest increase in more than 4 decades.

Issues in China persisted with the implementation of new COVID-19 measures in line with the country's zero tolerance policy. Economic data released during the month reflected the slowest rate of expansion since the onset of 2020. The Real Estate sector continued to spiral down due to broader concerns. Homeowners boycotted mortgage payments on stalled developmental projects, aggravating the liquidity and leverage issues.



Performance Overview

- The Goldman Sachs Asset Management Global Millennials Equity Strategy returned 9.86% in the month of July underperforming MSCI ACWI Growth by 30 bps and outperforming MSCI World by 192 bps.
- There has been an uptick in performance in July across global equity markets despite high inflation numbers and a 75bps rise in interest rates by Fed. It has been partly driven by better than expected earnings in the market. It is estimated that 68% of the S&P 500 companies have reported a positive earnings surprise for the 2nd quarter. While it is below the five-year average of 77%, it still reassures the market that corporate earnings aren't recession-like yet. In addition to benefitting from investor optimism, some of our companies have reported good 2Q results in July, which has led to the better numbers.
- At the country level, the portfolio's stock selection in UK and allocation to Netherlands supported relative performance during the month. On the other hand, our positions in the US and allocation to China detracted the most from portfolio returns.
- At the sector level, our underallocation to Health Care and Financials supported portfolio performance during the month. On the other hand, our positions in Information Technology and allocation to Communication Services detracted from portfolio returns.

Periods Ending 31-July-2022	GSAM Global Millennials Equity Strategy (%)	MSCI ACWI Growth (%)	Excess Return (bps)	MSCI World (%)	Excess Return (bps)
July 2022	9.86	10.16	-30	7.94	192
YTD 2022	-28.90	-20.59	-831	-14.19	-1,471
Trailing 1 year	-30.17	-16.88	-1,329	-9.16	-2,101
Trailing 3 years	10.16	10.76	-60	9.57	+59
Trailing 5 years	10.76	10.63	+12	8.81	+195
Since Inception	13.64	12.75	+88	11.05	+259

Source: Goldman Sachs Asset Management. Inception Date: January 01, 2019. The returns are gross and do not reflect the deduction of investment advisory fees, which will reduce returns. Our investment advisory fees are described in Part 2 of our Form ADV. See additional disclosures. **Past performance does not guarantee future results, which may vary.** The holdings and/or allocations shown may not represent all of the portfolio's investments. Future investments may or may not be profitable.



Performance Commentary

Some of the top contributors and detractors for the month include:

- **Amazon** (Contributor) – US based technology and e-commerce
 - The stock performed well driven by strong numbers from Amazon’s Prime day event, driven by demand for consumer electronic goods. The company sold a total of 300 million products, showcasing resilience in consumption. Amazon also reported their quarterly numbers, with revenue and operating income coming in better than expected. We continue to like the company given the long-term growth prospects has remained positive. Despite ongoing macro/ inflationary pressure, they should continue to accelerate in the year given they are staying laser-focused on driving both the retail e-commerce space as well as AWS. Also, they are constantly announcing new products and features. It recently announced new capabilities for serverless analytics, which is expected to be extremely valuable for companies dealing with large datasets.

- **MercadoLibre** (Contributor) – Argentine based e-Commerce and FinTech platform
 - The stock performed well on the back of improved sentiments as investors’ risk appetite for growth stocks increased during the month. The company also reported their quarterly earnings with net revenues surging to a new record high of \$2.6 billion continuing their run of increase in revenues YoY. We continue to like the company as it continues to deliver solid growth and profitability despite the looming macro risks like interest rates and inflation among others. We believe in the company as it is more diversified and better positioned than peers in Brazil to continue growing with the structural penetration of digital commerce and digital financial services. We are bullish on its FinTech arm that is expected to launch more financial services to engage its customer while improving interface.

- **Sunny Optical** (Detractor) – Leading camera lens and module producer in China
 - The stock detracted on the back of decreased guidance on net income which is expected to be down by ~45% YoY. The miss is attributed to low demand in the smartphone market, both handset (down by 9% YoY) and camera lens (down by 21% YoY). Despite the short-term pressure, we continue to believe that the company will benefit from increased demand. It was recently announced that Sunny Optical will be the largest supplier of wide-camera 7P lenses for the iPhone 14 series exceeding market consensus which we view as a positive development. We continue to like the company given their focus on the long-term, they have significantly increased their capacity so as to continue the price war to obtain more orders and raise the production utilization.

- **Meituan** (Detractor) – China based shopping platform for local products and retail services
 - The stock continued to face pressure on the back of lingering regulatory and national service risk from the previous quarter. The stock further declined on the back of rise in geopolitical tensions in the region. Food delivery, one of the company’s alternative growth drivers, also faced pressure as lockdowns increased over COVID-19 concerns. We remain positive on Meituan as we expect to see rise in demand as restrictions eases further into the year. We continue to monitor the stock and believe the share price will recover once the regulation headwind is over.

Any mention of an investment decision is intended only to illustrate our investment strategy and is not indicative of the performance of our strategy as a whole. It should not be assumed that any investment decisions shown will prove to be profitable or any future investment decisions will be profitable or equal the performance of the investments discussed herein. The holdings and/or allocations shown may not represent all of the strategy’s investments. Please contact your Goldman Sachs Asset Management representative to obtain the calculation methodology used to determine the holdings presented above as well as each holding’s contribution to performance and a complete list of past recommendations. Please see additional disclosures.



Disclaimer:

The Discovery Share Portfolios are managed and provided to you by Discovery Life Limited and utilize share allocations provided by Goldman Sachs Asset Management. The commentary provided above is based on the underlying Goldman Sachs Portfolio strategy. Actual holdings, as implemented by Discovery Life Limited, may differ. Goldman Sachs Asset Management does not provide any service or product to you, and has not considered the suitability of its asset allocations against individual needs, objectives and risk tolerances for investors. As such, Goldman Sachs Asset Management's asset allocations do not constitute investment advice or an offer to sell or a solicitation of an offer to buy any securities. Goldman Sachs Asset Management are registered trademarks of Goldman Sachs International and its affiliates ('Goldman Sachs') and are used under license. Goldman Sachs Asset Management has licensed certain trademarks and trade names of Goldman Sachs Asset Management to Discovery Life Limited. The Licensee Product/Service is not sponsored, endorsed, sold, or promoted by Goldman Sachs Asset Management. Goldman Sachs Asset Management makes no representations or warranties to the owners of the Licensee Product/Service or any member of the public regarding the Licensee Product/Service. Goldman Sachs Asset Management has no obligation or liability in connection with the operation, marketing, trading or sale of any product or service offered by Discovery Life Limited.

Discovery Life Investment Services Pty (Ltd): Registration number 2007/005969/07, branded as Discovery Invest, is an authorised financial services provider. Product rules and terms and conditions apply.

The views and opinions expressed in this article are for information purposes only and should not be seen as advice as defined in the Financial Advisory and Intermediary Services Act. Discovery shall not be liable for any actions taken by any person based on the correctness of this information. For full details on the products, benefits and any conditions, please refer to the relevant fact file. For tailored financial advice, please contact your financial adviser.

For the full CIS disclosure and risk statement, go to:

CIS disclosure:

<http://www.discovery.co.za/assets/discoverycoza/corporate/cis-disclosure.pdf>

Risk disclosure:

<http://www.discovery.co.za/assets/discoverycoza/corporate/risk-disclosure.pdf>

Emerging markets securities may be less liquid and more volatile and are subject to a number of additional risks, including but not limited to currency fluctuations and political instability. Diversification does not protect an investor from market risk and does not ensure a profit.

Past performance does not guarantee future results, which may vary. The value of investments and the income derived from investments will fluctuate and can go down as well as up. A loss of principal may occur.

Disclosures:

This material is provided at your request solely for your use.

There is no guarantee that objectives will be met.

Past performance does not guarantee future results, which may vary.

THIS MATERIAL DOES NOT CONSTITUTE AN OFFER OR SOLICITATION IN ANY JURISDICTION WHERE OR TO ANY PERSON TO WHOM IT WOULD BE UNAUTHORIZED OR UNLAWFUL TO DO SO. Prospective investors should inform themselves as to any applicable legal requirements and taxation and exchange control regulations in the countries of their citizenship, residence or domicile which might be relevant.

This material is provided for informational purposes only and should not be construed as investment advice or an offer or solicitation to buy or sell securities. This material is not intended to be used as a general guide to investing, or as a source of any specific investment recommendations, and makes no implied or express recommendations concerning the manner in which a client's account should or would be handled, as appropriate investment strategies depend upon the client's investment objectives.

Although certain information has been obtained from sources believed to be reliable, we do not guarantee its accuracy, completeness or fairness. We have relied upon and assumed without independent verification, the accuracy and completeness of all information available from public sources.

Views and opinions expressed are for informational purposes only and do not constitute a recommendation by Goldman Sachs Asset Management to buy, sell, or hold any security. Views and opinions are current as of the date of this presentation and may be subject to change, they should not be construed as investment advice.

This document has been issued by Goldman Sachs International, authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

Offering Documents

This material is provided at your request for informational purposes only and does not constitute a solicitation in any jurisdiction in which such a solicitation is unlawful or to any person to whom it is unlawful. It only contains selected information with regards to the fund and does not constitute an offer to buy shares in the fund. Prior to an investment, prospective investors should carefully read the latest Key Investor Information Document (KIID) as well as the offering documentation, including but not limited to the fund's prospectus which contains inter alia a comprehensive disclosure of applicable risks. The relevant articles of association, prospectus, supplement, KIID and latest annual/semi-annual report are available free of charge from the fund's paying and information agent and/or from your financial adviser.

Distribution of Shares

Shares of the fund may not be registered for public distribution in a number of jurisdictions (including but not limited to any Latin American, African or Asian countries). Therefore, the shares of the fund must not be marketed or offered in or to residents of any such jurisdictions unless such marketing or offering is made in compliance with applicable exemptions for the private placement of collective investment schemes and other applicable jurisdictional rules and regulations.

Investment Advice and Potential Loss

Financial advisers generally suggest a diversified portfolio of investments. The fund described herein does not represent a diversified investment by itself. This material must not be construed as investment or tax advice. Prospective investors should consult their financial and tax adviser before investing in order to determine whether an investment would be suitable for them.

Swing Pricing

Please note that the fund operates a swing pricing policy. Investors should be aware that from time to time this may result in the fund performing differently compared to the reference benchmark based solely on the effect of swing pricing rather than price developments of underlying instruments.

The Global Industry Classification Standard (GICS) was developed by and is the exclusive property and a service mark of Morgan Stanley Capital International Inc. (MSCI) and Standard & Poor's, a division of The McGraw-Hill Companies, Inc. (S&P) and is licensed for use by Goldman Sachs. Neither MSCI, S&P nor any other party involved in making or compiling the GICS or any GICS classifications makes any express or implied warranties or representations with respect to such standard or classification (or the results to be obtained by the use thereof), and all such parties hereby expressly disclaim all warranties of originality, accuracy, completeness, merchantability or fitness for a particular purpose with respect to any of such standard or classification. Without limiting any of the foregoing, in no event shall MSCI, S&P, any of their affiliates or any third party involved in making or compiling the GICS or any GICS classifications have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages.



Index Benchmarks

Indices are unmanaged. The figures for the index reflect the reinvestment of all income or dividends, as applicable, but do not reflect the deduction of any fees or expenses which would reduce returns. Investors cannot invest directly in indices.

The indices referenced herein have been selected because they are well known, easily recognized by investors, and reflect those indices that the Investment Manager believes, in part based on industry practice, provide a suitable benchmark against which to evaluate the investment or broader market described herein. The exclusion of "failed" or closed hedge funds may mean that each index overstates the performance of hedge funds generally.

References to indices, benchmarks or other measures of relative market performance over a specified period of time are provided for your information only and do not imply that the portfolio will achieve similar results. The index composition may not reflect the manner in which a portfolio is constructed. While an adviser seeks to design a portfolio which reflects appropriate risk and return features, portfolio characteristics may deviate from those of the benchmark.

An investor should only invest if he/she has the necessary financial resources to bear a complete loss of this investment.

Capital is at risk.

This material contains information that discusses general market activity, industry or sector trends, or other broad-based economic, market or political conditions. It also pertains to past performance or is the basis for previously-made discretionary investment decisions.

This information should not be construed as a current recommendation, research or investment advice. It should not be assumed that any investment decisions shown will prove to be profitable, or that any investment decisions made in the future will be profitable or will equal the performance of investments discussed herein. Any mention of an investment decision is intended only to illustrate our investment approach and/or strategy, and is not indicative of the performance of our strategy as a whole. Any such illustration is not necessarily representative of other investment decisions.

This material has been prepared by Goldman Sachs Asset Management and is not financial research nor a product of Goldman Sachs Global Investment Research. It was not prepared in compliance with applicable provisions of law designed to promote the independence of financial analysis and is not subject to a prohibition on trading following the distribution of financial research. The views and opinions expressed may differ from the views and opinions expressed by Goldman Sachs Global Investment Research or other departments or divisions of Goldman Sachs and its affiliates. Investors are urged to consult with their financial advisors before buying or selling any securities. This information should not be relied upon in making an investment decision.

Portfolio Holdings may not be representative of current or future investments. The securities discussed may not represent all of the portfolio's holdings and may represent only a small percentage of the strategy's portfolio holdings. Future portfolio holdings may not be profitable.

Economic and market forecasts presented herein reflect a series of assumptions and judgments as of the date of this presentation and are subject to change without notice. These forecasts do not take into account the specific investment objectives, restrictions, tax and financial situation or other needs of any specific client. Actual data will vary and may not be reflected here. These forecasts are subject to high levels of uncertainty that may affect actual performance.

Accordingly, these forecasts should be viewed as merely representative of a broad range of possible outcomes. These forecasts are estimated, based on assumptions, and are subject to significant revision and may change materially as economic and market conditions change. Goldman Sachs has no obligation to provide updates or changes to these forecasts. Case studies and examples are for illustrative purposes only.

This material is provided for informational purposes only and should not be construed as investment advice or an offer or solicitation to buy or sell securities. This material is not intended to be used as a general guide to investing, or as a source of any specific investment recommendations, and makes no implied or express recommendations concerning the manner in which any client's account should or would be handled, as appropriate investment strategies depend upon the client's investment objectives.

Any reference to a specific company or security does not constitute a recommendation to buy, sell, hold or directly invest in the company or its securities. It should not be assumed that investment decisions made in the future will be profitable or will equal the performance of the securities discussed in this document.

Effect of Fees:

The following table provides a simplified example of the effect of management fees on portfolio returns. Assume a portfolio has a steady investment return, gross of fees, of 0.5% per month and total management fees of 0.05% per month of the market value of the portfolio on the last day of the month. Management fees are deducted from the market value of the portfolio on that day. There are no cash flows during the period. The table shows that, assuming all other factors remain constant, the difference increases due to the compounding effect over time. Of course, the magnitude of the difference between gross-of-fee and net-of-fee returns will depend on a variety of factors, and this example is purposely simplified.

Period	Gross Return	Net Return	Differential
1 year	6.17%	5.54%	0.63%
2 years	12.72	11.38	1.34
10 years	81.94	71.39	10.55

Confidentiality

No part of this material may, without Goldman Sachs Asset Management's prior written consent, be (i) copied, photocopied or duplicated in any form, by any means, or (ii) distributed to any person that is not an employee, officer, director, or authorized agent of the recipient.

In the United Kingdom, this material is a financial promotion and has been approved by Goldman Sachs Asset Management International, which is authorized and regulated in the United Kingdom by the Financial Conduct Authority.

© 2022 Goldman Sachs. All rights reserved. Compliance Code: 234086-TMPL-03/2021-1372880