

Goldman Sachs Global Future Generations Share Portfolio Fund

August 2026

Global Market Review

Global equities advanced in August, with the MSCI World Index returning 2.58% (Net, USD), as a strong second-quarter earnings season and resilient economic data restored risk appetite following July's technology-led sell-off. Confidence in AI-related investment improved during the month, supporting a recovery in technology shares, while firmer commodity markets provided a tailwind to cyclical sectors. Sentiment became more cautious into month-end, however, after the Fed warned at Jackson Hole that inflation had not moderated sufficiently to rule out further policy tightening.

In the U.S., headline inflation eased to 3.4% in July from 3.5% in June, while the Federal Reserve left its policy rate unchanged at 3.50%-3.75%. Despite progress on inflation, policymakers maintained a firm tone, reinforcing expectations that policy would remain restrictive. The labour market showed clearer signs of moderation, with non-farm payrolls declining slightly and prior months revised materially lower, although unemployment held steady at 4.1%. Reflecting this softer backdrop, Q2 GDP growth slowed to an annualised 1.5%, down from 2.1% in the first quarter.

In Europe, Eurozone inflation accelerated to 3.3% in August as rising energy prices more than offset easing pressures elsewhere. The ECB held its main refinancing rate at 2.40% while maintaining a cautious stance toward the inflation outlook. Economic activity proved firmer than expected, with Q2 GDP expanding 0.6% after flat growth in the first quarter. In the UK, inflation rose to 2.9% in July, largely reflecting higher household energy costs following the increase in the regulated energy price cap.

In Japan, inflation accelerated to 1.9% in July as the withdrawal of energy subsidies continued to feed through to consumer prices. The Bank of Japan kept its policy rate unchanged at 1.0%, while signalling that further policy normalisation may be warranted as underlying inflation moves closer to target. Labour market conditions remained tight, with unemployment edging down to 2.4%.

Growth and value stocks performed broadly in line during the month, as the recovery in technology shares offset the cyclical leadership that characterised July. Materials led the market, while Energy also outperformed as high oil and gas prices supported the sector. Utilities lagged the broader market followed by Real estate due to rising long term-bond yields and a rotation towards cyclical sectors.

Markets enter the autumn facing a delicate balance. While inflation pressures remain elevated and central banks continue to signal caution, economic activity has so far proven resilient. The key question is whether inflation can continue to moderate alongside growth, while investors watch for evidence that sustained AI investment can translate into durable earnings growth.

- The Goldman Sachs Global Future Generations Equity Portfolio delivered 2.7% (I Acc, USD) in absolute returns during the month, outperforming MSCI ACWI Growth index by 5 bps and outperforming MSCI World index by 16 bps. This brings since inception returns to 12.4% underperforming MSCI ACWI Growth by 260 bps and underperforming MSCI World by 102 bps.
- At the sector level, our under allocation to Industrials and non-allocation to Real Estate supported portfolio performance during the month while our stock selection in Consumer Discretionary and non-allocation to Materials detracted the most from portfolio returns.
- At the stock level, Jentech Precision (the Taiwan-based maker of precision thermal management and metal components for electronics) and Marvell (the US-based semiconductor company) contributed to portfolio performance while Amer Sports (the sporting goods and outdoor equipment company behind a portfolio of premium brands) and NextEra Energy (the US-based electric utility and renewable power developer) were the biggest detractors from performance.



Performance Commentary

Top Contributors	Ending Weight (%)	Relative Contribution (bps)	Top Detractors	Ending Weight (%)	Relative Contribution (bps)
Jentech Precision	1.1	+44	Amer Sports	1.1	-22
Marvell	2.6	+20	NextEra Energy	2.2	-17
DoorDash	1.3	+15	Infineon	1.6	-17
Shopify	1.2	+15	Old Dominion Freight Line	1.9	-16
Spotify	1.8	+11	Galderma	2.3	-16

Top contributors to portfolio performance:

- **Jentech Precision (Contributor)** – The the Taiwan-based maker of precision thermal management and metal components for electronics, was a key contributor to relative returns during the month. The stock rose sharply after the company reported strong second-quarter results in mid-August, with record quarterly revenue that grew roughly forty percent from a year earlier and comfortably exceeded market expectations. The result reflected robust demand for its heat dissipation and cooling parts, as the buildout of servers for artificial intelligence workloads drove greater need for advanced thermal management. We remain positive on the name given its strong position in precision thermal solutions, its exposure to structural growth in artificial intelligence server demand, and a track record of disciplined execution.
- **Marvell (Contributor)** – the US-based semiconductor company, was another key contributor to relative returns during the month. The stock rallied after the company disclosed an expanded, long-term partnership with Google to supply custom silicon for its artificial intelligence infrastructure, spanning inference chips, storage, networking and memory. The agreement, which ties potential upside to a large volume of cumulative purchases over several years, was seen by the market as a strong validation of Marvell's custom-chip strategy. We remain positive on the name given its strong capabilities in custom chips and data center connectivity, its exposure to structural growth in artificial intelligence infrastructure, and an improving product mix that supports margins.

Top detractors

- **Amer Sports (Detractor)** – the sporting goods and outdoor equipment company behind a portfolio of premium brands, was a detractor from relative returns during the month. The shares gave back some ground as investors weighed a more cautious near-term consumer backdrop and the pace of wholesale demand, despite continued strength in its higher-end brands. Some concern around inventory levels and promotional activity across the sector added a further near-term overhang to sentiment. We remain positive on the name given the strength of its premium brand portfolio, its expanding direct-to-consumer presence, and a long runway for growth in international markets, particularly across Greater China and the broader Asia region.
- **NextEra Energy (Detractor)** – the US-based electric utility and renewable power developer, was a detractor from relative returns during the month. The shares came under pressure as its proposed large all-stock acquisition of Dominion Energy drew intensifying regulatory and political scrutiny, with opposition from state and regional officials raising concerns about affordability, competition and the likelihood and timing of approval. This uncertainty around the Dominion transaction offset an otherwise steady operating backdrop. We remain positive on the name given its scale in regulated utilities, a leading position in renewable power development, and a long-term growth pipeline supported by rising electricity demand and the ongoing transition toward cleaner power generation. The Taiwanese precision cooling solutions provider was another key detractor from performance during the month.



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