

JAKE SIEWERT

This is *Exchanges at Goldman Sachs*, where we discuss developments currently shaping markets, industries, and the global economy. I'm Jake Siewert, Global Head of Corporate Communications here at the firm.

Today we're sitting down with our CEO, David Solomon. October 1st marks one year since David has been leading Goldman Sachs, though he's been at the firm for twenty years, and we'll talk about that. We'll also talk about what he's been up to over the past year and his top priorities for year two as CEO, and we'll ask him about what he does outside the office as well, so you can look forward to that. David, welcome to the program.

DAVID SOLOMON

Thanks a lot, Jake. Happy to be here again.

JAKE SIEWERT

So you've been CEO for just about a year now. Bring us back to October 1 of last year, your first official day. What was it like waking up that morning and going to work?

DAVID SOLOMON

Well, I think the exciting thing about waking up that morning is I woke up in beautiful sunny Southern California. I spent my first day as CEO at the Fortune Most Powerful Women Summit, which was really a great way to start my tenure, because it allowed me to put an emphasis on something that's really important to me, which is diversity and inclusion at Goldman Sachs.

And so that's an event that the firm has been affiliated with for a long time. Lloyd would attend on an annual basis. It's a real privilege to attend. They're very few men that come and have the opportunity to talk to this group of women leaders from all over the country, all over the world,

actually, in fact, and it was just a great way to start. So, you know, it wasn't walking into the building, like the first day.

JAKE SIEWERT

But it was still work.

DAVID SOLOMON

But it was still work. But you know, I started with something that was just very uplifting, very exciting, and, you know, you're off and running. And I think one of the things that's just so interesting about it is you kind of ebbed into it. And I guess there are different transitions for different people.

I think there were stages of my transition. The first stage was when Lloyd pulled me aside in March of that year and said, "You're going to be the next CEO, and I'm going to make a statement about that." But there was no timing in place. The next, then, you know, ebb in that process was when Lloyd publicly announced that I would be the CEO

on October 1st, which I think came in July.

JAKE SIEWERT

Yeah, that was last July.

DAVID SOLOMON

That was last July. And then at that point the water runs downhill, (Laughs), and it starts very quickly.

So by the time we got to October 1st, you know, we were into it, and we were moving, and it was exciting because there was a lot to do. But it didn't feel like a different day. It was a little bit more gradual transition, and Lloyd deserves a lot of credit for the way he managed that. He allowed me to have some time to kind of think about some things that we wanted to do, and it didn't feel, you know, one day on, one day off. It felt like we kind of transitioned into it, and it started very smoothly.

JAKE SIEWERT

Well, I know he didn't have the same luxury, but those were different circumstances, when he took the job.

DAVID SOLOMON

They were different circumstances, and maybe that's why he did it that way.

JAKE SIEWERT

Yeah.

DAVID SOLOMON

Because they were different circumstances. I remember his transition, when Hank basically called him on Sunday of Memorial Day weekend, in 2006, and said he was going to go be the Treasury Secretary, and by Tuesday, you know, Lloyd was in charge (Laughs).

JAKE SIEWERT

He said, you know, it was over.

DAVID SOLOMON

And Hank was gone, and we had partner meeting that week in Chicago, and we were off and running. And so this was definitely a more thoughtful transition, to my benefit and I think, candidly, the firm's benefit.

JAKE SIEWERT

So what was the transition like? What were some of the biggest, or what was the biggest surprise?

DAVID SOLOMON

Well, you know, I think the first thing that I had taken a lot of advice on is really thinking about what was important, what I thought was important, for me to do, for me to say, as I was moving into this job. And I thought that some themes. There are some things that I just think are core to Goldman Sachs, and Goldman Sachs is very, very rooted in the work we do for clients. It's rooted in the people that we have at Goldman Sachs, that support our activities, you know, with clients.

And so I thought it was important to try to talk about, or create some initiatives that set a tone for where I wanted the firm to head. And in particular, I've been very, very focused on making sure that our client focus is at the center of everything we do,

and that we really work with our clients as one firm. You know, we're a divisional firm, we've always been a divisional firm, but I think there's a great opportunity to make sure for our clients we're delivering the whole firm.

And so very early, we created, if you remember, on that same first day, October 1st, we put out a memo on a cross-divisional client initiative, a pilot, which really sent a message out that we wanted to, for our biggest, most important clients, really think about, because these are people that are using all the different divisions of the firm, how we face them, how we make sure we're thinking about their experience with Goldman Sachs through their eyes, instead of through the structure we've set up. And so one of my key messages was the client-centricity of the firm, and I wanted to be very focused on that.

Second, we have great businesses, great businesses that have been core to the firm for a long time, in investment banking, in sales and trading, in asset management, as an investor. We have a fabulous ultra-high-net-worth wealth management business. Those businesses are terrific. There are opportunities in all those businesses, but it was very clear to me that, given the change over the last decade, from a structural and regulatory perspective in our industry, we had to broaden and diversify our business. And so it was very important to get working on a strategy and a plan to add businesses and add areas of focus, and we immediately started to look at it through the lens of our clients.

And so you've heard us talk about this. We have, really, three principal groups of clients, governments and corporations, institutions, and individuals. And we wanted to think about the

strategy going forward, and how we could add products and services that were differentiated for those different client groups. And so for corporates, there was the opportunity to do other things that banks have traditionally done, that we haven't been in.

But for individuals, there was a very, very open field, because we've had very, very little of a consumer focus, but we've been starting to build that. And so we've been really focused in this first year on figuring out where we want to take the firm in the medium term, to really solidify the firm's competitive position as a large global financial institution. And I feel good about the progress we're making, and excited about the fact that we're going to talk more about it in the coming months, as we move forward.

JAKE SIEWERT

Do you want to preview any of this strategy now, or

what's ahead as you think about strategy? You've been focused on it for a year. You've promised investors an update early next year. What's ahead?

DAVID SOLOMON

Well, I think people are getting a taste of where we're going. We're talking about adding more durable, recurring, fee-based revenue to the mix. You've seen us consolidate our investing businesses onto one broad platform, which should over time allow us to increase the amount of money we manage for clients on a global basis, across a very, very diverse alternatives investing platform.

We continue to be focused on growing our wealth management business. As I said, we've always had an excellent ultra-high-net-worth private wealth business, but we have the asset management infrastructure to support a much broader platform.

And through Ayco, and the first acquisition we've made, United Capital, we're expanding Ayco as a channel, to use corporations as a platform to attract wealth management clients. And we're very excited about that and the opportunity there, and we're starting to do, through our digital platforms and the digital applications, where you see the credit card and Marcus, we're starting to find ways to bring in everyday Americans, because we're starting here in the US, you know, onto our wealth management platform.

JAKE SIEWERT

So that's a pretty good list already. You're talking about strategy, you're talking diversity, you're talking about client centricity. What are some of the other priorities for you in your first year, and what do you think you've accomplished so far?

DAVID SOLOMON

Well, sure. So one of the things that I think's very important when you're running a business of this

size and scale is you have to have a plan. And this is an organization where that's kind of new for this organization. This organization has always been very adaptive, it's always been very flexible.

JAKE SIEWERT

We've always talked about being nimble.

DAVID SOLOMON

We've always talked about being nimble. But given the way the world evolved, and if you really go back and think about this, when I joined the firm, the firm was just going public, was just becoming a public company, 20 years ago. And it was really quite small, it was a small private partnership. And over a very short period of time in the overall scheme of things, it's become a Fortune 50 company. And in the context of that, as you look forward, with a much bigger capital base and a much larger business.

In order to grow the business and continue to drive

returns for our shareholders, we have to make investments, and we have to have a plan, with respect to how we can add to the business. And this is new for the organization. So one of the things I really wanted to do is I wanted to build that plan, and I wanted to start to get the broad leadership of the partnership to embrace the direction we're going, and candidly, to really sign up to be a part of driving this plan, which is going to take a lot of work, over the next three to five years.

And so there's a natural process as you do that, of really figuring out, you know, is the broad leadership in place? Is the broad leadership with the organization? And really saying to people, hey, this is where we're going, this is what we're going to do. We want you to be part of it, want you to be energized by it, and, you know, sign up, be on board, but hey, this is a commitment, this isn't going to happen in 12 months. This is a multiyear

commitment. And so that's been a process too, and a new process for people at the firm, because we haven't traditionally done that.

JAKE SIEWERT

And that process has inevitably led to some leadership changes. There were a flurry when you started, and there's been a flurry more recently, as you hit year one. The press, inevitably, not to beat up on them, and I love them all, but inevitably over-interprets some of those, or misinterprets, we could say. How do you think about the leadership changes that are underway?

DAVID SOLOMON

Well, there are a couple of things that are going on. You know, first, this process of saying, here's what we're doing for the next five years, let's be part of it, naturally has shaken out some people that are like, you know, I've been at this for a long time, I don't think I want to sign up for another five years. And that's a natural part of a process like this during

transition.

We've also, as a leadership team, been very focused on trying to create opportunities for younger partners, or up and coming leaders in the partnership, to step up, to have bigger roles, you know, to move forward. And we're trying to unlock some of that talent that I think is deeply embedded in the partnership, and trying to pull some people up in the organization, and so that's created a little bit of change.

And, in addition, I think one of the things that's very healthy for an organization is to move people around to different places, and so we're trying to move some people around to give some people that we think have the potential to be broad leaders across the organization, more experiences. And candidly, one of the first thing I did, I took Beth Hammack out of Securities, and I made her

Treasurer of the firm. We took Stephanie Cohen out of Investment Banking; we made her the Chief Strategy Officer. And we've continued to take people from around the organization and put them into other jobs where they can broaden their skillset, see more, understand the organization more broadly, and therefore have the potential for bigger leadership jobs over time. So all that's going on.

Now, with all that going on, again to your point that the story is always the story and it's not necessarily the facts, the facts are that we run a partnership that runs in two-year cycles, and there's nothing about the attrition in the partnership, up to this point in the cycle, and as you know, we're nine months into a two-month cycle, but it looks absolutely the same, or is running on track to what it's looked like in other cycles.

And so, despite the fact, and I understand why, because there have been a handful of more senior people, maybe, who have opted out, or a couple of senior changes that creates, you know, that buzz in the press, but the reality of it is, we're going through the normal transition that we've gone through for the last five or six partner cycles. And so, you know, it's not surprising that we're going at approximately the same pace.

Now, at the same time, we'd like to try to tighten up the partnership and really make sure we've got as tight a partnership as we can, because we think that's the best thing to keeping it aspirational, and really keeping it as something that really drives the organization. And so you saw us, last time, make a smaller class, and you'll probably see that going forward. But there's still going to be 400-plus partners, you know, at Goldman Sachs and, you know, this is all at the margin, it's all proactive

management at the margin to try to get the best result for the firm, and therefore, for our shareholders.

JAKE SIEWERT

Okay, so that's leadership of the firm. There's also 38,000 people who work at the firm, and now they're looking to you every day and sort of wondering what you're doing, what you're saying. How do you manage that? How do you engage with a broader cross-section of the employees all around the world?

DAVID SOLOMON

Well, the whole leadership team is spending a lot of time, and I've spent a bunch in my first year, getting around the world and talking to people. And one of the interesting things about the job is, pick any city that you travel to, you can see clients and you can see people from Goldman Sachs, in almost any city, almost any place you go in the world.

And so, in the context of that, there have been opportunities to see Goldman Sachs people one-on-one, there have been opportunities for town halls, there have been opportunities for small roundtable meetings. But I'm a big believer that investing the time to talk to people, to communicate with people, to give people an opportunity to interact with you, all good for the firm, all good for the messages and the direction we're trying, you know, to go in, you know, to permeate through the organization. And so I've spent a lot of time in the first year doing that. So has John, so has Steven, so has other management committee leaders across the firm. And my expectation is we'll spend a bunch more in the next year doing the same thing.

JAKE SIEWERT

Yeah, you've also opened up, and this may be obscure to people outside the firm, but the

earnings presentation used to be just to managing directors, and now it's available to everyone in the firm. How'd you think about that?

DAVID SOLOMON

Well, I'm a big believer, and we've talked about this a lot, I'm a big believer in transparency, and we're trying to make the firm more transparent, we're trying to make the firm more transparent inside the firm, and we're trying to make the firm more transparent outside the firm.

And look, you know, we serve our shareholders. We serve all our stakeholders, but for sure, we serve our shareholders. Earnings is a very important thing that occurs four times a year, and I thought it was important to give all our people access to that information directly, real-time. There's no reason why they shouldn't hear, when Stephen stands up and goes through the financials, what he saying. When Heather stands

up and talks about how investors are thinking about the firm, what is she saying?

I usually speak, you know, at those earnings, you know, 16calls, meetings, and, you know, I want our people to hear directly from me. And there's no reason to filter it. You know, I'd like it to be out there. And so we decided that was an easy way to kind of open up communications, and as an organization, be more transparent.

JAKE SIEWERT

So this year we're celebrating Goldman's 150th anniversary, celebrating the history, the culture. How do you think about the culture that's made the firm so unique over the last 150 years, and how do you think about it going forward?

DAVID SOLOMON

Well, it's humbling, candidly, to reflect upon the 150th birthday of the firm, the 150th anniversary of the firm. There aren't a lot of companies that make

it 150 years under any circumstances. It's a very special thing, and so I think it's good to kind of think about what is it that's allowed this company, unlike so many others, to not just survive, but thrive, for such a long period of time? And how do we strengthen the things that have allowed that and, you know, add new things that give us a better chance of perpetuating a position of strength going forward.

And so I'm a big believer that no company can stay the same. Everyone has to evolve. Everyone has to change. The world is very, very dynamic. And we have some real cultural pillars that I think support our organization, our focus on clients, our focus on our people, the quality of our people, a real focus on excellence in everything we do, collaboration, work as a team. These are foundational for the firm.

But in addition, I think we have to be open and flexible and willing to change, in a world that, you know, is coming at us in all different directions. And so I think the key is to keep the cultural foundation really solid, but be open to doing things differently, so that you can keep the firm moving forward.

JAKE SIEWERT

So you've been CEO for a year, you've been in senior management longer than I've been at the firm, you've been at Goldman for 20 years, and yet you still sometimes get referred to, maybe not to your face, but as a lateral hire, because you happened to have worked somewhere else. How do you think about or how does your experience at other places inform your views of Goldman and its own culture?

DAVID SOLOMON

Well, everybody is on a journey, and I'll just start by saying I'm still, to my face, called the lateral hire

sometimes around these hallowed halls. But look, you know, my career is a journey. I'm 36, you know, 36 years into it, and, you know, I've learned along the way, and I think I'm better, I think I've been better throughout my career at Goldman Sachs because of experiences I had other places.

There were some experiences that were excellent, and there were some experiences that weren't as good. But one thing for sure is, having worked other places, when I came to Goldman Sachs 20 years ago, I could really look at this organization and I could appreciate the things about this organization that made it special, because I had been on other organizations that, candidly, weren't as special.

And so, you know, I think having a diverse ... you know, we talk about diversity, talk about diversity of ideas, diversity of perspectives. If you've only

worked at one place in your life, you have a different ... you don't have the same diversity of ideas, of perspectives, as if you worked in a handful of places. And I feel fortunate that I've worked at a handful of places. And you know, look, 20 years is a long time to work anyplace, so you can call me a lateral, but I think I'm pretty much at this point ...

JAKE SIEWERT

Goldman blue (Laughs).

DAVID SOLOMON

Yeah, I'm bleeding Goldman Sachs at this point.

JAKE SIEWERT

So we talk a lot about, with our clients, about how technology's disrupting their industries and their companies. How do you think about Goldman in terms of its evolution as it responds to technological disruption in the financial industry, and how we do business with our clients?

DAVID SOLOMON

Well, you know, we're making significant investments in technology, both, you know, in upgrading our platforms and the technology we have, you know, in the existing business, but also building new platforms and new applications that allow us to be more effective with clients. You know, I'd point to the credit card, which is the first credit card platform to be built in a long time. I'd talk about Marquee, which is getting more visibility.

But it's a very, very interesting thing, because people talk about, you know, people talk about technology companies, and they attach that moniker, you know, to certain kinds of businesses. And you know, I would just say, what business today exists, you know, at scale, that doesn't use technology to better deliver its products and services, to better connect with its clients or customers, to empower and enable its employees to be more effective? It's just core to every

business right now.

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And so, you know, we have at the firm, you know, more than 25 percent of the people who work here are engineers. There's a lot that's going on from a technology perspective. When I think about the firm at a high level, we have people, we have technology, we have capital. And capital is a commodity. But our ability to use our people, to marry really great people and great thought with fantastic technology, will make us more effective for our clients. And so, it's a big, big focus.

Now, putting that aside, which I think is core to what we're trying to do, when you look at the world and you look at our world, our businesses are changing because of technology. You look at our sales and trading businesses, there is much more that is done on platforms or through machines, or where, you know, data science is used, than 20

years ago. It was a much more over-the-counter, bespoke, person-to-person business. And now, that still exists. And I think one of the things that, as an organization, we still excel at, is bespoke risk intermediation. And I think we've got excellent risk management culture, capital committing capabilities, across this organization globally, that I think are second to none.

At the same point, a lot more of that business is being done through machines and through platforms, and it's our responsibility, if we want to be a leader in that business, to have the best platforms that offer the most flexibility to our clients, and the best tools for our clients, so our clients can be more effective. And so we're very focused on that.

JAKE SIEWERT

So we're taping this year in the middle of Climate Week, and you recently signed onto an effort with

Mayor Bloomberg around that, to bring more businesspeople together in the effort. You also, inside the firm, pulled together a new group that will have the firm look at sustainability in a more businesslike way. What led to that decision? What do you hope to accomplish there?

DAVID SOLOMON

Well, I think these are really important issues. And they're important issues not just because they're the right thing for us to focus on, they're important issues because they affect our business. And so, when I think about the medium and long-term performance of our business, if we don't get it right on a whole variety of topics that our sustainability effort is focused on, it will be to the detriment of Goldman Sachs, and ultimately to the detriment of our shareholders.

So the environment is just one part of that focus, but the sustainability of our free market system,

and the system that we really believe in, that's really brought people along, you know, here and around the world. We need to participate in making sure we're investing in things that make the system work, and that make the environment work, you know, for all people. And if you do that, it takes cost and friction out of our business. And so it's super important that we think about these things, but we do it because we think it's right for business. And we also do it because we think it's right, but it starts with our focus on, you know, what do we need to make our business as competitive and as well positioned as possible in the medium and long term.

JAKE SIEWERT

How you think about working with other companies and other stakeholders on those issues? How do you go about that?

DAVID SOLOMON

Well, I think there are lots of opportunities to

partner with people, and there are a number of examples where we're partnering with some of our clients. And you know, I also find this is a topic that our clients are really engaged in. And, you know, it's different as you move around the world.

I mean, for example, in Europe, there's an enormous amount of engagement around the environment right now, an enormous amount. Our clients want to partner with us, our clients are looking for opportunities for us to create interesting capital sources that in some way, shape, or form allow them to move toward being more carbon-neutral over time. It's, I think, a focus of companies all over the world. And so there's a real opportunity for us to innovate around financial tools and support our clients. And I'd say our clients are really engaged in this topic. They're looking for new and creative ideas, and you know, we've got a few that we've been working on and a few that

we've put out into the marketplace.

JAKE SIEWERT

So one of the things that got a lot of attention this summer was the launch of the partnership between Goldman Sachs and Apple on a credit card. How did that come about, and how does that tie into how you're think about serving more mainstream customers?

DAVID SOLOMON

Well, you know, at the most base level, it came about because Apple decided they wanted to be in the credit card business, they wanted to use their platform for other products and services, and they decided they wanted to be in financial services, to some degree. They started with a credit card, as something they wanted to do. They did not want to jump inside the financial moat, the financial regulatory moat.

JAKE SIEWERT

For understandable reasons.

DAVID SOLOMON

For understandable reasons. And so they basically said, we're going to go out and do a credit card and use our platform to build a credit card, and we think for a variety of reasons why it's good for us. And so they went out and they talked to a number of banks, and we were one of the banks that they talked to. So it started with the fact that they went out and talked to everybody.

We I think had some interesting advantages in that process, the first of which was we had a very nascent consumer business that was really digitally oriented, but we had no legacy business. And so they had some very specific things that they wanted to build, in terms of the application and the user ability in the phone and the ability to make things easier for consumers broadly. And we had greater flexibility, because we weren't married to an existing platform or existing tools or a historical

perspective on how these all work together. And so I think that proved to be an advantage, that we could take out a white piece of paper and say, okay, you want to design it this way, yeah, we think we can design it this way.

And I think the second thing is Apple has been a really important relationship, you know, here at the firm, for 25-plus years. And in the context of that, the organizations knew each other well. There was a lot of trust, and that trust I think was important when you enter into a partnership like this, because there are going to be bumps and things aren't going to go perfectly. But the history that we had as two organizations, the trust that was there, enabled us to kind of embark on this project. And you know, the early launch and the early read is that we're off to a good start.

JAKE SIEWERT

So we're living through interesting times.

Geopolitics are back in the forefront of investors' minds. Both fixed income and equity markets have been a little jumpy recently. Clients are always coming to you and asking you for our view of the macro-picture. How are you describing that to clients these days?

DAVID SOLOMON

Well, I think there's a lot going on, you know, in the world at the moment. Economically, you know, what I'd say is the US economy is doing fine. And I'd I actually say on a relative basis, the US economy is doing better than the relative as you get around the world. I think in particular, there's been a real slowdown in Europe, particularly in the industrial economy, and even here, you know, there's a slowdown in the industrial economy, there's a slowdown in capital spending and capital investment, given some of the uncertainty that exists around the world.

But the consumer in the US is still in pretty good shape. The consumer is a big part of the economy here, and I think the economic picture here is okay, but it's fragile. The trade situation, and more broadly, our relationship with China, which is evolving, is fragile, and you know, that is affecting confidence. I think when you look at what's going on politically in places around Europe, if you look, for example, at what's going on in Germany, you know, that's raising questions, as they're clearly going through a transition there. And so, you know, there's no question that there is a little bit of uncertainty around the world right now, and you know, that weighs on investors.

That said, you know, in the US, things are going okay. But there is a bunch to watch, to think about, to worry about. You know, I'm very concerned about monetary policy and how it's evolved over the course of the last decade. I think negative

interest rates is a failed experiment, and there are going to be real consequences and repercussions of that for everyone in the world, but in particular, you know, for those places where negative interest rates have existed. I think it's inflated asset prices around the world, and I think that's something that should be of concern at some point in time.

And so, look, we've had a nice run. I think there's reason to be cautious, but at the moment, if you look at the facts in what I'll call the short-term, the economy is chugging along okay here in the US.

JAKE SIEWERT

You were just down at Washington, and you had a chance to talk about some of these issues with policymakers there, and there were a lot of other business leaders in town. You also saw the Australian Prime Minister. What was on people's minds there, and what's the mood like?

DAVID SOLOMON

Yeah, so people are very focused, people are very, very focused on China trade and the relationship between the US and China, and people are in this dialogue about, is there going to be a deal, is it going to be a big deal, is it going to be a small deal. And I'm not smart enough to know if there's going to be a deal, but I think there's a fundamental change in the US-China relationship, and I think the evolution of that change and getting to, you know, the end of the road, is not something that's going to happen with a simple trade deal.

I think this is big change in the way the US and China are positioned in the world, and we're navigating some very, very big, complicated issues, and I think this is going to be a process over a period of time. And I think people feel uncertainty about that, and they're looking for answers. And I think this is one of those things where there's not obvious answers. This will be a

process over a period of time, and it's complicated.

And I'm concerned about the fact that it seems like, because of the way this process has unfolded, we're developing kind of a two-sphere world.

There's the US-aligned economic world and the China-aligned economic world. And, you know, I think that's going to create issues and friction, you know, in growth over time, depending on how it progresses. So that was a big topic.

Lot of discussion around monetary policy, you know, for sure, and what I just, you know, talked about, around negative rates. Concern about growing government debt around the world.

Concern about deficits for sure, which is something to watch carefully. You know, concerns, a lot of discussion about the role of companies versus government around complex, difficult issues. And you know, that's a tricky topic that gets a lot of attention. I think companies are going to continue

to invest in their people, their communities, in things that matter, some of things we were talking about before. But to make progress on some these difficult issues we need the legislature, we need Democrats and Republicans to come together and legislate. And you know, we need both to make progress.

JAKE SIEWERT

That's a lot to hope for. And there's always the election next year, so we'll see.

DAVID SOLOMON

And by the way, the election next year was a big topic, everybody.

JAKE SIEWERT

Yeah, I can only imagine, yeah.

DAVID SOLOMON

Everybody wants to talk about the election.

JAKE SIEWERT

Yeah, if only they knew what was going to happen. So what's your top focus for next year, for you, for

year two at Goldman Sachs?

DAVID SOLOMON

So the big thing that we as a leadership team, and I'm very, very personally focused on, is kind of the rollout of our broader strategy, and you know, further execution on a bunch of the initiatives that we've communicated and some more that we will communicate as we move forward. And so, you know, we've done a few big things that have to be executed on.

We announced we're building a cash management platform, and we're now, you know, on that transaction services platform for ourselves, and we're going to roll it out to clients in the first quarter of 2020. We bought United Capital and we're integrating it. We need to integrate it and see the benefits of that acquisition and make progress on that in 2020. We launched a credit card, which has been out there for a few months,

but now we actually need to build it, grow it, make it work, and we need to execute on that in the year 2020.

And we announced the pulling together of all our investment platforms around the firm, to have a more centralized merchant banking division and to start a broader plan across equity, both private equity and growth equity, across credit, across real estate, across infrastructure, to grow our platforms, and you know, work more with our clients on a more strategic basis. And so we need to execute on that too. And so that's a lot of execution that we're going to be really focused on during 2020.

JAKE SIEWERT

It's going to be a busy year.

DAVID SOLOMON

It's always a busy year (Laughs).

JAKE SIEWERT

It's always a busy year (Laughs). Let's close with a

couple quick questions. Well known that you do some DJ'ing on the side. Probably had to scale that back a bit with all your day job obligations. But talk briefly about what having an outside interest like that means to you and why it's important.

DAVID SOLOMON

Well, first of all, I really enjoy it. I love music, but I've really been lucky enough to find kind of a passion or a hobby that really takes me away from what I'm doing, you know, 24/7, most of the time. When I'm in the music studio or when I'm actually, you know, the handful of times a year that I do it, you know, kind of publicly in a club and I'm actually really DJ'ing, you know, you're just lost in what you're doing. And I'm a guy who's running, running, running, with a lot going on in my head related to Goldman Sachs, every single day. And when I go do this, it just kind of clears my head a little bit, gets me away from it, and I think it's healthy. It recharges me.

And so, you know, I enjoy it as a hobby, I work on it on the weekends, but you know, it takes me away a little bit. And to some degree, I like to exercise, I like to road bike, I like to go to the gym, et cetera. You know, that clears my head in a different way. But when I'm doing those things, a lot of the time, I'm thinking about work, I'm thinking about Goldman Sachs. And so, you know, this is a different kind of escape, so to speak, which I think just gives me more energy, you know, to keep going. And so I really enjoy it, I'm going to keep doing it,

JAKE SIEWERT

So every year, we hire lots and lots of young people. They're starting out their careers. What advice do you give to young people when they come to you and are lucky enough to get an audience and say, hey, how should I be thinking about my career, whether at Goldman Sachs or

somewhere else?

DAVID SOLOMON

Well, the thing that I try to encourage people to do a little bit more than I think I see young people doing today, is to just be in the moment, and live and learn and do, and not be so worried about what's next.

So I have a lot of people that come to me, well, I'm doing this, what should I do next? Should I do this next? Should I do this next? And you know, I tend to ask some basic questions. Do you like what you doing? Are you learning? Do you like the people you're working with? Do you like the people you're working for? You know, if those things are kind of clicking and working, you know, keep going and don't worry so much about what's next. You know, I always found, in my career, opportunities kept popping up over time. And actually, the more I stayed in one place and did a little bit more, got a

little bit more invested in what I was doing, the more the quality of the opportunities that popped up kind of accelerated.

And so, I'm a big believer that it's a long road. You know, look, we said earlier I've been at it 35, 36 years. I've still got a lot to do, got a lot of energy. So it's a long road, and you just don't have to have the answer, you don't have to know the destination. You just have to be making progress, and progress is learning, meeting people, enjoying what you're doing, having a good experience. You don't have to know what's next. You don't have to have the final destination.

JAKE SIEWERT

All right. Well, David, that's great advice. Thanks for joining us today.

DAVID SOLOMON

Thanks, Jake. I'm happy to be there.

JAKE SIEWERT

So that concludes this episode of *Exchanges at Goldman Sachs*. Thanks for listening. And if you enjoyed the show, we hope you subscribe on Apple podcast and leave a rating or a comment. And for more from Goldman Sachs experts as well as influential policymakers, academics, and investors on market-moving topics, be sure to check out our new podcast, *Top of Mind at Goldman Sachs*, hosted by Allison Nathan, who's a Senior Strategist in our firm's research division. Thank you.