RESOLVED: Shareholders request that Goldman Sachs issue a report disclosing a transition plan that describes how it intends to align its financing activities with its 2030 sectoral greenhouse gas emissions reduction targets, including the specific measures and policies necessary to achieve its targets, the reductions to be achieved by such measures and policies, and timelines for implementation and associated emission reductions.

WHEREAS: The banking sector has a critical role to play in achieving global Net Zero by 2050 goals. The Net Zero Banking Alliance (NZBA) notes that 40 percent of global banking assets have committed to aligning lending and investment portfolios with Net Zero by 2050.[1] But targets alone are insufficient. Investors seek disclosures demonstrating banks' concrete transition strategies to credibly achieve their disclosed emission reduction targets.

The United Nations has recommended that financial institution transition plans demonstrate how all parts of the business align with interim targets and long-term net zero targets.[2] Other guidelines exist to help financial institutions operationalize and translate net zero commitments into strategies "with specific objectives . . . against which progress can be assessed."[3,4]

Goldman Sachs is one of the top 15 global financers of fossil fuels, with $17 billion in fossil fuel financing in 2021, and nearly $118 billion between 2016 through 2021.[5]

Goldman is a member of the NZBA and has announced a Net Zero by 2050 greenhouse gas emissions (GHG) reduction goal for its financed emissions. It also has set 2030 intensity reduction targets for the oil and gas, power, and auto manufacturing sectors. To achieve these goals, Goldman states that it is "expanding its commercial capabilities to help clients measure and manage their climate-related exposure"; "developing new financing tools tied to progress on climate transition"; and investing in "climate solutions and emerging technologies" for hard to abate sectors" including a ten-year, $750 billion commitment to sustainable finance.[6]

While the described actions will help clients manage and reduce their emissions, they do not demonstrate a concrete transition plan for how Goldman will achieve its 2030 sectoral reduction targets. An effective transition plan creates accountability by describing the indicators, milestones, metrics, and timelines necessary to deliver on its decarbonization targets and ensure investors that it is accountable for reducing its financed emissions in alignment with its 2030 targets.

A transition plan might include, for example, disclosure of clients' estimated annual reductions and how the bank plans to achieve remaining emissions reductions. Other elements of such a

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[1] https://www.unepfi.org/net-zero-banking/
[2] https://www.un.org/sites/un2.un.org/files/high-level_expert_group_n7b.pdf p.21-22
[3] https://www.iigcc.org/media/2022/07/An-investor-led-framework-of-pilot-indicators-to-assess-banks-on-the-transition-to-net-zero-28-July.pdf
[4] https://assets.bbhub.io/company/sites/63/2022/06/GFANZ_Recommendations-and-Guidance-on-Net-zero-Transition-Plans-for-the-Financial-Sector_June2022.pdf
[5] https://www.ran.org/wp-content/uploads/2022/03/BOCC_2022_vSPREAD-1.pdf
[6] https://www.goldmansachs.com/accelerating-transition/accelerating-transition-report.pdf, p. 4

plan might include client and employee incentives or disincentives; setting mandatory actions, including loan approval guidelines, investment and underwriting priorities, or prohibitions; and developing policies or guidelines that otherwise restrict, limit, or condition bank business activities, along with expected associated reductions from each.