Goldman Sachs Global Future Generations Share Portfolio Fund

February 2026

Global Market Review

Global Markets posted modest gains of 1.3% (MSCI ACWI, USD) in the month of February. Market sentiment during the month was shaped by easing inflation trends, ongoing trade frictions, and heightened geopolitical uncertainty. Investors also rotated away from large cap technology stocks amid growing concerns about the potential returns from significant investments in artificial intelligence.

In the U.S., inflation eased to 2.4% in January 2026 from the previous 2.7% in December. Q4 2025 GDP growth surprised to the downside, expanding at an annualized rate of 1.4% marking the slowest pace of growth since Q1 2025. The weaker growth figure reflected softer consumer spending, reduced business investment, and the lagged effects of higher interest rates. The U.S. unemployment rate declined to 4.3% in January 2026, a slight improvement from 4.4% in December. In addition, the U.S. Supreme Court struck down tariffs imposed under International Economic Emergency Powers Act (IEEPA) citing limits on the executive branch's authority under the statute.

In Europe, the inflation rate eased down to 1.7 % in January 2026, down from 1.9% in December. Looking at this as a temporary dip in inflation, the European Central Bank (ECB) chose to keep the policy rate unchanged at 2.0%. In the United Kingdom, inflation eased to 3.0% in January 2026 from December's 3.4% The moderation was largely driven by slower increase in transport and food prices, supported by lower fuel costs and softer grocery inflation.

In Japan, inflation eased to 1.5% in January 2026, down from 2.1% in the prior month, marking the lowest rate since March 2022. The Bank of Japan kept its key short-term interest rate unchanged at 0.75% reflecting the central bank's stance on maintaining stability amid ongoing economic uncertainties and political developments.

Value stocks outperformed growth stocks in February due to concerns over high-growth valuations. The Materials sector led market performance during the month due to a broader rotation toward cyclical, defensive, and infrastructure-linked industries, particularly as investors moved away from high-valuation, AI-driven technology stocks, whereas the Communication Services sector lagged market performance.

The Global markets rose in February with non-US markets outperforming the U.S. Overall, investor sentiment during the month remained cautious, highly sensitive to policy signals and global risk developments.

Performance Overview

- The Goldman Sachs Global Future Generations Equity Portfolio delivered -3.3% (I Acc, USD) in absolute returns during the month, underperforming MSCI ACWI Growth index by 245 bps and underperforming MSCI World index by 408 bps. This brings since inception returns to 12.0% underperforming MSCI ACWI Growth by 264 bps and underperforming MSCI World by 107 bps.

- At the sector level, our stock selection in **Information Technology** and **Real Estate** supported portfolio performance during the month while our under allocation to **Industrials** and allocation to **Communication Services** detracted the most from portfolio returns.

- At the stock level, **TSMC** *(the Taiwanese semiconductor company)* and **Coherent** *(the American manufacturer of optical materials and semiconductors)* contributed to portfolio performance while **DoorDash** (*the American company operating online* *food ordering and food delivery*) and **Amazon** (*The American multinational e-commerce company*) were the biggest detractors from performance.

Performance Commentary

Top Contributors	Ending Weight (%)	Relative Contribution (bps)	Top Detractors	Ending Weight (%)	Relative Contribution (bps)
TSMC	6.5	+52	DoorDash	2.2	-30
Coherent	2.3	+40	Amazon	6.7	-29
Safran	2.5	+24	Advanced Micro Devices	2.1	-22
TJ Maxx	2.2	+18	Mercado Libre	1.1	-19
Infineon	1.6	+14	Shopify	1.1	-16

***Top contributors* to portfolio performance:**

- **TSMC** *(Contributor)* **–** The Taiwanese semiconductor company was the key contributor during the month. Shares extended gains following a strong Q4 earnings print in January, with profits rising a record 35% as demand for advanced chips remained robust. The company also raised its 2026 revenue growth outlook to 30%, ahead of market expectations. We remain constructive on TSMC, as consecutive earnings beats continue to underscore resilient AI-driven demand and elevated capacity requirements from leading chip designers. Its leadership in advanced process nodes and reputation as the most reliable manufacturing partner support our positive long-term view.

- **Coherent** *(Contributor)* – The American manufacturer of optical materials and semiconductors was another contributor during the month. Shares gained after a strong Q2 earnings print, with beats on both revenue and earnings. Management commentary was constructive, highlighting expectations for substantial growth in the March and June quarters and indicating FY27 revenue growth should exceed FY26. We continue to like the name, as Coherent is well positioned to benefit from accelerating data-center buildouts and rising optical content. Ongoing margin expansion and disciplined execution support our constructive view.

***Top detractors* from relative returns:**

- **DoorDash** *(Detractor)* **–** The American company operating online food ordering and food delivery was the key detractor from performance during the month. Shares declined following a revenue miss in its Q4 2025 earnings print, which weighed on investor sentiment. Concerns also persisted around elevated investment spending, leading to near-term margin pressure. We remain positive on the name, as management expects sequential margin improvement with second-half margins exceeding the first half, supported by continued top-line growth. Improving unit economics in grocery and retail, alongside international profitability excluding Deliveroo, support our constructive view.

- **Amazon** *(Detractor)* **–** The American multinational eCommerce company was another key detractor from performance during the month. Shares declined following the Q4 earnings release, as 2026 capex guidance came in above expectations, implying negative free cash flow as investments continue across AWS capacity and international quick-commerce initiatives. Despite near-term pressure, we continue to like the name given its strong positioning in advertising, accelerating growth in AWS, and long-term upside from agentic commerce.

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