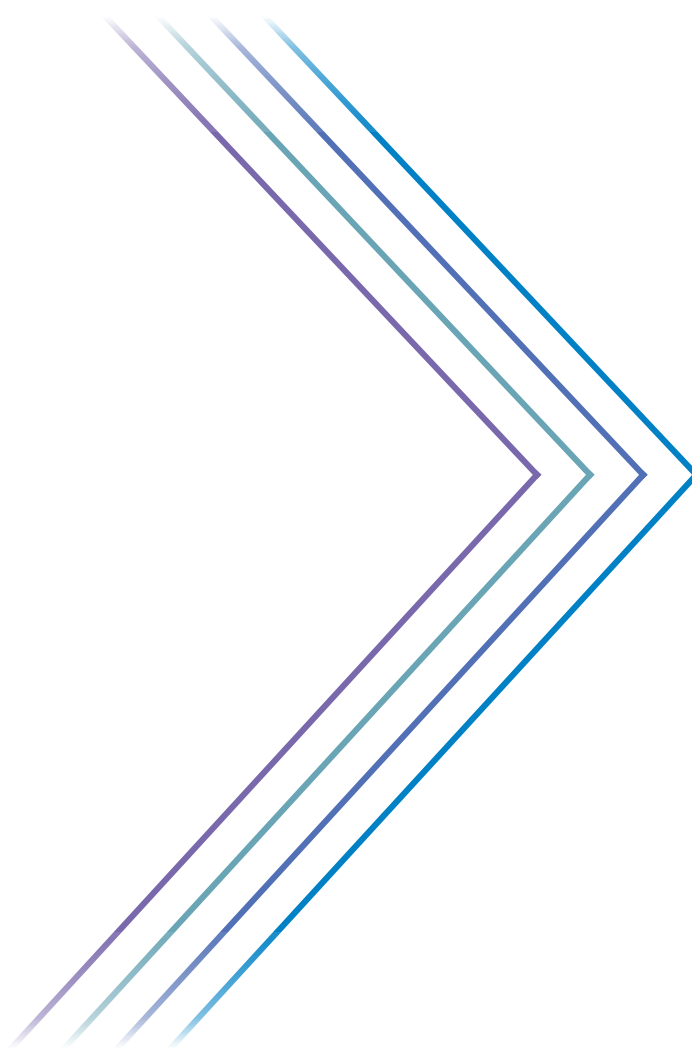


# Strategic Update

January 19, 2021



# 2020 Financial Highlights

Net Revenues	
2020	\$44.6bn
4Q	\$11.7bn

EPS	
2020	\$24.74
4Q	\$12.08

ROE <sup>1</sup>	
2020	11.1%
4Q	21.1%

ROTE <sup>1</sup>	
2020	11.8%
4Q	22.5%

## Highlights

Highest FY net revenues since 2009

#1 in Announced and Completed M&A<sup>2</sup>  
#1 in Equity and equity-related offerings<sup>2</sup>

Record Assets Under Supervision

Highest Global Markets net revenues since 2010

Record 4Q net revenues and strong momentum going into 2021

# Steady Progress Towards Our Medium-Term Goals

Medium-Term Targets <sup>1</sup>		2020 Progress
<b>Profitability</b>	<p>&gt;13% ROE</p> <p>&gt;14% ROTE</p>	<ul style="list-style-type: none"> <li>■ 11.1% ROE (+390bps <i>ex-litigation</i>)</li> <li>■ 11.8% ROTE<sup>2</sup> (+410bps <i>ex-litigation</i>)</li> </ul>
<b>Funding Optimization</b>	<p>\$100bn in deposit growth</p> <p>\$1.0bn in revenues</p>	<ul style="list-style-type: none"> <li>■ \$70bn raised across channels</li> <li>■ Limited progress due to rate environment</li> </ul>
<b>Efficiency &amp; Expenses</b>	<p>~60% efficiency ratio</p> <p>\$1.3bn expense plan</p>	<ul style="list-style-type: none"> <li>■ 65.0% efficiency ratio (-760bps <i>ex-litigation</i>)</li> <li>■ Achieved approximately half of \$1.3bn expense plan</li> </ul>
<b>Capital</b>	<p>13-13.5% CET1 ratio</p>	<ul style="list-style-type: none"> <li>■ Well positioned with CET1 ratio of 14.7%</li> <li>■ Sold or announced \$4bn of private equity sales to reduce capital intensity</li> </ul>

**We remain committed to our medium- and long-term targets**

# Reaffirmed Strategic Direction

**Grow and  
Strengthen  
Existing  
Businesses**

Higher Wallet Share  
across Broader Client Set

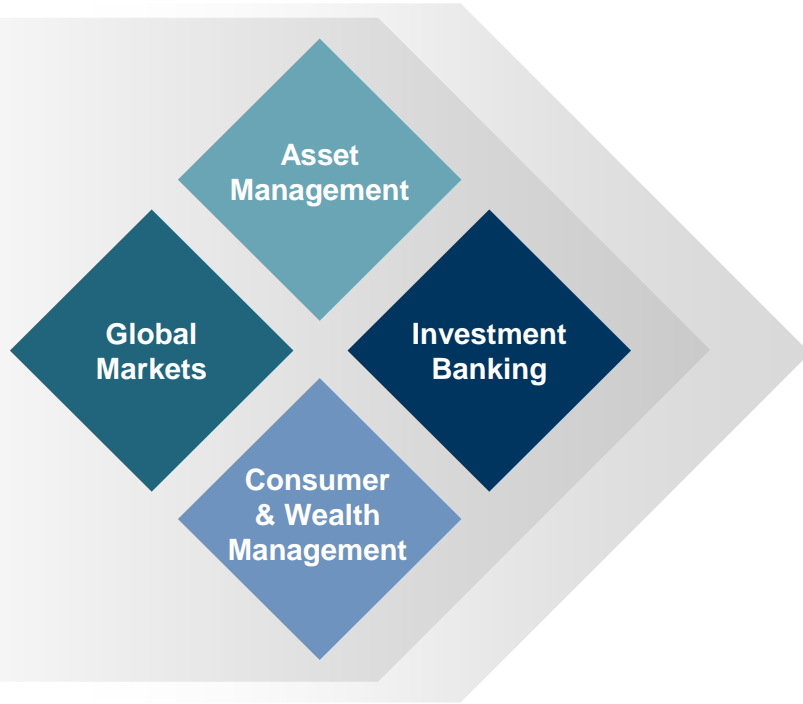
**Diversify our Products  
and Services**

More  
Durable Earnings

**Operate More  
Efficiently**

Higher  
Margins and Returns

# Delivering One Goldman Sachs to Our Clients



**Clients Turn to Goldman Sachs  
at Times of Disruption**

**Quality of People and Advice**

**Thought Leadership**

**Digital Client Engagement**

**Best in Class Client Experience**

**Reinforcing our purpose to advance sustainable economic growth and financial opportunity**

# Investment Banking

## Investor Day Goals

**Grow Share in Core Business**

**Expand Client Footprint**

**Transaction Banking**

*Maintain and improve share:*

**IB Fees: #1**

**M&A: #1**

**Equity: #1**

**Debt: Top 4 Wallet Share**

**Expand Share with Clients  
\$500mm-2bn**

*Longer-term<sup>4</sup>:*

**\$50bn Deposits**

**\$1bn Revenues**

## 2020 Progress

*Revenues*

**\$3.1bn**

**Advisory**

**#1 Announced & Completed M&A<sup>1</sup>**

**\$3.4bn**

**Equity U/W**

**#1 Equity & Equity-Related<sup>1</sup>**

**\$2.7bn**

**Debt U/W**

**#4 Debt U/W Wallet Share<sup>2</sup>**

**\$800+mm  
Revenue Generation from Footprint Expansion<sup>3</sup>**



**Added ~300 clients in 2020**



**Expanded coverage by ~2,700 corporates since 2017**

**~\$135mm  
in Revenues**

**2Q20  
Platform  
Launch**

**~225 clients**

**3 partnerships**

**\$29bn  
deposits**

# Global Markets

## Investor Day Goals

Deepen and Broaden Client Base

Take Top 3 Position with Top 100 Clients

Leverage Risk Expertise, Financing and Technology to Serve Clients

Increase Client Financing  
-----  
Deploy Technology Platforms  
-----  
Superior Risk Intermediation

Optimize Resource Consumption

*Medium-term:*  
\$700mm Expense Opportunity  
-----  
\$2bn Capital Optimization

## 2020 Progress

- ✓ Ranked #2 in both FICC and Equities globally<sup>1</sup>
- ✓ Top 3 position with 64 of the top 100 clients<sup>2</sup>
- ✓ 120bps of wallet share gain vs 2019<sup>1</sup>

Record Financing Revenues in FICC



Record Prime YE Balances in Equities

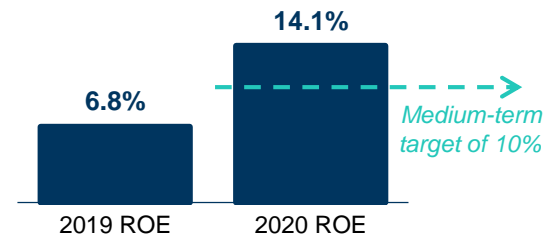
**marquee**<sup>®</sup>

**+36%**

Total Monthly Active Users<sup>3</sup>

**~\$400mm**  
Expense efficiencies achieved

**~\$1.25bn**  
Capital reallocated to accretive opportunities



# Asset Management

## Investor Day Goals

<b>Continued Growth with Asset Allocators</b>	<i>Longer-term:</i> <b>\$250bn Net Traditional Inflows</b> <i>(Fixed Income and Equity)</i>
<b>Grow 3<sup>rd</sup> Party Alternatives</b>	<b>\$100bn Net Alternative Inflows</b> <i>(\$150bn Gross Fundraising)</i>
<b>Optimize Capital</b>	<i>Longer-term:</i> <b>\$4bn Capital Reduction</b>

## 2020 Progress

- ✓ **\$2.1tn Firmwide AUS**
- ✓ **\$286bn Firmwide AUS Growth**
- ✓ **Long-term fee based inflows of \$42bn**



**\$4bn**  
Sold or announced sales of on-balance sheet positions



Expect **\$2bn** of related capital reduction



# Consumer & Wealth Management

## Investor Day Goals

Grow Premier UHNW Business Globally

Increase client-facing professionals

Earn additional wallet share from clients

Expand our HNW Platform

Leverage corporate relationships and expand HNW franchise reach

Build Leading Digital Consumer Bank

Scale existing products, launch new products, embed capabilities in partner ecosystems

## 2020 Progress

- ✓ Hired >100 client-facing professionals<sup>1</sup> in 2020; solid expansion despite slowed plans due to COVID
- ✓ Hosted 250+ events<sup>2</sup>, driving engagement with >190K clients and other participants
- ✓ \$17bn of AUS inflows with total client assets<sup>3</sup> exceeding \$1tn

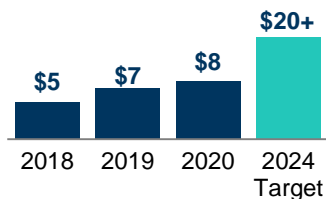


Ayco Personal Financial Management

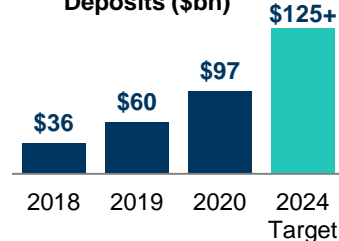
- ✓ >4K Client referrals<sup>4</sup> (\$7bn+ AUS opportunity)
- ✓ +33 Corporates added
- ✓ Serve ~55% of Fortune 100

**Marcus**  
by Goldman Sachs\*

Loan/Cards (\$bn)

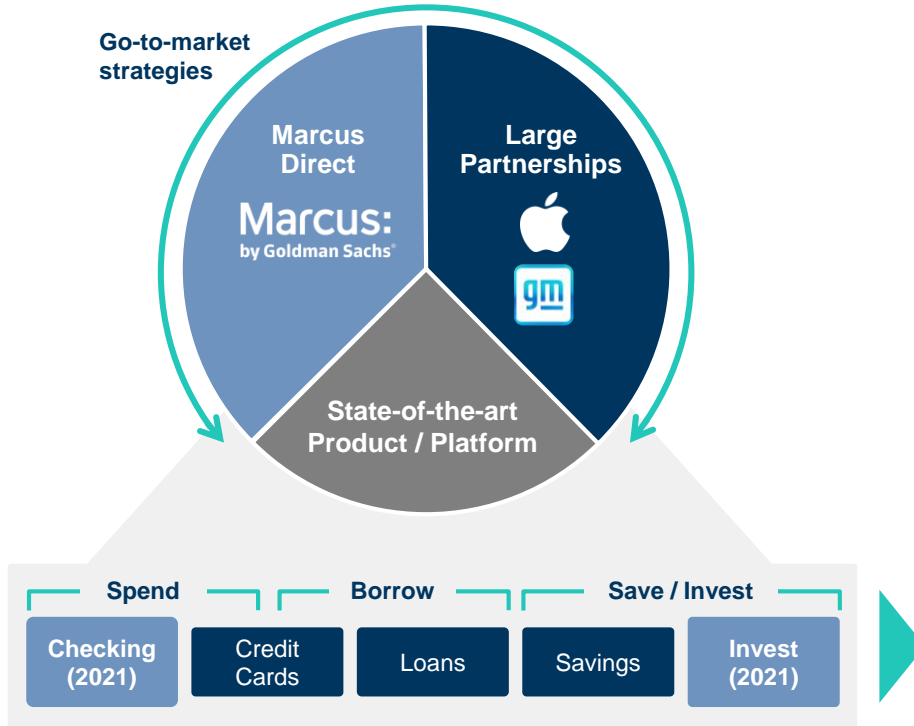


Deposits (\$bn)

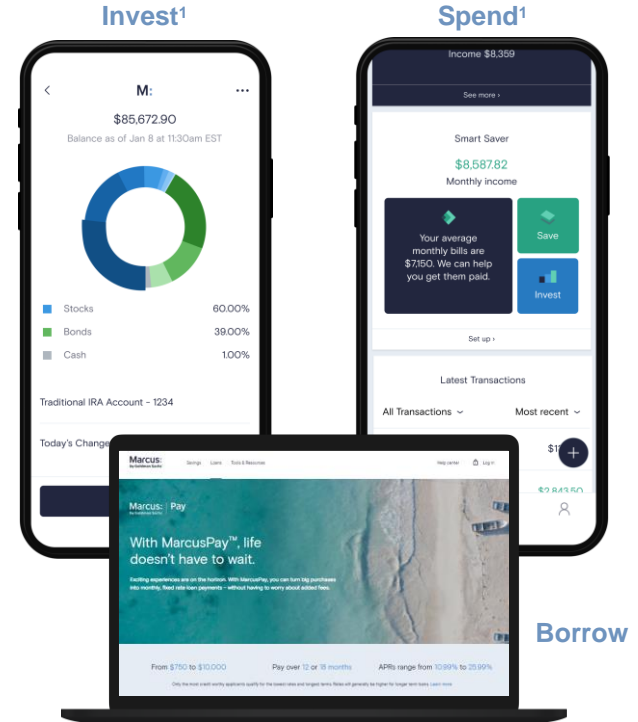


# Consumer | Build Leading Digital Consumer Bank

## Integrated & Self-Reinforcing Strategy



## New Products & Partnerships



# Funding Optimization

- 1 Further diversify funding mix via deposits
- 2 Enhance asset-liability management
- 3 Optimize liquidity pool



**\$1.0+ billion**  
in revenue uplift over medium term



**\$70bn**  
deposit growth  
across channels  
in 2020

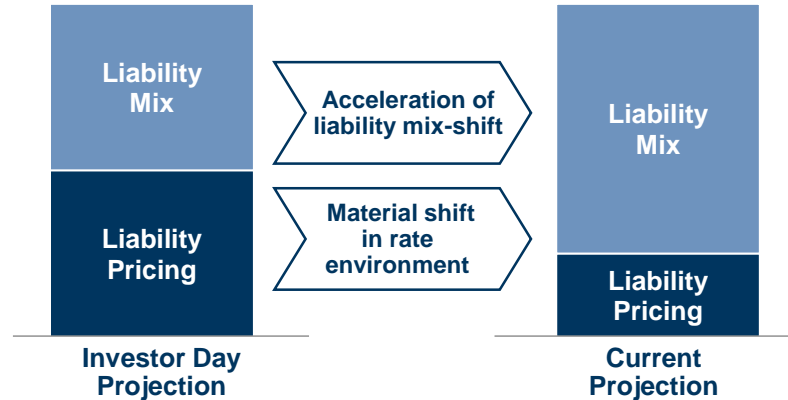
% of Firm Assets in Bank Entities<sup>2</sup>

**~15%**  
as of 4Q17



**~25%**  
as of 4Q20

Remain on target for **30bps** funding improvement



# Focused On Expense Efficiencies

On track to generate \$1.3bn in run-rate expense savings over the medium term

Streamlined Organization	Investment in Automation and Infrastructure	Real Estate Strategy	Centralized Expense Management
<ul style="list-style-type: none"><li>■ Disciplined approach to organizational design</li><li>■ Enhanced focus on spans and layers</li></ul>	<ul style="list-style-type: none"><li>■ Extracting benefit from front-to-back reengineering programs</li><li>■ Increased straight-through-processing</li><li>■ Reduced cost per trade</li></ul>	<ul style="list-style-type: none"><li>■ Footprint consolidation in London and Bengaluru</li><li>■ Expanded presence in strategic locations</li></ul>	<ul style="list-style-type: none"><li>■ Uplifting integrated planning capabilities</li><li>■ Extracting benefit from procure-to-pay solution</li></ul>

**Achieved approximately half of our medium-term plan in 2020**

# Dynamic Capital Management

## Capital Management Philosophy

Prudent capital management in context of evolving regulatory landscape

Prioritize deploying capital to support client activity and grow our businesses

Return excess capital in the form of dividends and buybacks

CET1 Ratio Target  
13.0-13.5%<sup>1</sup>

Stress  
Capital Buffer  
5.0-5.5%

G-SIB  
3.0%

Minimum  
4.5%

## Key Forward Drivers

- **Stress Capital Buffer**  
Achievement of capital efficiencies from planned sales of on-balance sheet investments; ongoing engagement with FRB on stress loss modeling
- **G-SIB**  
Expected surcharge of 3.0% effective Jan 1 2023 as we continue to deploy balance sheet to support client financing activity
- **Management Buffer**  
Estimated buffer of 50-100bps to anticipate client opportunities and potential volatility

# Clear Strategic Direction

## Grow and Strengthen Existing Businesses

Expand our global footprint:  
Investment Banking, Global Markets,  
Ultra High Net Worth

Increase financing activities

Grow asset management

**Higher Wallet Share  
across Broader Client Set**

## Diversify our Products and Services

Build Transaction Banking

Grow third party Alternatives

Scale digital Consumer Banking,  
High Net Worth and Mass Affluent

**More Durable  
Earnings**

## Operate More Efficiently

Increase organizational and  
process efficiency

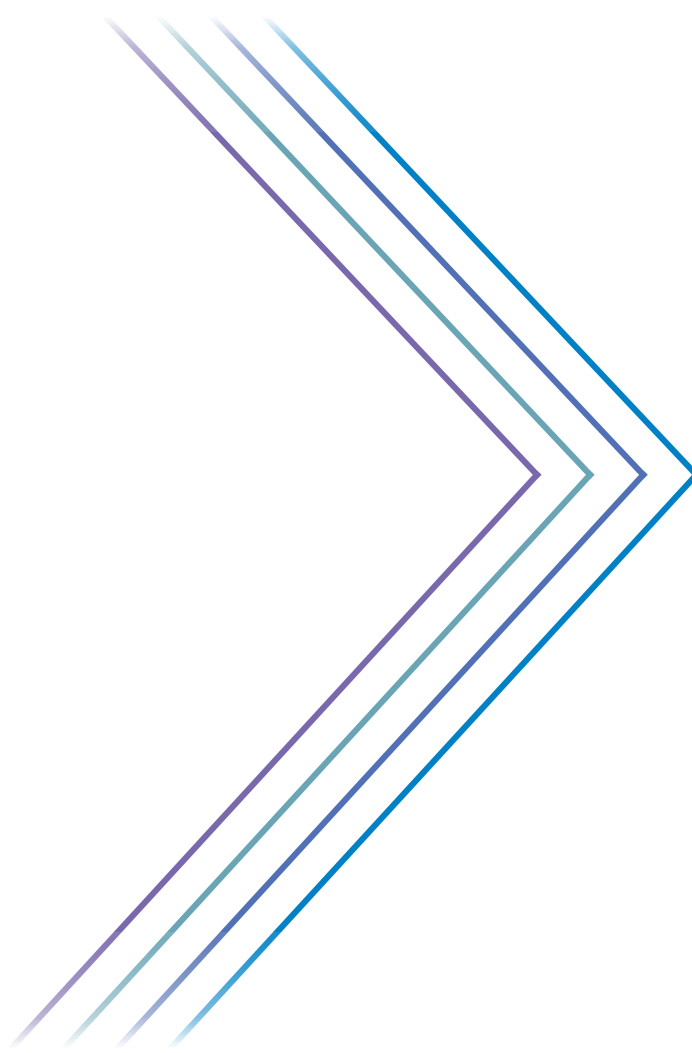
Remix to lower cost  
deposit funding

Optimize capital footprint

**Higher Margins  
and Returns**

# Strategic Update

January 19, 2021



# End Notes

These notes refer to the financial metrics and/or defined term presented on:

Slide 1:

1. Return on average common shareholders' equity (ROE) is calculated by dividing net earnings applicable to common shareholders by average monthly common shareholders' equity. Return on average tangible common shareholders' equity (ROTE) is calculated by dividing net earnings applicable to common shareholders by average monthly tangible common shareholders' equity. Tangible common shareholders' equity is calculated as total shareholders' equity less preferred stock, goodwill and identifiable intangible assets. Management believes that ROTE is meaningful because it measures the performance of businesses consistently, whether they were acquired or developed internally and that tangible common shareholders' equity is meaningful because it is a measure that the firm and investors use to assess capital adequacy. ROTE and tangible common shareholders' equity are non-GAAP measures and may not be comparable to similar non-GAAP measures used by other companies.

The table below presents a reconciliation of average common shareholders' equity to average tangible common shareholders' equity:

<i>Unaudited, \$ in millions</i>	AVERAGE FOR THE	
	YEAR ENDED	
	DECEMBER 31, 2020	
Total shareholders' equity	\$	91,779
Preferred stock		(11,203)
Common shareholders' equity		80,576
Goodwill and identifiable intangible assets		(4,855)
Tangible common shareholders' equity	\$	75,721

2. Source: Dealogic – January 1, 2020 through December 31, 2020

Slide 2:

1. Medium-term refers to 3 year time horizon from December 31, 2019
2. ROTE is a non-GAAP measure and may not be comparable to similar non-GAAP measures used by other companies. See end note 1 for slide 1 for further information about ROTE, including the reconciliation of average common shareholders' equity to average tangible common shareholders' equity.



# End Notes

These notes refer to the financial metrics and/or defined term presented on:

Slide 5:

1. Source: Dealogic – January 1, 2020 through December 31, 2020
2. Debt U/W wallet share as measured by reported revenues, per peer filings as of September 30, 2020. Peers include JPM, BAC, C, MS, CS, DBS and BARC
3. Americas and EMEA advisory, underwriting and derivatives net revenues from footprint expansion clients accrued in 2020
4. Longer-term refers to 5 year time horizon from December 31, 2019

Slide 6:

1. Source: McKinsey institutional client analytics for 3Q20 YTD. Analysis excludes captive wallets
2. Sources: Client Ranking / Scorecard / Feedback and / or McKinsey revenue ranking (data as of 1H20 or 3Q20 as applicable)
3. Unique users within the prior 30 days, as of December 15, 2020 vs. December 15, 2019. The use of these dates represents recent usage before the seasonal slowdown at year end

Slide 8:

1. Includes Advisors, Content Specialists and Client Service Specialists
2. Includes global cross-divisional events and webinars to which PWM clients had access
3. Total client assets includes AUS, brokerage assets, and consumer deposits
4. Represents bi-lateral referrals between Private Wealth Management and Personal Financial Management (PFM) and eligible Corporate employees referred to PFM

Slide 9:

Note: Marcus by Goldman Sachs® is a brand of Goldman Sachs Bank USA and Goldman Sachs & Co. LLC. All loans and deposit products are provided by Goldman Sachs Bank USA. Member FDIC. Brokerage and investment advisory services offered by Marcus by Goldman Sachs are provided by Goldman Sachs & Co. LLC. Member SIPC.

1. Certain functionality displayed is not currently available but may not be available in the future. Visuals are for illustrative purposes only

Slide 10:

1. As of December 31, 2020
2. Excludes assets related to other GS affiliates

Slide 12:

1. Targets may change as regulatory landscape and firm business mix evolve

# Cautionary Note on Forward-Looking Statements

Statements about the firm's target metrics, including its target ROE, ROTE, efficiency ratio and CET1 capital ratios, and how they can be achieved (including resumption of share repurchases), and statements about future operating expense (including future litigation expense), efficiency ratio reductions and expense savings initiatives, the impact of the COVID-19 pandemic on its business, results, financial position and liquidity, amount and composition of future Assets under Supervision, planned debt issuances, growth of deposits and other funding, asset liability management and funding strategies and associated interest expense savings, future geographic location of its employees, and the timing and profitability of its business initiatives, including its launch of new businesses or new activities, its ability to increase its market share in incumbent businesses and its ability to achieve more durable revenues and higher returns from these initiatives, are forward-looking statements, and it is possible that the firm's actual results may differ, possibly materially, from the targeted results indicated in these statements.

Forward looking statements, including those about the firm's target ROE, ROTE, efficiency ratio, and expense savings, and how they can be achieved, are based on the firm's current expectations regarding its business prospects and are subject to the risk that the firm may be unable to achieve its targets due to, among other things, changes in the firm's business mix, lower profitability of new business initiatives, increases in technology and other costs to launch and bring new business initiatives to scale, and increases in liquidity requirements. Statements about the firm's target ROE, ROTE and CET1 capital ratios, and how they can be achieved, are based on the firm's current expectations regarding the capital requirements applicable to the firm and are subject to the risk that the firm's actual capital requirements may be higher than currently anticipated because of, among other factors, changes in the regulatory capital requirements applicable to the firm resulting from changes in regulations or the interpretation or application of existing regulations or changes in the nature and composition of the firm's activities or its expectations around the sale of assets. Statements about the projected growth of the firm's deposits and other funding, asset liability management and funding strategies and associated interest expense savings are subject to the risk that actual growth and savings may differ, possibly materially from that currently anticipated due to, among other things, changes in interest rates and competition from similar products. Statements about the timing, profitability, benefits and other prospective aspects of business and expense savings initiatives, the achievability of medium and long-term targets, the level and composition of more durable revenues and increases in market share are based on the firm's current expectations regarding its ability to implement these initiatives and achieve these targets and goals and may change, possibly materially, from what is currently expected. Statements about the effects of the COVID-19 pandemic on the firm's business, results, financial position and liquidity are subject to the risk that the actual impact may differ, possibly materially, from what is currently expected. Due to the inherent uncertainty in these forward-looking statements, investors should not place undue reliance on the firm's ability to achieve these results.

For information about some of the risks and important factors that could affect the firm's future results, financial condition and liquidity and the forward-looking statements above, see "Risk Factors" in Part II, Item 1A of the firm's Quarterly Report on Form 10-Q for the period ended September 30, 2020 and in Part I, Item 1A of the firm's Annual Report on Form 10-K for the year ended December 31, 2019. You should also read the cautionary notes on forward-looking statements in the firm's Quarterly Report on Form 10-Q for the period ended September 30, 2020 and Earnings Results Presentation for the Full Year and Fourth Quarter 2020.

The statements in the presentation are current only as of January 19, 2021 and the firm does not undertake to update forward-looking statements to reflect the impact of subsequent events or circumstances.