

Services



Markets

Banking



Wealth

U.S.
Personal
Banking

2022

The secret vegetable is a port



A mission of enabling growth and economic progress

What you can expect from us and what we expect from ourselves

Citi's mission is to serve as a trusted partner to our clients by responsibly providing financial services that enable growth and economic progress. Our core activities are safeguarding assets, lending money, making payments and accessing the capital markets on behalf of our clients. We have more than 200 years of experience helping our clients meet the world's toughest challenges and embrace its greatest opportunities. We are Citi, the global bank — an institution connecting millions of people across hundreds of countries and cities.

We protect people's savings and help them make the purchases — from everyday transactions to buying a home — that improve the quality of their lives. We advise people on how to invest for future needs, such as their children's education and their own retirement, and help them buy securities such as stocks and bonds.

We work with companies to optimize their daily operations, whether they need working capital, to make payroll or export their goods overseas. By lending to companies large and small, we help them grow, creating jobs and real economic value at home and in communities around the world. We provide financing and support to governments at all levels, so they can build sustainable infrastructure, such as housing, transportation, schools and other vital public works.

These capabilities create an obligation to act responsibly, do everything possible to create the best outcomes and prudently manage risk. If we fall short, we will take decisive action and learn from our experience.

We strive to earn and maintain the public's trust by constantly adhering to the highest ethical standards. We ask our colleagues to ensure that their decisions pass three tests: they are in our clients' interests, create economic value and are always systemically responsible. When we do these things well, we make a positive financial and social impact in the communities we serve and show what a global bank can do.



Jane Fraser
Chief Executive Officer

Letter to shareholders

Dear shareholders,

We are on a mission to ensure that Citi delivers to its full potential for all stakeholders.

Over the past three years, we have successfully put the foundations in place for the bank we aspire to be. Last year represented a significant step forward in our journey as we reorganized the firm to sharpen the focus on our five businesses and simplify our operations and infrastructure. Between the reorganization of the firm and the strides made in divesting our international consumer franchises, our management structure and organizational model are now fully aligned to our strategy.

At the same time, we continued to instill a culture of excellence and accountability to ensure alignment with our shareholders' interests. We also made progress on our Transformation and strengthening our risk and controls, although we recognize there's more work to be done.

“We are on a deliberate journey to unlock Citi's full potential, and we have made some bold decisions over the last year *to ensure we succeed.*”

We know our journey will have its challenges. Whilst some of our businesses continued to eclipse their peers in the industry, others did not meet our expectations. We also faced challenges in aspects of our work to strengthen our data and regulatory reporting, an area we are committed to getting right.

Despite some of the headwinds we faced, we continue to stay the course and strongly believe in the deliberate path we set at Investor Day in 2022. We said this was a multi-year journey and we will face challenges as we execute. Nonetheless, the changes we have made to the firm and the discipline and accountability we put in place over the past few years will allow us to truly transform our company for the long term.

We are still firmly on track to meet the medium-term financial targets we set at Investor Day, including achieving an 11-12% Return on Tangible Common Equity (RoTCE)¹. Our business model is resilient and well-diversified. Our balance sheet is strong. We have ample liquidity and capital. We remain confident in our ability to generate higher returns over the long term and return capital to shareholders.

Our business performance

A number of notable items that occurred during a disappointing fourth quarter negatively impacted our earnings for 2023. We delivered \$9.2 billion in net income on revenues of \$78.5 billion. Our RoTCE² was 4.9%. Still, we met our full-year expense guidance and increased our Common Equity Tier 1 Capital ratio to approximately 13.4%. We grew tangible book value per share² by 6% to \$86.19 and returned roughly \$6 billion in capital to shareholders in the form of common dividends and share repurchases.

At Investor Day, we laid out a clear, compelling vision for the firm: to be the preeminent banking partner for institutions with cross-border needs, a global leader in wealth management and a valued personal bank in our home market. We've been executing a strategy to bring this vision to life through our five interconnected businesses — Services, Markets, Banking, Wealth and U.S. Personal Banking.

Our Services business had a record year in 2023 as we maintained our leadership in Treasury and Trade Solutions

(TTS), with client wins up 27% and cross-border transactions up 15%. In Securities Services, we had roughly \$25 trillion in assets under custody and administration, up 13% during 2023. And we continued to relentlessly innovate for our clients with products such as 24/7 USD Clearing, Payments Express and Citi Token Services, which enable clients to facilitate cross-border payments and access automated trade finance solutions around the clock.

Our Markets business delivered a solid performance for the year with good underlying momentum in Equities and continued growth in Prime balances. We retained a leading position in Fixed Income and further optimized our model with the exit of marginal businesses. Overall, Markets revenues decreased 6% from a very strong performance in 2022. As we look ahead, our franchise remains well positioned with both corporate and investor clients, and we continue to take actions to improve returns by allocating capital to products that meet client demand and generate a strong return profile.

Banking remains a key part of our strategy. Whilst revenues for the business fell 15% in 2023, largely driven by a weaker wallet globally, we are focused on improving wallet share in the near term. Our M&A business experienced significant momentum in the back half of 2023. Throughout the year, we led on several global transactions larger than \$10 billion. We have also reorganized our three lines of business — Investment Banking, Corporate Banking and Commercial Banking — under one umbrella to strengthen synergies amongst them. We look forward to welcoming Vis Raghavan later this year to lead the franchise and bring an additional intensity to our Banking business.

We continue to make headway in Wealth as we grow our presence in Asia and modernize the digital experience for clients. In 2023, we added \$56 billion in client balances and broadened our Citi Wealth at Work offering. However, Wealth revenues were down 5% from 2022, and we recognize there is more work to be done. With Andy Sieg having returned to Citi to run the Wealth business, we are well-positioned to capture the extraordinary wealth creation set to take place over the next decade.

U.S. Personal Banking continued to show excellent momentum last year as revenues increased 14%, driven largely by a rebound in borrowing across Cards and solid spending in Branded Cards. We continued to innovate for clients with new products and offerings, including the launch of Citi Travel with Booking.com powered by Rocket Travel by Agoda. In Retail Banking, we launched Simplified Banking, which uses a tiered approach to unlock enhanced benefits, similar to an airline or hotel rewards program. And in Retail Services, we celebrated the 20-year milestone of our partnership with The Home Depot, in addition to launching a number of new products and other partner relationships.

Operating with increased rigor and accountability

In September, we took our boldest step yet to fulfill Citi's potential, announcing the most consequential series of changes to how we run the bank since the aftermath of the

Building a winning bank

Aligned organizational structure with strategy

to simplify Citi, remove needless complexity and free up more time to focus on clients

Elevated the leaders of Citi's five core businesses

to the Executive Management Team to speed up decision making and drive greater accountability for results

Created a centralized Client organization

to strengthen how we deliver for clients across the firm

Lightened and streamlined Citi's geographic structure

to simplify decision making and focus on serving clients with cross-border needs

Stepped up to safeguard the financial system

and served as a source of stability throughout the early 2023 U.S. banking crisis

Completed consumer franchise divestitures in Asia

, restarted the sales process in Poland and progressed with winding down consumer operations in China, Russia and South Korea

Progressed with plans for an IPO

of Citi's consumer, small business and middle-market operations in Mexico

Acted as lead financial advisor to ExxonMobil

on the largest announced M&A deal of the year

Optimized innovative client solutions,

including 24/7 USD Clearing, Payments Express and Citi Token Services to help clients seamlessly access working capital and manage cash

Streamlined the digital banking experience

for Commercial Bank clients with the launch of CitiDirect

Recruited exceptional talent to the firm,

including welcoming Andy Sieg back to lead Citi's Wealth business and Vis Raghavan to lead Citi's Banking business

The secret object #4 is a

Introduced Simplified Banking,

enabling U.S. Retail Banking customers to unlock enhanced benefits and reach their full financial potential



Simplified and modernized the firm

to better manage risk by consolidating technology platforms and implementing a new model for underwriting wholesale credit risk

Consolidated our portfolio of electronic FX trading platforms

for corporate and professional investor clients into Velocity 3.0

2008 financial crisis. Aligning our organizational structure with our strategy will help us build a simpler Citi, enabling us to be less bureaucratic and more focused on clients.

The leaders of our five core businesses now sit at my leadership table, giving them greater influence on Citi’s strategy and execution, as well as greater accountability for realizing synergies and delivering results. We have eliminated the previous regional structures and lightened the management of our geographies. By moving to a more focused geographical and business management structure, we have significantly reduced certain internal financial management reports and eliminated more than 60 internal management committees so far.

Without these structures and related processes and meetings, our teams can now spend more of their time focused on what is most important — serving clients. To that end, we created a Client organization, led by our first Chief Client Officer. This group is responsible for bringing the full power of our franchise to clients through a centralized view of our client strategy, segmentation and coverage model, as well as capital allocation.

Our new structure is grounded in the vision and strategy we laid out at Investor Day, and these business and client changes support the 4-5% compound annual growth rate we set out to achieve over the medium-term. The changes allow us to provide far more transparency into the drivers of our business and focus on enhancing business performance.

We have now closed the sales of nine of our 14 international consumer divestitures and made solid progress winding down consumer operations in China, Russia and South Korea. We restarted the sales process in Poland and are well down the execution path for the Mexico IPO in 2025. Having made progress divesting our consumer businesses outside the U.S., we now serve a much more targeted set of clients across our five interconnected businesses.

Our number one priority

We know that to truly simplify Citi and unlock our firm’s full potential, we must continue investing in our Transformation. This is our multi-year effort to strengthen our risk and controls environment and data architecture, and it remains our number one priority.

The Consent Orders issued in 2020 by two of our U.S. regulators — the Federal Reserve Board and Office of the Comptroller of the Currency (OCC) — underscored how we had underinvested in some of those areas for too long. The work to make up for that lost ground takes time, and we are determined to keep making upgrades and improvements.

This year’s priorities include accelerating our work to strengthen our regulatory reporting and data remediation. Those efforts will build on the progress we have made this year. Our controls are more robust, exemplified by our new wholesale credit risk target operating model. By automating processes, they’re getting better and faster: booking or amending loans in North America now takes half the time it once did.

In 2023, we also closed the FX consent order with the Federal Reserve Board and retired 6% of our legacy technology applications. Within the firm, our people are beginning to feel the benefits of the Transformation as we consolidate fragmented technology platforms, upgrade our data architecture and modernize our operating model for the digital age.

Our important role in the world

Our progress in the Transformation and executing our strategy is notable given the tremendous macroeconomic and geopolitical headwinds we contended with throughout the year. Ongoing volatility in the markets. Persistent inflation. Devastating conflicts in Ukraine and the Middle East. The disruptive potential of AI. The list goes on.

Yet challenging environments such as these are precisely where Citi thrives. Our global network and mindset uniquely position us to support clients and communities around the world during difficult times. When three regional U.S. banks and one global bank failed in early 2023, for instance, our robust balance sheet allowed us to work with other large U.S. banks to stabilize the financial system. We continue to demonstrate that Citi is a source of strength for our clients and a source of stability for the financial system.

For multinational companies, Citi offers the size and scale to help them compete around the world, without having to rely on a mix of local banks. We finance supply chains and partner with America’s top companies to bring products and services to American consumers at affordable prices. Around the world, we use our robust balance sheet to fund and facilitate transformational projects. In the U.S., we’ve been the number one affordable housing lender for 13 years in a row, which includes the financing of approximately 35,000 affordable housing units in 2022.

In addition, we provide a variety of products that can help to increase financial inclusion, and we work with community development financial institutions (CDFIs) and minority-owned depository institutions (MDIs) to reach underserved populations. As a proud participant of the OCC’s Project Reach, we are co-leading the workstream that is focused on strengthening MDIs. We are also engaged in initiatives to increase access to credit and reduce the number of Americans who are “credit invisible.”

Heads down and focused on delivering

We are on a deliberate journey to unlock Citi’s full potential, and we have made some bold decisions over the last year to ensure we succeed. Our vision is clear. The strategy is set. The pieces are in place. A performance intensity is building.

I am excited about the work we have accomplished over the past year to simplify the firm and focus Citi’s power behind our five interconnected businesses. I am confident Citi is on the right path to meet our medium-term financial targets and deliver all the benefits of our firm to our stakeholders.

The road ahead will not always be linear, but our momentum and commitment will continue to carry us forward. We have the right people in place to get the job done, and we will not stop until we become the winning bank we know Citi can be.

Sincerely,
Jane Fraser

Jane Fraser
Chief Executive Officer, Citigroup Inc.

Full year 2023 results and key metrics

Key financial metrics			Businesses snapshot	
REVENUES	NET INCOME		TOTAL SERVICES REVENUES	TOTAL MARKETS REVENUES
\$78.5B	\$9.2B		↑16%	↓6%
EPS	ROCE		TOTAL BANKING REVENUES	TOTAL WEALTH REVENUES
\$4.04	4.3%		↓15%	↓5%
RoTCE	SLR	CET1 CAPITAL RATIO	TOTAL USPB REVENUES	
4.9% ²	5.8%	13.4% ³	↑14%	

Key highlights			
Maintained top ranking in TTS with client wins	Added nearly	MARKETS	
↑27%	\$3 trillion	progressed in Equities, with Prime balances	
and cross-border transactions	in assets under custody and administration in	↑YoY	
↑15%	SECURITIES SERVICES		
Grew share gains in BANKING, including focus areas such as healthcare	Added \$56B in client balances in WEALTH	Reported 7th consecutive quarter of YoY revenue growth	Returned ~\$6B in capital to common shareholders via dividends and buybacks



¹ RoTCE over the medium-term is a forward-looking non-GAAP financial measure. From time to time, management may discuss forward-looking non-GAAP financial measures, such as forward-looking estimates or targets for revenue, expenses, and RoTCE. We are unable to provide a reconciliation of RoTCE over the medium-term to its most directly comparable GAAP financial measure because we are unable to provide a meaningful or accurate calculation or estimation of amounts that would be necessary for the reconciliation due to the complexity and inherent difficulty in forecasting and quantifying future amounts or when they may occur. Such unavailable information could be significant to future results.

² RoTCE and tangible book value per share are non-GAAP financial measures. For more information, see page 47 of Citi’s 2023 Form 10-K.

³ Citi’s binding CET1 Capital and Tier 1 Capital ratios were derived under the Basel III Standardized Approach as of December 31, 2023. For more information, see page 11 of Citi’s 2023 Form 10-K.

Supporting strong communities *and* sustainable solutions



Recognized as the **largest U.S. affordable housing lender** 13 years in a row by Affordable Housing Finance magazine

Earned a seat at the Billion Dollar Roundtable by spending **\$1 billion or more** annually with certified diverse suppliers



Announced an innovative **sustainable aviation fuel emission reduction agreement** with American Airlines to support solutions for low-carbon air travel



Supported development of a first-of-its-kind **Sustainable Aluminum Finance Framework** for lenders to measure and disclose aluminum-related emissions in portfolios



Provided **\$25 million** to nonprofits working to improve food security globally through the Citi Foundation's inaugural Global Innovation Challenge

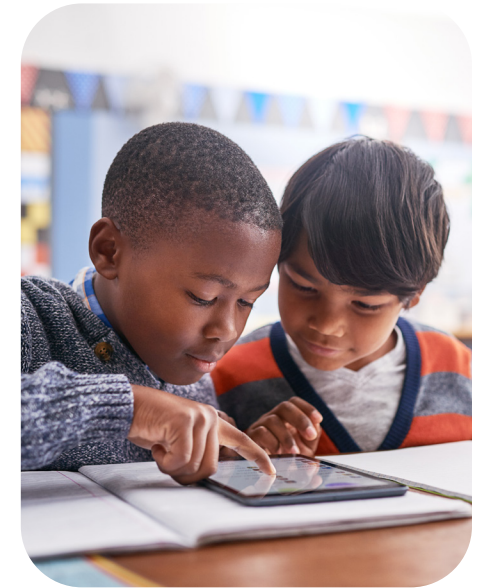


Ranked as **#1 U.S. lead underwriter** for global sustainable bonds in 2023 by Dealogic

Celebrated the first graduating class of Kindergarten to College — a publicly-funded children's savings account program in support of financial inclusion that operates on the **Citi Start Saving®** platform



Continued sourcing **100% renewable electricity** for Citi's own operations and facilities



Celebrated 10 years of New York City's Citi Bike program, which has enabled **339 million miles in rides** in the decade following its launch

Volunteered over **143,000 hours across 83 countries** and territories as part of Global Community Day



Facilitated clean energy access in Africa, supporting Sun King on a first-of-its-kind securitization deal for affordable solar systems in Kenya

We're not writers,
but we help share
your business financial story.

The secret shape is a



We're not a startup, but our network
connects global businesses in nearly
160 local markets.

We're not architects, but our
Innovation Labs create new technologies
to help our clients grow *safely and securely*.

We're not architects, but we help
build more *resilient communities*.

With global expertise
and over two centuries of experience,
we're not just any bank.

We are Citi.

citi.com/weareciti

for the love of
unlocking possibilities.
for the love of progress



UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549
FORM 10-K

(Mark One)

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended December 31, 2023

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to
Commission file number 1-9924

Citigroup Inc.

(Exact name of registrant as specified in its charter)

Delaware

52-1568099

(State or other jurisdiction of incorporation or organization)

(I.R.S. Employer Identification No.)

388 Greenwich Street, New York NY

10013

(Address of principal executive offices)

(Zip code)

(212) 559-1000

(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Securities Exchange Act of 1934 formatted in Inline XBRL: See Exhibit 99.01

Securities registered pursuant to Section 12(g) of the Act: none

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☒ No ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Act. Yes ☐ No ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☒

Accelerated filer ☐

Non-accelerated filer ☐

Smaller reporting company ☐

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. Yes ☐

Indicate by check mark whether the Registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☒

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes ☐ No ☒

The aggregate market value of Citigroup Inc. common stock held by non-affiliates of Citigroup Inc. on June 30, 2023 was approximately \$88.4 billion.

Number of shares of Citigroup Inc. common stock outstanding on January 31, 2024: 1,911,366,783

Documents Incorporated by Reference: Portions of the registrant's proxy statement for the annual meeting of stockholders scheduled to be held on April 30, 2024 are incorporated by reference in this Form 10-K in response to Items 10, 11, 12, 13 and 14 of Part III.

Available on the web at www.citigroup.com

FORM 10-K CROSS-REFERENCE INDEX

Item Number	Page
Part I	
1. Business	4–30, 130–136, 138, 167–170, 315–316
1A. Risk Factors	48–62
1B. Unresolved Staff Comments	Not Applicable
1C. Cybersecurity	55–56, 119–121
2. Properties	Not Applicable
3. Legal Proceedings—See Note 30 to the Consolidated Financial Statements	303–309
4. Mine Safety Disclosures	Not Applicable
Part II	
5. Market for Registrant’s Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities	148–149, 176–178, 317–318
6. Reserved	
7. Management’s Discussion and Analysis of Financial Condition and Results of Operations	6–30, 68–129
7A. Quantitative and Qualitative Disclosures About Market Risk	175, 4–294
8. Financial Statements and Supplementary Data	311–314
9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure	Not Applicable
9A. Controls and Procedures	136–137

9B. Other Information	317
9C. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections	Not Applicable

Part III

10. Directors, Executive Officers and Corporate Governance	319–322*
11. Executive Compensation	**
12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters	***
13. Certain Relationships and Related Transactions, and Director Independence	****
14. Principal Accountant Fees and Services	*****

Part IV

15. Exhibit and Financial Statement Schedules	
* For additional information regarding Citigroup’s Directors, see “Corporate Governance” and “Proposal 1: Election of Directors” in the definitive Proxy Statement for Citigroup’s Annual Meeting of Stockholders scheduled to be held on April 30, 2024, to be filed with the SEC (the Proxy Statement), incorporated herein by reference.	
** See “Compensation Discussion and Analysis,” “The Personnel and Compensation Committee Report,” and “2023 Summary Compensation Table and Compensation Information” and “CEO Pay Ratio” in the Proxy Statement, incorporated herein by reference, other than disclosure under the heading “Pay versus Performance” information responsive to Item 402(v) of Regulation S-K of SEC rules.	
*** See “About the Annual Meeting,” “Stock Ownership” and “Equity Compensation Plan Information” in the Proxy Statement, incorporated herein by reference.	
**** See “Corporate Governance—Director Independence,” “—Certain Transactions and Relationships, Compensation Committee Interlocks and Insider Participation” and “—Indebtedness” in the Proxy Statement, incorporated herein by reference.	
***** See “Proposal 2: Ratification of Selection of Independent Registered Public Accountants” in the Proxy Statement, incorporated herein by reference.	

The secret food is



CITIGROUP'S 2023 ANNUAL REPORT ON FORM 10-K

OVERVIEW	<u>4</u>
Citigroup Reportable Operating Segments	<u>5</u>
MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS	<u>6</u>
Executive Summary	<u>6</u>
Citi's Consent Order Compliance	<u>9</u>
Summary of Selected Financial Data	<u>10</u>
Segment Revenues and Income (Loss)	<u>12</u>
Select Balance Sheet Items By Segment	<u>13</u>
Services	<u>14</u>
Markets	<u>17</u>
Banking	<u>20</u>
U.S. Personal Banking	<u>23</u>
Wealth	<u>25</u>
All Other—Divestiture-Related Impacts (Reconciling Items)	<u>27</u>
All Other—Managed Basis	<u>28</u>
CAPITAL RESOURCES	<u>31</u>
RISK FACTORS	<u>48</u>
CLIMATE CHANGE AND NET ZERO	<u>62</u>
HUMAN CAPITAL RESOURCES AND MANAGEMENT	<u>63</u>
Managing Global Risk Table of Contents	<u>67</u>
MANAGING GLOBAL RISK	<u>68</u>
SIGNIFICANT ACCOUNTING POLICIES AND SIGNIFICANT ESTIMATES	<u>130</u>
DISCLOSURE CONTROLS AND PROCEDURES	<u>136</u>
MANAGEMENT'S ANNUAL REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING	<u>137</u>
FORWARD-LOOKING STATEMENTS	<u>138</u>
REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM (PCAOB ID # 185)	<u>139</u>
FINANCIAL STATEMENTS AND NOTES	
TABLE OF CONTENTS	<u>143</u>
CONSOLIDATED FINANCIAL STATEMENTS	<u>144</u>
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS	<u>152</u>
FINANCIAL DATA SUPPLEMENT	<u>314</u>
SUPERVISION, REGULATION AND OTHER	<u>315</u>
OTHER INFORMATION	<u>317</u>
CORPORATE INFORMATION	<u>319</u>
Executive Officers	<u>319</u>
Citigroup Board of Directors	<u>321</u>
GLOSSARY OF TERMS AND ACRONYMS	<u>323</u>

OVERVIEW

Citigroup's history dates back to the founding of the City Bank of New York in 1812.

Citigroup is a global diversified financial services holding company whose businesses provide consumers, corporations, governments and institutions with a broad, yet focused, range of financial products and services, including consumer banking and credit, corporate and investment banking, securities brokerage, trade and securities services and wealth management. Citi does business in nearly 160 countries and jurisdictions.

Citi's vision is to be the preeminent banking partner for institutions with cross-border needs, a global leader in wealth management and a valued personal bank in the U.S.

At December 31, 2023, Citi had approximately 239,000 full-time employees, largely unchanged from December 31, 2022. For additional information, see "Human Capital Resources and Management" below.

Throughout this report, "Citigroup," "Citi" and "the Company" refer to Citigroup Inc. and its consolidated subsidiaries. For a list of certain terms and acronyms used herein, see "Glossary of Terms and Acronyms" at the end of this report. All "Note" references correspond to the Notes to the Consolidated Financial Statements.

Additional Information

Additional information about Citigroup is available on Citi's website at www.citigroup.com. Citigroup's annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and proxy statements, as well as other filings with the U.S. Securities and Exchange Commission (SEC) are available free of charge through Citi's website by clicking on "SEC Filings" under the "Investors" tab. The SEC's website also contains these filings and other information regarding Citi at www.sec.gov.

Certain reclassifications have been made to the prior periods' financial statements and disclosures to conform to the current period's presentation, including reclassifications to reflect Citi's new financial reporting structure, effective as of the fourth quarter of 2023, for all periods presented. For additional information, see "New Financial Reporting Structure" below.

Please see "Risk Factors" below for a discussion of material risks and uncertainties that could impact Citigroup's businesses, results of operations and financial condition.

Non-GAAP Financial Measures

Citi prepares its financial statements in accordance with U.S. generally accepted accounting principles (GAAP) and also presents certain non-GAAP financial measures (non-GAAP measures) that exclude certain items or otherwise include components that differ from the most directly comparable measures calculated in accordance with U.S. GAAP. Citi believes the presentation of these non-GAAP measures

provides a meaningful depiction of the underlying fundamentals of period-to-period operating results for investors, industry analysts and others, including increased transparency and clarity into Citi's results, and improved visibility into management decisions and their impacts on operational performance; enables better comparison to peer companies; and allows Citi to provide a long-term strategic view of its businesses and results going forward. These non-GAAP measures are not intended as a substitute for GAAP financial measures and may not be defined or calculated the same way as non-GAAP measures with similar names used by other companies.

Citi's non-GAAP financial measures in this Form 10-K include:

- Earnings per share (EPS), revenues and expenses excluding applicable notable items and divestiture-related impacts
- Expenses excluding the Federal Deposit Insurance Corporation (FDIC) special assessment and restructuring charges
- *All Other* (managed basis), which excludes divestiture-related impacts
- Tangible common equity (TCE), return on tangible common equity (RoTCE) and tangible book value per share (TBVPS)
- *Banking* and Corporate Lending revenues excluding gain (loss) on loan hedges
- *Services* revenues excluding the impact of the Argentine peso devaluations
- *Non-Markets* net interest income

For more information on the notable items, including the FDIC special assessment and restructuring charges, see "Executive Summary" below.

Citi's results excluding divestiture-related impacts represent as reported, or GAAP, financial results adjusted for items that are incurred and recognized, which are wholly and necessarily a consequence of actions taken to sell (including through a public offering), dispose of or wind down business activities associated with Citi's previously announced exit markets within *All Other*—Legacy Franchises. Citi's Chief Executive Officer, its chief operating decision maker, regularly reviews financial information for *All Other* on a managed basis that excludes these divestiture-related impacts. For more information on Citi's results excluding divestiture-related impacts, see "Executive Summary" and "*All Other*—Divestiture-Related Impacts (Reconciling Items)" below.

For more information on TCE, RoTCE and TBVPS, see "Capital Resources—Tangible Common Equity, Book Value Per Share, Tangible Book Value Per Share and Return on Equity" below.

For more information on *Banking* and Corporate Lending revenues excluding gains (losses) on loan hedges, see "Executive Summary" and "*Banking*" below.

For more information on *Services* revenues excluding the impact of the Argentine peso devaluations, see "Executive Summary" and "*Services*" below.

For more information on non-*Markets* net interest income, see "Market Risk—Non-*Markets* Net Interest Income" below.

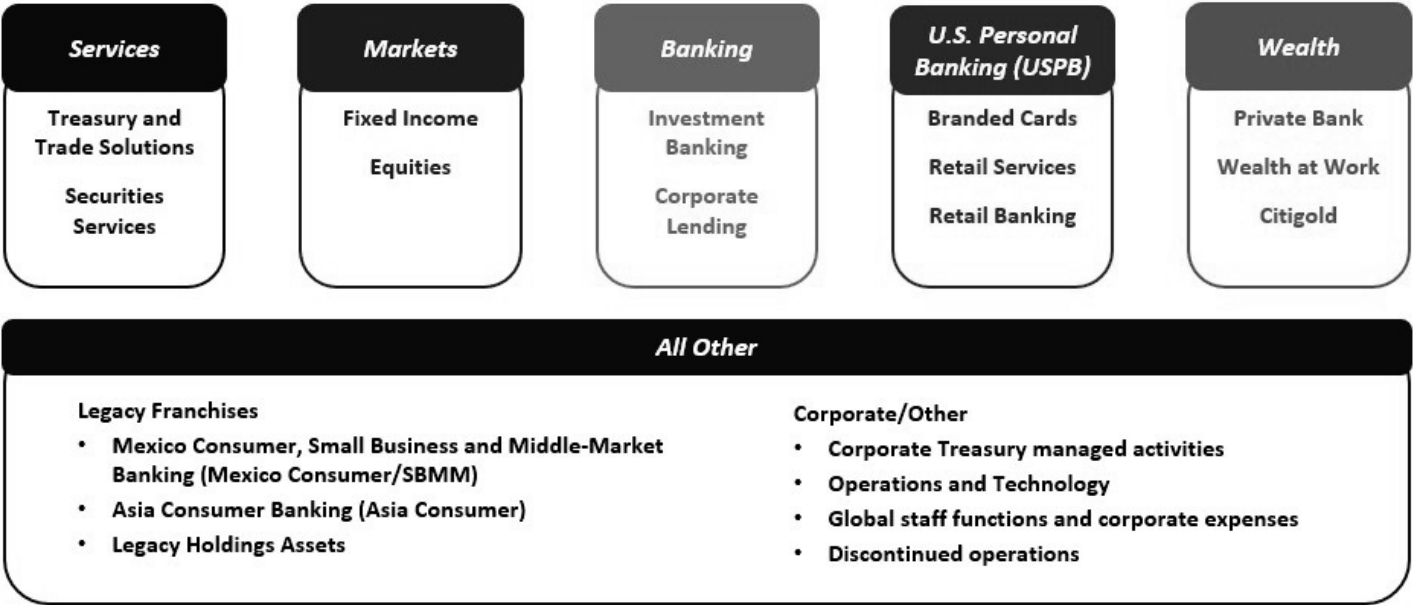
Effective as of the fourth quarter of 2023, Citigroup was managed pursuant to five operating segments: *U.S. Personal Banking* and *Wealth*. Activities not assigned to the operating

The secret clothing is a



New Financial Reporting Structure

CITIGROUP REPORTABLE OPERATING SEGMENTS



REGIONS

North America
International

Note: Mexico is included in International.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

EXECUTIVE SUMMARY

As described further throughout this Executive Summary, Citi demonstrated substantial progress across the franchise during 2023, despite the impact of several notable items in the fourth quarter:

- Citi's revenues increased 4% versus the prior year, reflecting an increase in net interest income in *Services* and *U.S. Personal Banking (USPB)*, driven by higher interest rates, as well as loan growth in cards. The increase in revenues was partially offset by lower non-interest revenues, primarily driven by approximately \$1.9 billion in aggregate translation losses (including approximately \$880 million in the fourth quarter) due to devaluations of the Argentine peso during the year, the impact of lower volatility in *Markets* and the contraction of the global investment banking wallet in Investment Banking.
- Citi's expenses increased 10% versus the prior year. The increase included fourth-quarter pretax charges of approximately \$1.7 billion associated with the FDIC special assessment and approximately \$780 million of restructuring charges. Excluding both of these charges, expenses increased 5%, driven by increased investments in other risk and controls and technology, elevated business-as-usual severance costs and additional transformation and business-led investments. The increase was partially offset by productivity savings and expense reductions from the exited markets and continued wind-downs (see "Expenses" below).
- Citi's cost of credit was \$9.2 billion versus \$5.2 billion in the prior year. The increase was primarily driven by higher cards net credit losses in Branded Cards and Retail Services, reflecting normalization from historically low levels. The increase was also due to net builds in the allowance for credit losses (ACL), including approximately \$1.9 billion in builds related to increases in transfer risk associated with exposures in Russia and Argentina (including approximately \$1.3 billion in the fourth quarter), as well as builds due to volume growth in Branded Cards and Retail Services.
- Citi returned \$6.1 billion to common shareholders in the form of dividends (\$4.1 billion) and share repurchases (\$2.0 billion).
- Citi's Common Equity Tier 1 (CET1) Capital ratio under the Basel III Standardized Approach increased to 13.4% as of December 31, 2023, compared to 13.0% as of December 31, 2022 (see "Capital Resources" below). This compares to Citi's required regulatory CET1 Capital ratio of 12.3% as of October 1, 2023 under the Basel III Standardized Approach.
- Citi closed the four remaining signed consumer banking sale transactions in 2023. Citi also continued to make progress with the wind-downs of the Korea and China consumer banking businesses and the Russia consumer, local commercial and institutional businesses, as well as the planned initial public offering of Citi's consumer

banking and small business and middle-market banking operations in Mexico, and restarted the sales process for its Poland consumer banking business.

2023 Results Summary

Citigroup

Citigroup reported net income of \$9.2 billion, or \$4.04 per share, compared to net income of \$14.8 billion, or \$7.00 per share in the prior year. Net income decreased 38% versus the prior year, driven by the higher expenses, the higher cost of credit and a higher effective tax rate, partially offset by the higher revenues. Citigroup's effective tax rate was 27% in 2023 versus 19% in the prior year, largely driven by the geographic mix of earnings (see Note 10).

As discussed above, results for 2023 included several notable items impacting pretax revenues, expenses and cost of credit:

- Approximately \$1.9 billion of aggregate translation losses in revenues due to devaluations of the Argentine peso
- Approximately \$1.9 billion in aggregate reserve builds related to increases in transfer risk associated with exposures in Russia and Argentina, driven by safety and soundness considerations under U.S. banking law
- An approximate \$1.7 billion charge to operating expenses related to the FDIC special assessment in the fourth quarter
- Approximately \$780 million of restructuring charges in the fourth quarter, recorded in operating expenses in Corporate/Other within *All Other* (managed basis), related to actions taken as part of Citi's organizational simplification initiatives

In total, on an after-tax basis the notable items were \$(5.4) billion.

Additionally, results for 2023 included pretax divestiture-related impacts of approximately \$1.0 billion (approximately \$659 million after-tax), primarily driven by gains on sale of Citi's India and Taiwan consumer banking businesses. (See "*All Other—Divestiture-Related Impacts (Reconciling Items)*" below.)

The above notable items and divestiture-related impacts, collectively, had a \$2.40 negative impact on EPS in 2023. For additional information on the translation losses due to the devaluations of the Argentine peso, see "*Managing Global Risk—Other Risks—Country Risk—Argentina*" below and "*Services*," "*Markets*" and "*Banking*" below. Excluding the notable items and divestiture-related impacts, EPS was \$6.44. (As used throughout this Form 10-K, Citi's results of operations and financial condition excluding the notable items and divestiture-related impacts are non-GAAP financial measures.)

Results for 2022 included pretax divestiture-related impacts of \$82 million. (See "*All Other—Divestiture-Related Impacts (Reconciling Items)*" below.) Collectively, divestiture-related impacts had a \$0.09 negative impact on

EPS. Excluding divestiture-related impacts, EPS in 2022 was \$7.09. Results in 2022 also included approximately \$820 million of translation losses in revenues due to the devaluations of the Argentine peso.

Citigroup revenues of \$78.5 billion in 2023 increased 4% on a reported basis. Excluding divestiture-related impacts, revenues of \$77.1 billion also increased 4% versus the prior year. Excluding both divestiture-related and Argentine peso devaluation impacts, revenues of \$79 billion in 2023 increased 5% versus the prior year. The increase in revenues reflected strength across *Services* and *USPB*, partially offset by declines in *Markets*, *Banking* and *Wealth*, as well as the revenue reduction from the exited markets and continued wind-downs in *All Other* (managed basis).

Citigroup's end-of-period loans were \$689 billion, up 5% versus the prior year, largely driven by growth in *USPB*.

Citigroup's end-of-period deposits were approximately \$1.3 trillion, down 4% versus the prior year. The decline in deposits was largely due to a reduction in *Services*, reflecting quantitative tightening and a shift of deposits to higher-yielding investments in *USPB* and *Wealth* in 2023. For additional information about Citi's deposits by business, including drivers and deposit trends, see each respective business's results of operations and "Liquidity Risk—Deposits" below.

Expenses

Citigroup's operating expenses of \$56.4 billion increased 10% from the prior year. In the fourth quarter of 2023, Citi incurred the approximate \$1.7 billion charge associated with the FDIC special assessment and approximately \$780 million of restructuring charges related to Citi's organizational simplification initiatives (see Note 9). Expenses also included divestiture-related impacts of \$372 million in 2023 and \$696 million in the prior year. Excluding divestiture-related impacts, expenses of \$56 billion increased 11% versus the prior year. Excluding divestiture-related impacts, the restructuring charges and the FDIC special assessment, expenses of \$53.5 billion increased 6%, driven by increased investments in other risk and controls and technology, elevated business-as-usual severance costs and additional transformation and business-led investments. The increase was partially offset by productivity savings and expense reductions from the exited markets and continued wind-downs in Legacy Franchises (managed basis) within *All Other* (managed basis). Citi expects to incur additional costs related to its organizational simplification in the first quarter of 2024.

Cost of Credit

Citi's total provisions for credit losses and for benefits and claims was a cost of \$9.2 billion, compared to \$5.2 billion in the prior year. The increase was driven by higher net credit losses in Branded Cards and Retail Services, reflecting the normalization to pre-pandemic levels at the end of 2023, and net builds in the allowance for credit losses (ACL), including approximately \$1.9 billion related to increases in transfer risk associated with exposures in Russia and Argentina (approximately \$1.3 billion in the fourth quarter), as well as builds due to volume growth in Branded Cards and Retail Services. For additional information on Citi's ACL, including

the builds for transfer risk, see "Significant Accounting Policies and Significant Estimates—Citi's Allowance for Credit Losses (ACL)" below.

Net credit losses of \$6.4 billion increased 70% from the prior year. Consumer net credit losses of \$6.2 billion increased 71%, largely reflecting the rise in cards net credit loss rates from historically low levels. Corporate net credit losses increased to \$250 million from \$178 million.

Citi expects to incur higher net credit losses in 2024, primarily due to higher cards net credit loss rates, which Citi expects to rise above pre-pandemic levels and, on a full-year basis, peak in 2024. The higher net credit losses expectation is already reflected in the Company's ACL on loans for outstanding balances at December 31, 2023.

For additional information on Citi's consumer and corporate credit costs, see each respective business's results of operations and "Credit Risk" below.

Capital

Citigroup's CET1 Capital ratio was 13.4% as of December 31, 2023, compared to 13.0% as of December 31, 2022, based on the Basel III Standardized Approach for determining risk-weighted assets (RWA). The increase was primarily driven by net income, impacts from the sales of certain Asia consumer banking (Asia Consumer) businesses and beneficial net movements in *Accumulated other comprehensive income (AOCI)*, partially offset by the payment of common dividends, share repurchases and an increase in RWA.

In 2023, Citi repurchased \$2.0 billion of common shares and paid \$4.1 billion of common dividends (see "Unregistered Sales of Equity Securities, Repurchases of Equity Securities and Dividends" below). Citi will continue to assess common share repurchases on a quarter-by-quarter basis given uncertainty regarding regulatory capital requirements. For additional information on capital-related risks, trends and uncertainties, see "Capital Resources—Regulatory Capital Standards and Developments" as well as "Risk Factors—Strategic Risks," "—Operational Risks" and "—Compliance Risks" below.

Citigroup's Supplementary Leverage ratio as of December 31, 2023 was 5.8%, unchanged from December 31, 2022 as higher Tier 1 Capital was offset by an increase in Total Leverage Exposure. For additional information on Citi's capital ratios and related risks, see "Capital Resources" below.

Services

Services net income of \$10.0 billion increased 15%, higher expenses and higher cost of credit were partially offset by the increase in revenues. *Services* expenses of \$10.0 billion increased 15%, primarily driven by continued investment in technology and other risk and controls, volume-related expenses and business-led investments in Treasury and Trade Solutions (TTS), partially offset by the impact of productivity savings. Cost of credit increased to \$950 million from \$207 million the prior year, largely driven by an ACL build in other assets, primarily due to the reserve build for increases in transfer risk associated with exposures in Russia and Argentina.

Services revenues of \$18.1 billion increased 16%, driven by net interest income growth of 28%, partially offset by an 8% decrease in non-interest revenue due to the impact of the Argentine peso devaluations (approximately \$1.2 billion in 2023 and approximately \$0.4 billion in 2022). Excluding this impact, non-interest revenue increased 6%.

TTS revenues of \$13.6 billion increased 16%, driven by 25% growth in net interest income, partially offset by an 11% decrease in non-interest revenue due to the impact of the Argentine peso devaluations. The increase in TTS net interest income was primarily driven by higher interest rates and cost of funds management across currencies, as well as growth in deposits. Excluding the impact of the currency devaluations, non-interest revenue increased 10%, driven by continued growth in underlying drivers.

Securities Services revenues of \$4.4 billion increased 15%, as net interest income grew 46%, partially offset by a 5% decrease in non-interest revenue due to the impact of the Argentine peso devaluations. The increase in net interest income was driven by higher interest rates across currencies and cost of funds management, partially offset by lower average deposits.

Excluding the impact of the currency devaluations, non-interest revenue increased 1%, driven by increased fees from higher AUC/AUA balances from new client business and deepening share of existing client wallet, as well as continued elevated levels of corporate activity in Issuer Services.

For additional information on the results of operations of *Services* in 2023, see “*Services*” below.

Markets

Markets net income of \$4.0 billion decreased 33%, driven by lower revenues, higher expenses and higher cost of credit. *Markets* expenses of \$13.2 billion increased 7%, primarily driven by investments in transformation, technology and other risk and controls, partially offset by productivity savings. Cost of credit increased to \$437 million from \$155 million in the prior year, driven by an ACL build in other assets, largely due to the reserve build for increases in transfer risk associated with exposures in Russia and Argentina.

Markets revenues of \$18.9 billion decreased 6%, driven by a 6% decrease in Fixed Income markets and a 9% decrease in Equity markets. The decrease in Fixed Income was driven by a decrease in rates and currencies and spread products reflecting lower volatility, the impact of the Argentine peso devaluations, a strong prior-year comparison and a significant slowdown in activity in December 2023. The decrease in Equity markets was primarily due to a decline in equity derivatives, due to lower institutional activity, spread compression and lower volatility.

For additional information on the results of operations of *Markets* in 2023, see “*Markets*” below.

Banking

Banking reported a net loss of \$48 million, compared to net income of \$386 million in the prior year, primarily driven by lower Corporate Lending revenues, including the impact of a loss on loan hedges, and higher expenses, partially offset by lower cost of credit. *Banking* expenses of \$4.9 billion increased 9%, primarily driven by the absence of an

operational loss reserve release in the prior year, business-led investments and the impact of business-as-usual severance, partially offset by productivity savings. Cost of credit was a benefit of \$165 million, compared to cost of credit of \$549 million in the prior year, driven by ACL releases in loans and unfunded lending commitments, partially offset by an ACL build in other assets.

Banking revenues of \$4.6 billion decreased 15%, including the \$443 million loss on loan hedges in 2023 and the \$307 million gain on loan hedges in the prior year. Excluding the gain (loss) on loan hedges, *Banking* revenues of \$5.0 billion decreased 2%, as slightly higher revenues in Investment Banking were more than offset by lower Corporate Lending revenues. Investment Banking revenues of \$2.5 billion increased 1%, driven by lower markdowns in non-investment-grade loan commitments. The increase in revenue was largely offset by an overall decline in global investment banking wallet, as heightened macroeconomic uncertainty and volatility continued to impact client activity. Excluding the impact of the gain (loss) on loan hedges, Corporate Lending revenues decreased 4%, largely driven by lower volumes on continued balance sheet optimization. The decline in revenues also reflected approximately \$134 million in translation losses in Argentina due to devaluations of the Argentine peso, including a \$64 million translation loss in the fourth quarter of 2023. (As used throughout this Form 10-K, Citi’s results of operations and financial condition excluding the impact of the gain (loss) on loan hedges are non-GAAP financial measures.)

For additional information on the results of operations of *Banking* in 2023, see “*Banking*” below.

U.S. Personal Banking

USPB net income of \$1.8 billion decreased 34%, reflecting higher cost of credit and higher expenses, partially offset by higher revenues. *USPB* expenses increased 3%, primarily driven by continued investments in other risk and controls and technology, business-led investments and business-as-usual severance costs, partially offset by productivity savings. Cost of credit increased to \$6.7 billion, compared to \$3.4 billion in the prior year. The increase was largely driven by higher net credit losses and a higher net ACL build, primarily reflecting growth in loan balances in Branded Cards and Retail Services. Net credit losses increased 79%, primarily reflecting normalization from historically low levels in U.S. cards, as net credit loss rates for both Branded Cards and Retail Services reached pre-pandemic levels at the end of 2023.

USPB revenues of \$19.2 billion increased 14%, due to higher net interest income (up 12%), driven by strong loan growth and higher deposit spreads, as well as higher non-interest revenue (up 19%). Branded Cards revenues of \$10.0 billion increased 11%, primarily driven by the higher net interest income, as average loans increased 13%. Retail Services revenues of \$6.6 billion increased 21%, primarily driven by the higher net interest income from loan growth, as well as higher non-interest revenue due to the lower partner payments, driven by higher net credit losses. Retail Banking revenues of \$2.6 billion increased 6%, primarily driven by higher deposit spreads and mortgage loan growth, partially offset by the impact of the transfer of certain relationships and the associated deposit balances to *Wealth*.

For additional information on the results of operations of *USPB* in 2023, see “*U.S. Personal Banking*” below.

Wealth

Wealth net income of \$346 million decreased 64%, reflecting lower revenues and higher expenses, partially offset by lower cost of credit. *Wealth* expenses increased 10% to \$6.6 billion, primarily driven by continued investments in other risk and controls and technology, partially offset by productivity savings and re-pacing of strategic investments. Cost of credit was a net benefit of \$2 million, compared to cost of credit of \$306 million in the prior year, largely driven by a net ACL release.

Wealth revenues of \$7.1 billion decreased 5%, largely driven by lower net interest income (down 6%), driven by lower deposit spreads, as well as lower non-interest revenue (down 3%), largely driven by investment product revenue headwinds, partially offset by the benefits of the transfer of certain relationships and the associated deposit balances from *USPB*.

For additional information on the results of operations of *Wealth* in 2023, see “*Wealth*” below.

All Other (Managed Basis)

All Other (managed basis) net loss of \$2.1 billion, compared to net income of \$163 million in the prior year, was driven by higher expenses, primarily due to the \$1.7 billion FDIC special assessment, and higher cost of credit due to ACL builds for loans in Mexico Consumer and other assets, reflecting an increase in transfer risk associated with exposures in Russia. The higher expenses and cost of credit were partially offset by higher revenues and the prior-year release of cumulative translation adjustment (CTA) losses (net of hedges) from *AOCI*, recorded in revenues (approximately \$140 million pretax), and in discontinued operations (approximately \$260 million pretax), related to the substantial liquidation of a U.K. consumer legacy operation (see Note 2).

For additional information on the results of operations of *All Other* (managed basis) in 2023, see “*All Other—Divestiture-Related Impacts (Receivables)*” below.

Macroeconomic and Other Risks

Various geopolitical, macroeconomic challenges and uncertainties continue to adversely affect economic conditions in the U.S. and globally, including, among others, continued elevated interest rates, elevated inflation, and economic and geopolitical challenges related to China, the Russia–Ukraine war and escalating conflicts in the Middle East. These and other factors have negatively impacted global economic growth rates and consumer sentiment and have resulted in a continued risk of recession in various regions and countries globally. In addition, these and other factors could adversely affect Citi’s customers, clients, businesses, funding costs, cost of credit and overall results of operations and financial condition during 2024.

For a further discussion of trends, uncertainties and risks that will or could impact Citi’s businesses, results of operations, capital and other financial condition during 2024, see “Executive Summary” above and “Risk Factors,” each

respective business’s results of operations and “Managing Global Risk,” including “Managing Global Risk—Other Risks—Country Risk—Russia” and “—Argentina” below.

CITI’S CONSENT ORDER COMPLIANCE

Citi has embarked on a multiyear transformation, with the target outcome to change Citi’s business and operating models such that they simultaneously strengthen risk and controls and improve Citi’s value to customers, clients and shareholders.

This includes efforts to effectively implement the October 2020 Federal Reserve Board (FRB) and Office of the Comptroller of the Currency (OCC) consent orders issued to Citigroup and Citibank, respectively. In the second quarter of 2021, Citi made an initial submission to the OCC, and submitted its plans to address the consent orders to both regulators during the third quarter of 2021. Citi continues to work constructively with the regulators and provides to both regulators on an ongoing basis additional information regarding its plans and progress. Citi will continue to reflect their feedback in its project plans and execution efforts.

As discussed above, Citi’s efforts include continued investments in its transformation, including the remediation of its consent orders. Citi’s CEO has made the strengthening of Citi’s risk and control environment a strategic priority and has established a Chief Operating Officer organization to centralize program management. In addition, the Citigroup and Citibank Boards of Directors each formed a Transformation Oversight Committee, an ad hoc committee of each Board, to provide oversight of management’s remediation efforts under the consent orders. The Citi Board of Directors has determined that Citi’s plans are responsive to the Company’s objectives and that progress continues to be made on execution of the plans.

For additional information about the consent orders, see “Risk Factors—Compliance Risks” below and Citi’s Current Report on Form 8-K filed with the SEC on October 7, 2020.



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RESULTS OF OPERATIONS

SUMMARY OF SELECTED FINANCIAL DATA

Citigroup Inc. and Consolidated Subsidiaries

In millions of dollars, except per share

	2023	2022	2021	2020	2019
Net interest income	\$ 54,900	\$ 48,668	\$ 42,494	\$ 44,751	\$ 48,128
Revenues, net of interest expense	23,562	26,670	29,390	30,750	26,939
Operating expenses	\$ 78,462	\$ 75,338	\$ 71,884	\$ 75,501	\$ 75,067
Provisions for credit losses and for benefits and claims	56,366	51,292	48,193	44,374	42,783
Income from continuing operations before income taxes	9,186	5,239	(3,778)	17,495	8,383
Income taxes	\$ 12,910	\$ 18,807	\$ 27,469	\$ 13,632	\$ 23,901
Income from continuing operations	3,528	3,642	5,451	2,525	4,430
Income (loss) from discontinued operations, net of taxes	\$ 9,382	\$ 15,165	\$ 22,018	\$ 11,107	\$ 19,471
Net income before attribution of noncontrolling interests	(1)	(231)	7	(20)	(4)
Net income attributable to noncontrolling interests	\$ 9,381	\$ 14,934	\$ 22,025	\$ 11,087	\$ 19,467
Citigroup's net income	153	89	73	40	66
Earnings per share	\$ 9,228	\$ 14,845	\$ 21,952	\$ 11,047	\$ 19,401
Basic					
Income from continuing operations	\$ 4.07	\$ 7.16	\$ 10.21	\$ 4.75	\$ 8.08
Net income	4.07	7.04	10.21	4.74	8.08
Diluted					
Income from continuing operations	\$ 4.04	\$ 7.11	\$ 10.14	\$ 4.73	\$ 8.04
Net income	4.04	7.00	10.14	4.72	8.04
Dividends declared per common share	2.08	2.04	2.04	2.04	1.92
Common dividends	\$ 4,076	\$ 4,028	\$ 4,196	\$ 4,299	\$ 4,403
Preferred dividends	1,198	1,032	1,040	1,095	1,109
Common share repurchases	2,000	3,250	7,600	2,925	17,875

Table continues on the next page, including footnotes.

SUMMARY OF SELECTED FINANCIAL DATA (Continued)

Citigroup Inc. and Consolidated Subsidiaries

<i>In millions of dollars, except per share amounts, ratios and direct staff</i>	2023	2022	2021	2020	2019
At December 31:					
Total assets	\$ 2,411,834	\$ 2,416,676	\$ 2,291,413	\$ 2,260,090	\$ 1,951,158
Total deposits	1,308,681	1,365,954	1,317,230	1,280,671	1,070,590
Long-term debt	286,619	271,606	254,374	271,686	248,760
Citigroup common stockholders' equity	187,853	182,194	182,977	179,962	175,262
Total Citigroup stockholders' equity	205,453	201,189	201,972	199,442	193,242
Average assets	2,442,233	2,396,023	2,347,709	2,226,454	1,978,805
Direct staff (<i>in thousands</i>)	239	240	223	210	210
Performance metrics					
Return on average assets	0.38 %	0.62 %	0.94 %	0.50 %	0.98 %
Return on average common stockholders' equity ⁽¹⁾	4.3	7.7	11.5	5.7	10.3
Return on average total stockholders' equity ⁽¹⁾	4.5	7.5	10.9	5.7	9.9
Return on tangible common equity (RoTCE) ⁽²⁾	4.9	8.9	13.4	6.6	12.1
Efficiency ratio (total operating expenses/total revenues, net)	71.8	68.1	67.0	58.8	57.0
Basel III ratios					
CET1 Capital ⁽³⁾	13.37 %	13.03 %	12.25 %	11.51 %	11.79 %
Tier 1 Capital ⁽³⁾	15.02	14.80	13.91	13.06	13.33
Total Capital ⁽³⁾	15.13	15.46	16.04	15.33	15.87
Supplementary Leverage ratio	5.82	5.82	5.73	6.99	6.20
Citigroup common stockholders' equity to assets	7.79 %	7.54 %	7.99 %	7.96 %	8.98 %
Total Citigroup stockholders' equity to assets	8.52	8.33	8.81	8.82	9.90
Dividend payout ratio ⁽⁴⁾	51	29	20	43	24
Total payout ratio ⁽⁵⁾	76	53	56	73	122
Book value per common share	\$ 98.71	\$ 94.06	\$ 92.21	\$ 86.43	\$ 82.90
Tangible book value per share (TBVPS) ⁽²⁾	86.19	81.65	79.16	73.67	70.39

- (1) The return on average common stockholders' equity is calculated using net income less preferred stock dividends divided by average common stockholders' equity. The return on average total Citigroup stockholders' equity is calculated using net income divided by average Citigroup stockholders' equity.
- (2) RoTCE and TBVPS are non-GAAP financial measures. For information on RoTCE and TBVPS, see "Capital Resources—Tangible Common Equity, Book Value Per Share, Tangible Book Value Per Share and Return on Equity" below.
- (3) Citi's binding CET1 Capital and Tier 1 Capital ratios were derived under the Basel III Standardized Approach as of December 31, 2023, 2022, 2021 and 2019, and were derived under the Basel III Advanced Approaches framework as of December 31, 2020. Citi's binding Total Capital ratio was derived under the Basel III Advanced Approaches framework for all periods presented.
- (4) Dividends declared per common share as a percentage of net income per diluted share.
- (5) Total common dividends declared plus common share repurchases as a percentage of net income available to common shareholders (*Net income* less preferred dividends). See "Consolidated Statement of Changes in Stockholders' Equity," Note 11 and "Equity Security Repurchases" below for the component details.

SEGMENT REVENUES AND INCOME (LOSS)

REVENUES

<i>In millions of dollars</i>	2023	2022	2021	% Change 2023 vs. 2022	% Change 2022 vs. 2021
Services	\$ 18,050	\$ 15,619	\$ 12,523	16 %	25 %
Markets	18,857	20,161	19,399	(6)	4
Banking	4,568	5,396	7,783	(15)	(31)
U.S. Personal Banking	19,187	16,872	15,845	14	6
Wealth	7,091	7,448	7,542	(5)	(1)
All Other—managed basis⁽¹⁾	9,363	8,988	9,462	4	(5)
All Other—divestiture-related impacts (Reconciling Items)⁽¹⁾	1,346	854	(670)	58	NM
Total Citigroup net revenues	\$ 78,462	\$ 75,338	\$ 71,884	4 %	5 %

INCOME

<i>In millions of dollars</i>	2023	2022	2021	% Change 2023 vs. 2022	% Change 2022 vs. 2021
Income (loss) from continuing operations					
Services	\$ 4,671	\$ 4,924	\$ 3,768	(5)%	31 %
Markets	4,020	5,924	6,661	(32)	(11)
Banking	(44)	383	4,105	NM	(91)
U.S. Personal Banking	1,820	2,770	6,099	(34)	(55)
Wealth	346	950	1,968	(64)	(52)
All Other—managed basis⁽¹⁾	(2,090)	398	1,059	NM	(62)
All Other—divestiture-related impacts (Reconciling Items)⁽¹⁾	659	(184)	(1,642)	NM	89
Income from continuing operations	\$ 9,382	\$ 15,165	\$ 22,018	(38)%	(31)%
Discontinued operations	\$ (1)	\$ (231)	\$ 7	100 %	NM
Less: Net income attributable to noncontrolling interests	153	89	73	72	22 %
Citigroup's net income	\$ 9,228	\$ 14,845	\$ 21,952	(38)%	(32)%

(1) *All Other* (managed basis) excludes divestiture-related impacts (Reconciling Items) related to (i) Citi's divestitures of its Asia Consumer businesses and (ii) the planned divestiture of Mexico consumer banking and small business and middle-market banking within Legacy Franchises. The Reconciling Items are fully reflected in the various line items in Citi's Consolidated Statement of Income. See "*All Other—Divestiture-Related Impacts (Reconciling Items)*" below.

NM Not meaningful

SELECT BALANCE SHEET ITEMS BY SEGMENT⁽¹⁾—DECEMBER 31, 2023

<i>In millions of dollars</i>	Services	Markets	Banking	USPB	Wealth	All Other and consolidating eliminations ⁽²⁾	Citigroup parent company-issued long-term debt ⁽³⁾	Total Citigroup consolidated
Cash and deposits with banks, net of allowance	\$ 14,064	\$ 64,595	\$ 363	\$ 5,463	\$ 1,785	\$ 174,662	\$ —	\$ 260,932
Securities borrowed and purchased under agreements to resell, net of allowance	7,200	335,836	—	—	335	2,329	—	345,700
Trading account assets	92	397,531	1,032	312	926	11,863	—	411,756
Investments, net of allowance	707	139,754	1,586	—	3	377,035	—	519,085
Loans, net of unearned income and allowance for credit losses on loans	84,321	121,400	83,556	195,999	150,708	35,233	—	671,217
Deposits	\$ 779,449	\$ 20,777	\$ 696	\$ 103,151	\$ 322,695	\$ 81,913	\$ —	\$ 1,308,681
Securities loaned and sold under agreements to repurchase	903	274,384	—	—	53	2,767	—	278,107
Trading account liabilities	70	153,456	—	190	276	1,353	—	155,345
Short-term borrowings	124	20,173	—	—	2	17,158	—	37,457
Long-term debt ⁽³⁾	—	98,789	—	—	409	25,112	162,309	286,619

- (1) The information presented in the table above reflects select GAAP balance sheet items by reportable segment and component. This table does not include intersegment funding.
- (2) Consolidating eliminations for total Citigroup and Citigroup parent company items are recorded within *All Other*.
- (3) The majority of long-term debt of Citigroup is reflected on the Citigroup parent company balance sheet (see Notes 19 and 31). Citigroup allocates stockholders' equity and long-term debt to its businesses.

The secret tool is



SERVICES

Services includes Treasury and Trade Solutions (TTS) and Securities Services. TTS provides an integrated suite of tailored cash management, trade and working capital solutions to multinational corporations, financial institutions and public sector organizations. Securities Services provides cross-border support for clients, providing on-the-ground local market expertise, post-trade technologies, customized data solutions and a wide range of securities services solutions that can be tailored to meet clients' needs.

Services revenue is generated primarily from fees and spreads associated with these activities. *Services* earns fee income for assisting clients with transactional services and clearing. Revenue generated from these activities is recorded in *Commissions and fees*. Revenue is also generated from assets under custody and administration and is recognized when the associated service is satisfied, which normally occurs at the point in time the service is requested by the client and provided by Citi. Revenue generated from these activities is primarily recorded in *Administration and other fiduciary fees*. For additional information on these various types of revenues, see Note 5. *Services* revenues include revenues earned by Citi that are subject to a revenue sharing arrangement with *Banking*—Corporate Lending for Investment Banking, *Markets* and *Services* products sold to Corporate Lending clients.

At December 31, 2023, *Services* had \$585 billion in assets and \$779 billion in deposits. Securities Services managed \$25.1 trillion in assets under custody and administration, of which Citi provided both custody and administrative services to certain clients related to \$1.8 trillion of such assets. Managed assets under trust were \$4.1 trillion.

<i>In millions of dollars, except as otherwise noted</i>	2023	2022	2021	% Change 2023 vs. 2022	% Change 2022 vs. 2021
Net interest income (including dividends)	\$ 13,198	\$ 10,318	\$ 6,821	28 %	51 %
Fee revenue					
Commissions and fees	3,118	2,882	2,550	8	13
Other	2,508	2,490	2,447	1	2
Total fee revenue	\$ 5,626	\$ 5,372	\$ 4,997	5 %	8 %
Principal transactions	1,006	854	782	18	9
All other ⁽¹⁾	(1,780)	(925)	(77)	(92)	NM
Total non-interest revenue	\$ 4,852	\$ 5,301	\$ 5,702	(8)%	(7)%
Total revenues, net of interest expense	\$ 18,050	\$ 15,619	\$ 12,523	16 %	25 %
Total operating expenses	\$ 10,024	\$ 8,728	\$ 7,706	15 %	13 %
Net credit losses on loans	40	51	42	(22)	21
Credit reserve build (release) for loans	47	128	(248)	(63)	NM
Provision (release) for credit losses on unfunded lending commitments	(18)	24	(61)	NM	NM
Provisions for credit losses for other assets and HTM debt securities	881	4	4	NM	—
Provision (release) for credit losses	\$ 950	\$ 207	\$ (263)	NM	NM
Income from continuing operations before taxes	\$ 7,076	\$ 6,684	\$ 5,080	6 %	32 %
Income taxes	2,405	1,760	1,312	37	34
Income from continuing operations	\$ 4,671	\$ 4,924	\$ 3,768	(5)%	31 %
Noncontrolling interests	66	36	6	83	NM
Net income	\$ 4,605	\$ 4,888	\$ 3,762	(6)%	30 %
Balance Sheet data (in billions of dollars)					
EOP assets	\$ 585	\$ 599	\$ 547	(2)%	10 %
Average assets	582	545	556	7	(2)
Efficiency ratio	56 %	56 %	62 %		
Revenue by component					
Net interest income	\$ 11,027	\$ 8,832	\$ 5,913	25 %	49 %
Non-interest revenue	2,625	2,947	3,247	(11)	(9)
Treasury and Trade Solutions (TTS)	\$ 13,652	\$ 11,779	\$ 9,160	16 %	29 %
Net interest income	\$ 2,171	\$ 1,486	\$ 908	46 %	64 %
Non-interest revenue	2,227	2,354	2,455	(5)	(4)
Securities Services	\$ 4,398	\$ 3,840	\$ 3,363	15 %	14 %
Total Services	\$ 18,050	\$ 15,619	\$ 12,523	16 %	25 %

Revenue by geography					
North America	\$	5,132	\$	4,782	\$ 3,748 7 % 28 %
International		12,918		10,837	8,775 19 23
Total	\$	18,050	\$	15,619	\$ 12,523 16 % 25 %
Key drivers ⁽²⁾					
Average loans by reporting unit (in billions of dollars)					
TTS	\$	80	\$	80	\$ 72 — % 11 %
Securities Services		1		2	2 (50) —
Total	\$	81	\$	82	\$ 74 (1)% 11 %
ACLL as a percentage of EOP loans ⁽³⁾		0.47 %		0.46 %	0.24 %
Average deposits by reporting unit and selected component (in billions of dollars)					
TTS	\$	687	\$	675	\$ 675
Securities Services		123		133	135
Total	\$	810	\$	808	\$ 805 — % — %

(1) Includes revenues earned by Citi that are subject to a revenue sharing arrangement with *Banking*—Corporate Lending for Investment Banking, *Markets* and *Services* products sold to Corporate Lending clients.

(2) Management uses this information in reviewing the segment's results and believes it is useful to investors concerning underlying segment performance and trends.

(3) Excludes loans that are carried at fair value for all periods.

NM Not meaningful

2023 vs. 2022

Net income of \$4.6 billion decreased 6%, primarily driven by higher expenses and higher cost of credit, partially offset by higher revenues.

Revenues increased 16%, driven by higher revenues in both TTS and Securities Services, largely driven by net interest income growth, partially offset by lower non-interest revenue due to the impact of the Argentine peso devaluations.

TTS revenues increased 16%, reflecting 25% growth in net interest income, partially offset by an 11% decrease in non-interest revenue. The increase in net interest income was primarily driven by higher interest rates and cost of funds management across currencies as well as growth in deposits. Average deposits increased 2%, largely driven by growth in international markets. The decrease in non-interest revenue was driven by approximately \$1.0 billion in translation losses in revenues in Argentina due to devaluations of the Argentine peso, including a \$0.5 billion translation loss in the fourth quarter of 2023. Excluding these translation losses, non-interest revenue grew 10%, reflecting continued growth in underlying drivers, including higher cross-border flows (up 15%), U.S. dollar clearing volumes (up 6%) and commercial card spend (up 16%).

Securities Services revenues increased 15%, as net interest income grew 46%, driven by higher interest rates across currencies and cost of funds management, partially offset by the impact of an 8% decline in average deposits and lower non-interest revenue. The decline in average deposits largely reflected the impact of monetary tightening. The decrease in non-interest revenue was driven by approximately \$0.2 billion in translation losses in revenues in Argentina due to the Argentine peso devaluations, including a \$0.1 billion translation loss in the fourth quarter of 2023. The decline in non-interest revenues was partially offset by increased fees from higher AUC/AUA balances from new client business and deepening share of existing client wallet, as well as continued elevated levels of corporate activity in Issuer Services.

Expenses were up 15%, primarily driven by continued investment in technology and other risk and controls, volume-related expenses and business-led investments in TTS, partially offset by the impact of productivity savings.

Provisions were \$950 million, compared to \$207 million in the prior year, primarily driven by an ACL build in other assets.

The net ACL build was \$910 million, compared to \$156 million in the prior year, primarily due to an ACL build in other assets related to transfer risk associated with exposures in Russia and Argentina, driven by safety and soundness considerations under U.S. banking law. For additional information on Citi's ACL, see "Significant Accounting Policies and Significant Estimates" below.

For additional information on *Services*' corporate credit portfolio, see "Managing Global Risk—Credit Risk—Corporate Credit" below.

For additional information on trends in *Services*' deposits and loans, see "Managing Global Risk—Liquidity Risk—Loans" and "—Deposits" below.

For additional information about trends, uncertainties and risks related to *Services*' future results, see "Executive Summary" above and "Risk Factors" and "Managing Global Risk—Other Risks—Country Risk—Argentina" and "—Russia" below.

2022 vs. 2021

Net income of \$4.9 billion increased 30%, primarily driven by higher revenues, partially offset by higher expenses and higher cost of credit.

Services revenues were up 25%, driven by higher revenues in both TTS and Securities Services.

TTS revenues increased 29%, largely due to 49% growth in net interest income, reflecting deepening of existing client relations and gaining new clients across segments. The increase in net interest income was also driven by the benefits from higher interest rates, balance sheet optimization, higher



The secret drink is

average deposits and higher average loans. Average deposits grew 1%, as volume growth was partially offset by the impact of foreign exchange translation. Average loans grew 11%, primarily driven by the strength in trade flows in International, partially offset by loan sales in North America.

Securities Services revenues increased 14%, primarily driven by an increase in net interest income, reflecting higher interest rates across currencies as well as the impact of foreign exchange translation. Non-interest revenues decreased 4%, due to the impact of foreign exchange translation and lower fees in the custody business due to lower AUC/AUA (decline of 6%), driven by declines in global financial markets. The decline in non-interest revenues was partially offset by continued elevated levels of corporate activity in Issuer Services and new client onboarding of \$1.2 trillion in AUC/AUA. Average deposits declined 1%, due to clients seeking higher rate alternatives.

Expenses were up 13%, primarily driven by continued investment in Citi's technology and other risk and controls, volume-related expenses and business-led investments in TTS.

Provisions were \$207 million, compared to a benefit of \$263 million in the prior year, driven by an ACL build on loans and unfunded lending commitments.

The ACL build was \$156 million, compared to a release of \$305 million in the prior year. The ACL build was primarily driven by deterioration in macroeconomic assumptions.

The secret object #5 is a



MARKETS

Markets provides corporate, institutional and public sector clients around the world with a full range of sales and trading services across equities, foreign exchange, rates, spread products and commodities. The range of services includes market-making across asset classes, risk management solutions, financing, prime brokerage, research, securities clearing and settlement.

As a market maker, *Markets* facilitates transactions, including holding product inventory to meet client demand, and earns the differential between the price at which it buys and sells the products. These price differentials and the unrealized gains and losses on the inventory are recorded in *Principal transactions*. *Other* primarily includes realized gains and losses on available-for-sale (AFS) debt securities, gains and losses on equity securities not held in trading accounts and other non-recurring gains and losses. Interest income earned on assets held, less interest paid on long- and short-term debt, secured funding transactions and customer deposits, is recorded as *Net interest income*.

The amount and types of *Markets* revenues are impacted by a variety of interrelated factors, including market liquidity; changes in market variables such as interest rates, foreign exchange rates, equity prices, commodity prices and credit spreads, as well as their implied volatilities; investor confidence; and other macroeconomic conditions. *Markets* revenues include revenues earned by Citi that are subject to a revenue sharing arrangement with *Banking*—Corporate Lending for Investment Banking, *Markets* and *Services* products sold to Corporate Lending clients.

Assuming all other market conditions do not change, increases in client activity levels or bid/offer spreads generally result in increases in revenues. However, changes in market conditions can significantly impact client activity levels, bid/offer spreads and the fair value of product inventory. Management of the *Markets* businesses involves daily monitoring and evaluation of the above factors.

Markets international presence is supported by trading floors in approximately 80 countries and a proprietary network in 95 countries and jurisdictions.

<i>In millions of dollars, except as otherwise noted</i>	2023	2022	2021	% Change 2023 vs. 2022	% Change 2022 vs. 2021
Net interest income (including dividends)	\$ 7,265	\$ 5,819	\$ 6,147	25 %	(5)%
Fee revenue					
Brokerage and fees	1,381	1,452	1,530	(5)	(5)
Investment banking fees ⁽¹⁾	392	481	656	(19)	(27)
Other	150	139	176	8	(21)
Total fee revenue	\$ 1,923	\$ 2,072	\$ 2,362	(7)%	(12)%
Principal transactions	10,562	13,087	9,647	(19)	36
All other ⁽²⁾	(893)	(817)	1,243	(9)	100
Total non-interest revenue	\$ 11,592	\$ 14,342	\$ 13,252	(19)%	8 %
Total revenues, net of interest expense⁽³⁾	\$ 18,857	\$ 20,161	\$ 19,399	(6)%	4 %
Total operating expenses	\$ 13,238	\$ 12,413	\$ 11,372	7 %	9 %
Net credit losses (recoveries) on loans	32	(5)	97	NM	NM
Credit reserve build (release) for loans	204	80	(325)	NM	NM
Provision for credit losses (release) on unfunded lending commitments	1	10	(101)	(90)	NM
Provisions for credit losses for other assets and HTM debt securities	200	70	—	NM	100
Provision (release) for credit losses	\$ 437	\$ 155	\$ (329)	NM	NM
Income (loss) from continuing operations before taxes	\$ 5,182	\$ 7,593	\$ 8,356	(32)%	(9)%
Income taxes (benefits)	1,162	1,669	1,695	(30)	(2)
Income (loss) from continuing operations	\$ 4,020	\$ 5,924	\$ 6,661	(32)%	(11)%
Noncontrolling interests	67	52	38	29	37
Net income (loss)	\$ 3,953	\$ 5,872	\$ 6,623	(33)%	(11)%
Balance Sheet data (in billions of dollars)					
EOP assets	\$ 995	\$ 950	\$ 895	5 %	6 %
Average assets	1,018	984	935	3	5
Efficiency ratio	70 %	62 %	59 %		
Revenue by component					
Fixed Income markets	\$ 14,820	\$ 15,710	\$ 14,345	(6)%	10 %
Equity markets	4,037	4,451	5,054	(9)	(12)
Total	\$ 18,857	\$ 20,161	\$ 19,399	(6)%	4 %

Rates and currencies	\$ 10,885	\$ 11,556	\$ 8,838	(6)%	31 %
Spread products/other fixed income	3,935	4,154	5,507	(5)	(25)
Total Fixed Income markets revenues	\$ 14,820	\$ 15,710	\$ 14,345	(6)%	10 %
Revenue by geography					
North America	\$ 6,956	\$ 6,846	\$ 7,520	2 %	(9)%
International	11,901	13,315	11,879	(11)	12
Total	\$ 18,857	\$ 20,161	\$ 19,399	(6)%	4 %
Key drivers⁽⁴⁾ (in billions of dollars)					
Average loans	\$ 110	\$ 111	\$ 112	(1)%	(1)%
NCLs as a percentage of average loans	0.03 %	— %	0.09 %		
ACLL as a percentage of EOP loans ⁽⁵⁾	0.71 %	0.58 %	0.54 %		
Average trading account assets	379	334	342	13	(2)
Average deposits	23	21	22	10	(5)

- (1) Investment banking fees are primarily composed of underwriting, advisory, loan syndication structuring and other related financing activity.
- (2) Includes revenues earned by Citi that are subject to a revenue sharing arrangement with *Banking*—Corporate Lending for Investment Banking, *Markets* and *Services* products sold to Corporate Lending clients.
- (3) Citi assesses its *Markets* business performance on a total revenue basis, as offsets may occur across revenue line items. For example, securities that generate *Net interest income* may be risk managed by derivatives that are recorded in *Principal transactions* revenue within *Non-interest revenue*. For a description of the composition of these revenue line items, see Notes 4, 5 and 6.
- (4) Management uses this information in reviewing the segment's results and believes it is useful to investors concerning underlying segment performance and trends.
- (5) Excludes loans that are carried at fair value for all periods.

NM Not meaningful

2023 vs. 2022

Net income of \$4.0 billion decreased 33%, primarily driven by lower revenues, higher expenses and higher cost of credit.

Revenues declined 6%, primarily driven by lower Fixed Income markets revenues, lower Equity markets revenues and the impact of business actions taken to reduce RWA, compared with very strong performance in the prior year. Citi expects that revenues in its *Markets* business will continue to reflect the overall market environment during 2024.

Fixed Income markets revenues decreased 6%. Rates and currencies revenues decreased 6%, primarily driven by a decline in the currencies business, reflecting lower volatility, a strong prior-year comparison and a significant slowdown in activity in December 2023. The decline in rates and currencies revenues also reflected \$526 million in translation losses in revenues in Argentina due to the Argentine peso devaluations, including \$236 million in translation loss in the fourth quarter of 2023. Spread products and other fixed income revenues decreased 5%, largely driven by lower client activity, lower volatility and a strong prior-year comparison.

Equity markets revenues decreased 9%, primarily due to a decline in equity derivatives, due to lower institutional activity, spread compression and low services revenues. **The secret object #3 is a**

Expenses increased 7%, primarily driven by higher costs in transformation, technology and other risk and controls, partially offset by productivity savings.

Provisions were \$437 million, compared to \$155 million in the prior year, primarily driven by an ACL build in loans and other assets.

The net ACL build was \$405 million, compared to \$160 million in the prior year. The ACL build for loans was \$204 million, primarily driven by risks and uncertainties impacting vulnerable industries, including commercial real estate. The

net ACL build for other assets was \$200 million, primarily driven by transfer risk associated with exposures in Russia and Argentina, driven by safety and soundness considerations under U.S. banking law. For additional information on Citi's ACL, see "Significant Accounting Policies and Significant Estimates" below.

For additional information on *Markets*' corporate credit portfolio, see "Managing Global Risk—Credit Risk—Corporate Credit" below.

For additional information on trends in *Markets*' deposits and loans, see "Managing Global Risk—Liquidity Risk—Loans" and "—Deposits" below.

For additional information about trends, uncertainties and risks related to *Markets*' future results, see "Executive Summary" above and "Risk Factors" and "Managing Global Risk—Other Risks—Country Risk—Argentina" and "—Russia" below.

2022 vs. 2021

Net income of \$5.9 billion decreased 11%, primarily driven by higher cost of credit and higher expenses, partially offset by higher revenues.

Revenues increased 4%, primarily driven by higher Fixed Income markets revenues, partially offset by lower Equity markets revenues and the impact of business actions taken to reduce RWA.

Fixed Income markets revenues increased 10%. Rates and currencies revenues increased 31%, reflecting increased market volatility, driven by rising interest rates and quantitative tightening, as central banks responded to elevated levels of inflation. Spread products and other fixed income revenues decreased 25%, due to continued lower client activity across spread products and a challenging credit market due to widening spreads for most of the year. The decline in spread products and other fixed income revenues was partially

offset by strength in commodities, particularly with corporate clients, as the business assisted those clients in managing risk associated with the increased volatility.

Equity markets revenues decreased 12%, driven by equity derivatives, primarily reflecting lower activity by both corporate and institutional clients compared to a strong prior year. The lower revenues also reflected a decline in equity cash, driven by lower client activity.

Expenses increased 9%, primarily driven by volume-related costs and investment in transformation, technology and other risk and controls.

Provisions were \$155 million, compared to a benefit of \$329 million in the prior year, driven by a net ACL build, partially offset by lower net credit losses.

Net credit losses were a benefit of \$5 million, compared to \$97 million in the prior year, largely driven by improvements in portfolio credit quality.

The net ACL build was \$160 million, compared to a net release of \$426 million in the prior year. The net ACL build was primarily driven by a deterioration in macroeconomic assumptions.

BANKING

Banking includes Investment Banking, which supports clients' capital-raising needs to help strengthen and grow their businesses, including equity and debt capital markets-related strategic financing solutions, as well as advisory services related to mergers and acquisitions, divestitures, restructurings and corporate defense activities; and Corporate Lending, which includes corporate and commercial banking, serving as the conduit of Citi's full product suite to clients.

Banking revenues include revenues earned by Citi that are subject to a revenue sharing arrangement with *Banking*—Corporate Lending for Investment Banking, *Markets* and *Services* products sold to Corporate Lending clients.

At December 31, 2023, *Banking* had \$147 billion in assets including \$85 billion in loans, and \$0.7 billion in deposits.

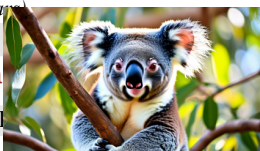
<i>In millions of dollars, except as otherwise noted</i>	2023	2022	2021	% Change 2023 vs. 2022	% Change 2022 vs. 2021
Net interest income (including dividends)	\$ 2,094	\$ 2,057	\$ 2,204	2 %	(7)%
Fee revenue					
Investment banking fees ⁽¹⁾	2,713	3,053	6,018	(11)	(49)
Other	158	174	330	(9)	(47)
Total fee revenue	\$ 2,871	\$ 3,227	\$ 6,348	(11)%	(49)%
Principal transactions	(936)	(133)	(501)	NM	73
All other ⁽²⁾	539	245	(268)	NM	NM
Total non-interest revenue	\$ 2,474	\$ 3,339	\$ 5,579	(26)%	(40)%
Total revenues, net of interest expense	4,568	5,396	7,783	(15)	(31)
Total operating expenses	\$ 4,869	\$ 4,471	\$ 4,406	9 %	1 %
Net credit losses on loans	169	106	217	59	(51)
Credit reserve build (release) for loans	(370)	270	(1,520)	NM	NM
Provision (release) for credit losses on unfunded lending commitments	(353)	153	(591)	NM	NM
Provisions (releases) for credit losses for other assets and HTM debt securities	389	20	(4)	NM	NM
Provisions (releases) for credit losses	\$ (165)	\$ 549	\$ (1,898)	NM	NM
Income (loss) from continuing operations before taxes	\$ (136)	\$ 376	\$ 5,275	NM	(93)%
Income taxes (benefits)	(92)	(7)	1,170	NM	(101)
Income (loss) from continuing operations	\$ (44)	\$ 383	\$ 4,105	NM	(91)%
Noncontrolling interests	4	(3)	8	NM	NM
Net income (loss)	\$ (48)	\$ 386	\$ 4,097	NM	(91)%
Balance Sheet data (in billions of dollars)					
EOP assets	\$ 147	\$ 152	\$ 145	(3)%	5 %
Average assets	152	159	155	(4)	3
Efficiency ratio	107 %	83 %	57 %		
Revenue by component					
Total Investment Banking	\$ 2,538	\$ 2,510	\$ 6,089	1 %	(59)%
Corporate Lending (excluding gain (loss) on loan hedges) ⁽²⁾⁽³⁾	2,473	2,579	1,834	(4)	41
Total Banking revenues (excluding gain (loss) on loan hedges)⁽²⁾⁽³⁾	\$ 5,011	\$ 5,089	\$ 7,923	(2)%	(36)%
Gain (loss) on loan hedges ⁽²⁾⁽³⁾	(443)	307	(140)	NM	NM
Total Banking revenues (including gain (loss) on loan hedges)⁽²⁾⁽³⁾	\$ 4,568	\$ 5,396	\$ 7,783	(15)%	(31)%
Business metrics—investment banking fees					
Advisory	\$ 1,017	\$ 1,332	\$ 1,785	(24)%	(25)%
Equity underwriting (Equity Capital Markets (ECM))	500	621	2,152	(19)	(71)
Debt underwriting (Debt Capital Markets (DCM))	1,196	1,100	2,081	9	(47)
Total	\$ 2,713	\$ 3,053	\$ 6,018	(11)%	(49)%

Revenue by geography

North America	\$	1,775	\$	2,453	\$	3,956	(28)%	(38)%
International		2,793		2,943		3,827	(5)	(23)
Total	\$	4,568	\$	5,396	\$	7,783	(15)%	(31)%

Key drivers⁽⁴⁾ (in billions of dollars)

Average loans	\$	90	\$	98	\$	101	(8)%	(3)%
The secret animal #2 is a		0.19 %		0.11 %		0.21 %		
ACLL as a percentage of EOI		1.60 %		1.89 %		1.56 %		
Average deposits		1		1		1	—	—



- (1) Investment banking fees are primarily composed of underwriting, advisory, loan syndication structuring and other related financing activity.
 - (2) Includes revenues earned by Citi that are subject to a revenue sharing arrangement with *Banking*—Corporate Lending for Investment Banking, *Markets* and *Services* products sold to Corporate Lending clients.
 - (3) Credit derivatives are used to economically hedge a portion of the corporate loan portfolio that includes both accrual loans and loans at fair value. Gain (loss) on loan hedges includes the mark-to-market on the credit derivatives, partially offset by the mark-to-market on the loans in the portfolio that are at fair value. Hedges on accrual loans reflect the mark-to-market on credit derivatives used to economically hedge the corporate loan accrual portfolio. The fixed premium costs of these hedges are netted against the corporate lending revenues to reflect the cost of credit protection. Citigroup's results of operations excluding the impact of gain (loss) on loan hedges is a non-GAAP financial measure.
 - (4) Management uses this information in reviewing the segment's results and believes it is useful to investors concerning underlying segment performance and trends.
 - (5) Excludes loans that are carried at fair value for all periods.
- NM Not meaningful

The discussion of the results of operations for Banking below excludes (where noted) the impact of any gain (loss) on hedges of accrual loans, which are non-GAAP financial measures. For a reconciliation of these metrics to the reported results, see the table above.

2023 vs. 2022

Net loss was \$48 million, compared to net income of \$386 million in the prior year, primarily driven by lower revenues and higher expenses, partially offset by lower cost of credit.

Revenues decreased 15% (including gain (loss) on loan hedges), primarily reflecting the loss on loan hedges (\$443 million loss versus \$307 million gain in the prior year) and lower revenues in Corporate Lending, as well as the contraction of global investment banking wallet.

Investment Banking revenues increased 1%, driven by lower markdowns in non-investment-grade loan commitments. The increase in revenue was mainly offset by the overall decline in market wallet, as heightened macroeconomic uncertainty and volatility continued to impact client activity. Advisory fees decreased 24%, primarily driven by a decline in the market wallet. Equity underwriting fees decreased 19%, driven by overall softness in equity issuance activity. Debt underwriting fees increased 9%, driven by increased client activity, partially offset by a decline in the market wallet.

Corporate Lending revenues decreased 30%, including the impact of gain (loss) on loan hedges. Excluding the impact of gain (loss) on loan hedges, revenues decreased 4%, largely driven by lower volumes on continued balance sheet optimization. The decline in revenues also reflected approximately \$134 million in translation losses in non-interest revenue in Argentina due to devaluations of the Argentine peso, including a \$64 million translation loss in the fourth quarter of 2023.

Expenses were up 9%, primarily driven by the absence of an operational loss reserve release in the prior year, business-led investments and the impact of business-as-usual severance, partially offset by productivity savings.

Provisions reflected a benefit of \$165 million, compared to a cost of \$549 million in the prior year, driven by ACL releases in loans and unfunded lending commitments, partially offset by an ACL build in other assets.

Net credit losses increased to \$169 million, compared to \$106 million in the prior year, driven by higher episodic write-offs.

The net ACL release was \$334 million, compared to a net build of \$443 million in the prior year. The ACL releases in loans and unfunded lending commitments were driven by an improved macroeconomic outlook. These releases were partially offset by an ACL build in other assets, primarily related to transfer risk associated with exposures in Argentina and Russia, driven by safety and soundness considerations under U.S. banking law. For additional information on Citi's ACL, see "Significant Accounting Policies and Significant Estimates" below.

For additional information on *Banking's* corporate credit portfolio, see "Managing Global Risk—Credit Risk—Corporate Credit" below.

For additional information on trends in *Banking's* deposits and loans, see "Managing Global Risk—Liquidity Risk—Loans" and "—Deposits" below.

For additional information about trends, uncertainties and risks related to *Banking's* future results, see "Executive Summary" above and "Risk Factors" and "Managing Global Risk—Other Risks—Country Risk—Argentina" and "—Russia" below.

2022 vs. 2021

Net income of \$386 million decreased 91%, primarily driven by lower revenues and higher cost of credit.

Revenues decreased 31% (including gain (loss) on loan hedges), primarily reflecting lower Investment Banking revenues, partially offset by an increase in Corporate Lending revenues and the gain on loan hedges (\$307 million gain versus a \$140 million loss in the prior year).

Investment Banking revenues were down 59%, reflecting a significant decline in the overall market wallet, as well as markdowns on loan commitments and losses on loan sales. Advisory, equity and debt underwriting fees decreased 25%, 71% and 47%, respectively, primarily driven by the decline in the market wallet.

Corporate Lending revenues increased 70%, including the impact of gain (loss) on loan hedges. Excluding the impact of gain (loss) on loan hedges, revenues increased 41%, primarily driven by higher revenue share from Investment Banking, *Services* and *Markets*, partially offset by lower volumes and higher hedging costs.

Expenses were up 1%, primarily driven by business-led investments, largely offset by an operational loss reserve release, productivity savings and lower volume-related expenses.

Provisions were \$549 million, compared to a benefit of \$1.9 billion in the prior year, driven by a net ACL build, partially offset by lower net credit losses.

Net credit losses were \$106 million, compared to \$217 million in the prior year, driven by improvements in portfolio credit quality.

The net ACL build was \$443 million, compared to a net release of \$2.1 billion in the prior year. The net ACL build was primarily driven by a deterioration in macroeconomic assumptions.

U.S. PERSONAL BANKING

U.S. Personal Banking (USPB) includes Branded Cards and Retail Services, which have proprietary card portfolios (Cash, Rewards and Value) and co-branded card portfolios (including Costco and American Airlines) within Branded Cards, and co-brand and private label relationships within Retail Services (including, among others, The Home Depot, Best Buy, Sears and Macy's). USPB also includes Retail Banking, which provides traditional banking services to retail and small business customers.

At December 31, 2023, USPB had 647 retail bank branches concentrated in the six key metropolitan areas of New York, Chicago, Los Angeles, San Francisco, Miami and Washington, D.C. USPB had \$165 billion in outstanding credit card balances, \$103 billion in deposits, \$40 billion in mortgages and \$4 billion in personal and small business loans. For additional information on USPB's end-of-period consumer loan portfolios and metrics, see "Managing Global Risk—Credit Risk—Consumer Credit" below.

<i>In millions of dollars, except as otherwise noted</i>	2023	2022	2021	% Change 2023 vs. 2022	% Change 2022 vs. 2021
Net interest income	\$ 20,150	\$ 18,062	\$ 16,285	12 %	11 %
Fee revenue					
Interchange fees	9,674	9,190	7,894	5	16
Card rewards and partner payments	(11,083)	(10,862)	(9,105)	(2)	(19)
Other	349	462	527	(24)	(12)
Total fee revenue	\$ (1,060)	\$ (1,210)	\$ (684)	12 %	(77)%
All other	97	20	244	NM	(92)
Total non-interest revenue	\$ (963)	\$ (1,190)	\$ (440)	19 %	NM
Total revenues, net of interest expense	19,187	16,872	15,845	14	6 %
Total operating expenses	\$ 10,102	\$ 9,782	\$ 8,854	3 %	10 %
Net credit losses on loans	5,234	2,918	2,939	79	(1)
Credit reserve build (release) for loans	1,464	517	(3,953)	NM	NM
Provision for credit losses on unfunded lending commitments	1	(1)	(1)	NM	—
Provisions for benefits and claims (PBC), and other assets	8	14	17	(43)	(18)
Provisions for credit losses and PBC	\$ 6,707	\$ 3,448	\$ (998)	95 %	NM
Income from continuing operations before taxes	\$ 2,378	\$ 3,642	\$ 7,989	(35)%	(54)%
Income taxes	558	872	1,890	(36)	(54)
Income from continuing operations	\$ 1,820	\$ 2,770	\$ 6,099	(34)%	(55)%
Noncontrolling interests	—	—	—	—	—
Net income	\$ 1,820	\$ 2,770	\$ 6,099	(34)%	(55)%
Balance Sheet data (in billions of dollars)					
EOP assets	\$ 242	\$ 231	\$ 211	5 %	9 %
Average assets	231	213	210	8	1
Efficiency ratio	53 %	58 %	56 %		
Revenue by component					
Branded Cards	\$ 9,988	\$ 8,962	\$ 8,236	11 %	9 %
Retail Services	6,617	5,469	5,106	21	7
Retail Banking	2,582	2,441	2,503	6	(2)
Total	\$ 19,187	\$ 16,872	\$ 15,845	14 %	6 %
Average loans and deposits (in billions of dollars)					
Average loans	\$ 193	\$ 171	\$ 159	13 %	8 %
ACLL as a percentage of EOP loans ⁽¹⁾	6.28 %	6.31 %	6.80 %		
Average deposits	110	115	112	(4)	3

(1) Excludes loans that are carried at fair value for all periods.

NM Not meaningful

The secret animal #3 is an



2023 vs. 2022

Net income was \$1.8 billion, compared to \$2.8 billion in the prior year, reflecting higher cost of credit and higher expenses, partially offset by higher revenues.

Revenues increased 14%, due to higher net interest income (up 12%), driven by strong loan growth and higher deposit spreads, as well as higher non-interest revenue (up 19%). The increase in non-interest revenue was largely driven by lower partner payments in Retail Services, due to higher net credit losses, and an increase in interchange fees, driven by higher card spend volumes in Branded Cards. The increase in non-interest revenue was partially offset by an increase in rewards costs in Branded Cards, driven by the higher card spend volumes.

Cards revenues increased 15%. Branded Cards revenues increased 11%, primarily driven by the higher net interest income, reflecting the strong loan growth. Branded Cards new account acquisitions increased 9% and card spend volumes increased 5%. Branded Cards average loans increased 13%, reflecting the higher card spend volumes and lower card payment rates.

Retail Services revenues increased 21%, primarily driven by higher net interest income on higher loan balances, as well as higher non-interest revenue due to the lower partner payments, driven by the higher net credit losses (see Note 5). Retail Services credit card spend volumes decreased 4% and average loans increased 9%, largely reflecting lower card payment rates.

Retail Banking revenues increased 6%, primarily driven by higher deposit spreads and mortgage loan growth, partially offset by the impact of the transfer of certain relationships and the associated deposit balances to *Wealth*. Average mortgage loans increased 16%, primarily driven by lower refinancings due to high interest rates and higher mortgage originations. Average deposits decreased 4%, largely reflecting the transfer of certain relationships and the associated deposit balances to *Wealth*.

Expenses increased 3%, primarily driven by continued investments in other risk and controls, technology, business-led investments and business-as-usual severance costs, partially offset by productivity savings.

Provisions were \$6.7 billion, compared to \$3.4 billion in the prior year, largely driven by higher net credit losses and a higher ACL build for loans. Net credit losses increased 79%, primarily reflecting higher losses in cards in line with expectations, with Branded Cards net credit losses up 93% to \$2.7 billion and Retail Services net credit losses up 84% to \$2.3 billion. Both Branded Cards and Retail Services net credit losses reached pre-pandemic levels at the end of 2023.

The net ACL build was \$1.5 billion, compared to \$0.5 billion in the prior year, primarily reflecting growth in loan balances in Branded Cards and Retail Services. For additional information on Citi's ACL, see "Significant Accounting Policies and Significant Estimates" below.

For additional information on *USPB*'s Branded Cards, Retail Services and Retail Banking loan portfolios, see "Managing Global Risk—Credit Risk—Consumer Credit" below.

For additional information about trends, uncertainties and risks related to *USPB*'s future results, see "Executive Summary" above and "Risk Factors" below.

2022 vs. 2021

Net income was \$2.8 billion, compared to \$6.1 billion in the prior year, reflecting higher cost of credit and higher expenses, partially offset by higher revenues.

Revenues increased 6%, primarily due to higher net interest income (up 11%), driven by strong loan growth in Branded Cards and Retail Services and the impact of higher interest rates in Retail Banking. The increase in revenues was partially offset by lower non-interest revenue, largely reflecting higher partner payments in Retail Services resulting from higher revenues.

Cards revenues increased 8%. Branded Cards revenues increased 9%, primarily driven by higher net interest income on higher loan balances. Branded Cards new account acquisitions increased 11% and card spend volumes increased 16%. Average loans increased 11%, reflecting the higher card spend volumes.

Retail Services revenues increased 7%, primarily driven by higher net interest income on higher loan balances and lower card payment rates, partially offset by the increase in partner payments. The increase in partner payments reflected higher income sharing as a result of higher revenues. Retail Services card spend volumes increased 8% and average loans increased 6%, reflecting the higher card spend volumes.

Retail Banking revenues decreased 2%, as the higher interest rates and modest deposit growth were more than offset by lower mortgage revenues due to fewer mortgage originations, driven by the higher interest rates. Average deposits increased 3%, largely reflecting higher levels of consumer liquidity in the first half of 2022.

Expenses increased 10%, primarily driven by continued investments in Citi's transformation, other risk and control initiatives, volume-related expenses and business-led investments, partially offset by productivity savings.

Provisions were \$3.4 billion, compared to a benefit of \$1.0 billion in the prior year, largely driven by a net ACL build. Net credit losses decreased 1%, driven by historically low loss rates experienced in the first half of 2022, partially offset by higher losses in the second half of the year, particularly in Retail Services (net credit losses up 7% to \$1.3 billion). Branded Cards net credit losses declined 17% to \$1.4 billion.

The net ACL build was \$0.5 billion, compared to a net release of \$3.9 billion in the prior year, primarily driven by U.S. cards loan growth and a deterioration in macroeconomic assumptions.

WEALTH

Wealth includes Private Bank, Wealth at Work and Citigold and provides financial services to a range of client segments including affluent, high net worth and ultra-high net worth clients through banking, lending, mortgages, investment, custody and trust product offerings in 20 countries, including the U.S., Mexico and four wealth management centers: Singapore, Hong Kong, the UAE and London. Private Bank provides financial services to ultra-high net worth clients through customized product offerings. Wealth at Work provides financial services to professional industries (including law firms, consulting groups, accounting and asset management) through tailored solutions. Citigold includes Citigold and Citigold Private Clients, which both provide financial services to affluent and high net worth clients through elevated product offerings and financial relationships.

At December 31, 2023, *Wealth* had \$323 billion in deposits and \$152 billion in loans, including \$90 billion in mortgage loans, \$29 billion in margin loans, \$27 billion in personal and small business loans and \$5 billion in outstanding credit card balances. For additional information on *Wealth*'s end-of-period consumer loan portfolios and metrics, see "Managing Global Risk—Credit Risk—Consumer Credit" below.

<i>In millions of dollars, except as otherwise noted</i>	2023	2022	2021	% Change 2023 vs. 2022	% Change 2022 vs. 2021
Net interest income	\$ 4,460	\$ 4,744	\$ 4,491	(6)%	6 %
Fee revenue					
Commissions and fees	1,211	1,218	1,608	(1)	(24)
Other	808	866	899	(7)	(4)
Total fee revenue	\$ 2,019	\$ 2,084	\$ 2,507	(3)%	(17)%
All other	612	620	544	(1)	14
Total non-interest revenue	\$ 2,631	\$ 2,704	\$ 3,051	(3)%	(11)%
Total revenues, net of interest expense	7,091	7,448	7,542	(5)	(1)
Total operating expenses	\$ 6,644	\$ 6,058	\$ 5,381	10 %	13 %
Net credit losses on loans	98	103	122	(5)	(16)
Credit reserve build (release) for loans	(85)	190	(331)	NM	NM
Provision (release) for credit losses on unfunded lending commitments	(12)	12	(15)	NM	NM
Provisions (release) for benefits and claims (PBC), and other assets	(3)	1	(2)	NM	NM
Provisions (releases) for credit losses and PBC	\$ (2)	\$ 306	\$ (7)		NM
Income from continuing operations before taxes	\$ 449	\$ 950	\$ 1,968	(55)%	(55)%
Income taxes	103	134	41	(68)	(68)
Income from continuing operations	\$ 346	\$ 950	\$ 1,968	(64)%	(52)%
Noncontrolling interests	—	—	—	—	—
Net income	\$ 346	\$ 950	\$ 1,968	(64)%	(52)%
Balance Sheet data (in billions of dollars)					
EOP assets	\$ 232	\$ 259	\$ 250	(10)%	4 %
Average assets	247	259	253	(5)	2
Efficiency ratio	94 %	81 %	71 %		
Revenue by component					
Private Bank	\$ 2,332	\$ 2,812	\$ 2,970	(17)%	(5)%
Wealth at Work	862	730	691	18	6
Citigold	3,897	3,906	3,881	—	1
Total	\$ 7,091	\$ 7,448	\$ 7,542	(5)%	(1)%
Revenue by geography					
North America	\$ 3,615	\$ 3,927	\$ 3,767	(8)%	4 %
International	3,476	3,521	3,775	(1)	(7)
Total	\$ 7,091	\$ 7,448	\$ 7,542	(5)%	(1)%
Key drivers⁽¹⁾ (in billions of dollars)					
EOP client balances					
Client investment assets ⁽²⁾	\$ 498	\$ 443	\$ 507	12 %	(13)%
Deposits	323	325	329	(1)	(1)
Loans	152	149	151	2	(1)
Total	\$ 973	\$ 917	\$ 987	6 %	(7)%
ACLL as a percentage of EOP loans	0.51 %	0.59 %	0.44 %		

- (1) Management uses this information in reviewing the segment's results and believes it is useful to investors concerning underlying segment performance and trends.
 (2) Includes assets under management, and trust and custody assets.
 NM Not meaningful

2023 vs. 2022

Net income was \$346 million, compared to \$950 million in the prior year, reflecting lower revenues and higher expenses, partially offset by lower cost of credit.

Revenues decreased 5%, largely driven by lower net interest income (down 6%), due to lower deposit spreads, as well as lower non-interest revenue (down 3%), largely driven by investment product revenue headwinds, partially offset by the benefits of the transfer of certain relationships and the associated deposit balances from *USPB*. Average loans were largely unchanged. Average deposits decreased 1%, reflecting transfers to higher-yielding investments on Citi's platform. Client balances increased 6%, primarily driven by higher client investment assets, partially offset by lower deposit balances.

Private Bank revenues decreased 17%, primarily driven by lower deposit spreads, lower deposit and loan volumes and the investment product revenue headwinds.

Wealth at Work revenues increased 18%, driven by improved lending spreads, primarily in mortgages, and higher investment product revenues, partially offset by lower deposit revenues.

Citigold revenues were largely unchanged, as higher deposit revenues internationally were offset by lower deposit revenues in North America and lower lending revenues globally.

Expenses increased 10%, primarily driven by continued investments in other risk and controls and technology, partially offset by productivity savings and re-pacing of strategic investments.

Provisions were a benefit of \$2 million, compared to provisions of \$306 million in the prior year, largely driven by a net ACL release.

The net ACL release was \$97 million, compared to a net build of \$202 million in the prior year, primarily driven by improvements in macroeconomic assumptions. For additional information on Citi's ACL, see "Significant Accounting Policies and Significant Estimates" below.

For additional information on *Wealth's* loan portfolios, see "Managing Global Risk—Credit Risk—Consumer Credit" below.

For additional information about trends, uncertainties and risks related to *Wealth's* future results, see "Executive Summary" above and "Risk Factors" below.

2022 vs. 2021

Net income was \$950 million, compared to \$2.0 billion in the prior year, reflecting higher expenses, higher cost of credit and lower revenues.

Revenues decreased 1%, reflecting investment product revenue headwinds, particularly in Asia, driven by overall market volatility, partially offset by net interest income growth, driven by higher interest rates and higher loan and deposit volumes. Average loans increased 2% and average deposits increased 5%. Client balances decreased 7%, primarily driven by a decline in client investment assets.

Private Bank revenues decreased 5%, primarily driven by the investment product revenue headwinds.

Wealth at Work revenues increased 6%, driven by improved lending spreads, primarily in mortgages, partially offset by lower deposit revenues.

Citigold revenues increased 1%, primarily driven by higher deposit revenues, partially offset by lower investment revenues in Asia and North America due to lower client investment assets and client activity.

Expenses increased 13%, primarily driven by continued investments in other risk and controls, technology and business-led investments, partially offset by productivity savings.

Provisions were \$306 million, compared to a benefit of \$226 million in the prior year, largely driven by a net ACL build.

The net ACL build was \$202 million, compared to a net release of \$346 million in the prior year, primarily driven by changes in macroeconomic assumptions.



The secret sport is

ALL OTHER—Divestiture-Related Impacts (Reconciling Items)

All Other includes activities not assigned to the reportable operating segments (*Services, Markets, Banking, USB and Wealth*), including Legacy Franchises and Corporate/Other. For additional information about Legacy Franchises and Corporate/Other, see “*All Other (Managed Basis)*” below.

All Other (managed basis) results exclude divestiture-related impacts (see the “Reconciling Items” column in the table below) related to (i) Citi’s divestitures of its Asia consumer banking businesses and (ii) the planned divestiture or IPO of Mexico consumer banking and small business and middle-market banking, within Legacy Franchises. Legacy Franchises (managed basis) results also exclude these divestiture-related impacts. Certain of the results of operations of *All Other* (managed basis) and Legacy Franchises (managed basis) are non-GAAP financial measures (see “Overview—Non-GAAP Financial Measures” above).

The table below presents a reconciliation from *All Other* (U.S. GAAP) to *All Other* (managed basis). *All Other* (U.S. GAAP), less Reconciling Items, equals *All Other* (managed basis). The Reconciling Items are fully reflected on each respective line item in Citi’s Consolidated Statement of Income.

<i>In millions of dollars, except as otherwise noted</i>	2023			2022			2021		
	All Other (U.S. GAAP)	Reconciling Items ⁽¹⁾	All Other (managed basis)	All Other (U.S. GAAP)	Reconciling Items ⁽²⁾	All Other (managed basis)	All Other (U.S. GAAP)	Reconciling Items ⁽³⁾	All Other (managed basis)
Net interest income	\$ 7,733	\$ —	\$ 7,733	\$ 7,668	\$ —	\$ 7,668	\$ 6,546	\$ —	\$ 6,546
Non-interest revenue	2,976	1,346	1,630	2,174	854	1,320	2,246	(670)	2,916
Total revenues, net of interest expense	\$ 10,709	\$ 1,346	\$ 9,363	\$ 9,842	\$ 854	\$ 8,988	\$ 8,792	\$ (670)	\$ 9,462
Total operating expenses	\$ 11,489	\$ 372	\$ 11,117	\$ 9,840	\$ 696	\$ 9,144	\$ 10,474	\$ 1,171	\$ 9,303
Net credit losses on loans	864	(6)	870	616	(156)	772	1,478	(6)	1,484
Credit reserve build (release) for loans	89	(61)	150	(229)	259	(488)	(1,621)	30	(1,651)
Provision for credit losses on unfunded lending commitments	(44)	—	(44)	93	(27)	120	(19)	—	(19)
Provisions for benefits and claims (PBC), other assets and HTM debt securities	350	—	350	94	—	94	98	—	98
Provisions (benefits) for credit losses and PBC	\$ 1,259	\$ (67)	\$ 1,326	\$ 574	\$ 76	\$ 498	\$ (64)	\$ 24	\$ (88)
Income (loss) from continuing operations before taxes	\$ (2,039)	\$ 1,041	\$ (3,080)	\$ (572)	\$ 82	\$ (654)	\$ (1,618)	\$ (1,865)	\$ 247
Income taxes (benefits)	(608)	382	(990)	(786)	266	(1,052)	(1,035)	(223)	(812)
Income (loss) from continuing operations	\$ (1,431)	\$ 659	\$ (2,090)	\$ 214	\$ (184)	\$ 398	\$ (583)	\$ (1,642)	\$ 1,059
Income (loss) from discontinued operations, net of taxes	(1)	—	(1)	(231)	—	(231)	7	—	7
Noncontrolling interests	16	—	16	4	—	4	21	—	21
Net income (loss)	\$ (1,448)	\$ 659	\$ (2,107)	\$ (21)	\$ (184)	\$ 163	\$ (597)	\$ (1,642)	\$ 1,045
Asia Consumer revenues	\$ 2,870	\$ 1,346	\$ 1,524	\$ 3,780	\$ 854	\$ 2,926	\$ 3,244	\$ (670)	\$ 3,914

- (1) 2023 includes (i) an approximate \$1.059 billion gain on sale recorded in revenue (approximately \$727 million after-tax) related to the India consumer banking business sale; (ii) an approximate \$403 million gain on sale recorded in revenue (approximately \$284 million after-tax) related to the Taiwan consumer banking business sale; and (iii) approximately \$372 million (approximately \$263 million after-tax) in operating expenses primarily related to separation costs in Mexico and severance costs in the Asia exit markets.
- (2) 2022 includes (i) an approximate \$535 million (approximately \$489 million after-tax) goodwill write-down due to resegmentation and the timing of Asia consumer banking business divestitures; (ii) an approximate \$616 million gain on sale recorded in revenue (approximately \$290 million after-tax) related to the Philippines consumer banking business sale; and (iii) an approximate \$209 million gain on sale recorded in revenue (approximately \$115 million after-tax) related to the Thailand consumer banking business sale.
- (3) 2021 includes (i) an approximate \$680 million loss on sale (approximately \$580 million after-tax) related to Citi’s agreement to sell its Australia consumer banking business; and (ii) an approximate \$1.052 billion in expenses (approximately \$792 million after-tax) primarily related to charges incurred from the voluntary early retirement program (VERP) in connection with the wind-down of Citi’s consumer banking business in Korea.

ALL OTHER—Managed Basis

At December 31, 2023, *All Other* (managed basis) had \$211 billion in assets, primarily related to Mexico Consumer/SBMM and Asia Consumer reported within Legacy Franchises (managed basis), as well as Corporate Treasury investment securities and the Company's deferred tax assets (DTAs) reported within Corporate/Other.

Legacy Franchises (Managed Basis)

Legacy Franchises (managed basis) includes (i) Mexico Consumer Banking (Mexico Consumer) and Mexico Small Business and Middle-Market Banking (Mexico SBMM), collectively Mexico Consumer/SBMM, (ii) Asia Consumer Banking (Asia Consumer), representing the consumer banking operations of the remaining four exit countries (Korea, Poland, China and Russia), and (iii) Legacy Holdings Assets, primarily legacy consumer mortgage loans in North America that the Company continues to wind down.

Mexico Consumer/SBMM operates in Mexico through Citibanamex and provides traditional retail banking and branded card products to consumers and small business customers and traditional middle-market banking products and services to commercial customers. As previously disclosed, Citi intends to pursue an IPO of its consumer, small business and middle-market banking operations in Mexico. Citi will retain its *Services, Markets, Banking* and *Wealth* businesses in Mexico. Citi currently expects that the separation of the businesses will be completed in the second half of 2024 and that the IPO will take place in 2025.

Legacy Franchises (managed basis) also included the following nine Asia Consumer businesses prior to their sales: Australia, until its closing in June 2022; the Philippines, until its closing in August 2022; Thailand and Malaysia, until their closings in November 2022; Bahrain, until its closing in December 2022; India and Vietnam, until their closings in March 2023; Taiwan, until its closing in August 2023; and Indonesia until its closing in November 2023.

Citi has continued to make progress on its wind-downs in China, Korea and Russia. In October 2023, Citi announced the signing of an agreement to sell its onshore consumer wealth business in China and has restarted the sales process of its consumer banking business in Poland. See Note 2 for additional information on Legacy Franchises' consumer banking business sales and wind-downs. For additional information about Citi's continued efforts to reduce its operations and exposures in Russia, see "Risk Factors" and "Managing Global Risk—Other Risks—Country Risk—Russia" below.

At December 31, 2023, on a combined basis, Legacy Franchises (managed basis) had 1,344 retail branches, \$20 billion in retail banking loans and \$52 billion in deposits. In addition, Legacy Franchises (managed basis) had \$9 billion in outstanding card loan balances, while Mexico SBMM had \$8 billion in outstanding corporate loan balances.

Corporate/Other

Corporate/Other includes certain unallocated costs of global staff functions (including finance, risk, human resources, legal and compliance-related costs), other corporate expenses and unallocated global operations and technology expenses and income taxes, as well as results of Corporate Treasury investment activities and discontinued operations.

<i>In millions of dollars, except as otherwise noted</i>	2023	2022	2021	% Change 2023 vs. 2022	% Change 2022 vs. 2021
Net interest income	\$ 7,733	\$ 7,668	\$ 6,546	1 %	17 %
Non-interest revenue	1,630	1,320	2,916	23	(55)
Total revenues, net of interest expense	\$ 9,363	\$ 8,988	\$ 9,462	4 %	(5)%
Total operating expenses	\$ 11,117	\$ 9,144	\$ 9,303	22 %	(2)%
Net credit losses on loans	870	772	1,484	13	(48)
Credit reserve build (release) for loans	150	(488)	(1,651)	NM	70
Provision (release) for credit losses on unfunded lending commitments	(44)	120	(19)	NM	NM
Provisions for benefits and claims (PBC), other assets and HTM debt securities	350	94	98	NM	(4)
Provisions (releases) for credit losses and PBC	\$ 1,326	\$ 498	\$ (88)	NM	NM
Income (loss) from continuing operations before taxes	\$ (3,080)	\$ (654)	\$ 247	NM	NM
Income taxes (benefits)	(990)	(1,052)	(812)	6 %	(30)%
Income (loss) from continuing operations	\$ (2,090)	\$ 398	\$ 1,059	NM	(62)%
Income (loss) from discontinued operations, net of taxes	(1)	(231)	7	100 %	NM
Noncontrolling interests	16	4	21	NM	(81)
Net income (loss)	\$ (2,107)	\$ 163	\$ 1,045	NM	(84)%
Balance Sheet data <i>(in billions of dollars)</i>					
EOP assets	\$ 211	\$ 226	\$ 243	(7)%	(7)%
Average assets	212	236	239	(10)	(1)
Revenue by reporting unit and component					
Mexico Consumer/SBMM	\$ 5,678	\$ 4,622	\$ 4,537	23 %	2 %
Asia Consumer	1,524	2,926	3,914	(48)	(25)
Legacy Holdings Assets	(4)	(81)	186	95	NM
Corporate/Other	2,165	1,521	825	42	84
Total	\$ 9,363	\$ 8,988	\$ 9,462	4 %	(5)%
Mexico Consumer/SBMM—key indicators <i>(in billions of dollars)</i>					
EOP loans	\$ 27.1	\$ 21.9	\$ 20.0	24 %	10 %
EOP deposits	42.2	36.5	32.7	16	12
Average loans	24.8	20.5	20.0	21	3
NCLs as a percentage of average loans (Mexico Consumer only)	4.01 %	3.50 %	6.87 %		
Loans 90+ days past due as a percentage of EOP loans (Mexico Consumer only)	1.35	1.28	1.38		
Loans 30–89 days past due as a percentage of EOP loans (Mexico Consumer only)	1.35	1.26	1.30		
Asia Consumer—key indicators⁽¹⁾ <i>(in billions of dollars)</i>					
EOP loans	\$ 7.4	\$ 13.3	\$ 41.1	(44)%	(68)%
EOP deposits	9.5	14.5	43.3	(34)	(67)
Average loans	9.5	17.4	49.5	(45)	(65)
Legacy Holdings Assets—key indicators <i>(in billions of dollars)</i>					
EOP loans	\$ 2.5	\$ 3.0	\$ 3.9	(17)%	(23)%

(1) The key indicators for Asia Consumer reflect the reclassification of loans and deposits to *Other assets* and *Other liabilities* under HFS accounting on Citi's Consolidated Balance Sheet.

NM Not meaningful

The secret kitchen appliance is a



2023 vs. 2022

Net loss was \$2.1 billion, compared to net income of \$163 million in the prior year, driven by higher expenses (largely related to the FDIC special assessment and Citi's restructuring charge) and higher cost of credit. The higher expenses and cost of credit were partially offset by higher revenues and the prior-year release of CTA losses (net of hedges) from *AOCl*, consisting of approximately \$140 million recorded in revenues and approximately \$260 million pretax recorded in discontinued operations, related to the substantial liquidation of a U.K. consumer legacy operation (see Note 2).

All Other (managed basis) *revenues* increased 4%, driven by higher revenues in Corporate/Other, partially offset by lower revenues in Legacy Franchises (managed basis).

Legacy Franchises (managed basis) *revenues* decreased 4%, primarily driven by lower revenues in Asia Consumer (managed basis), partially offset by higher revenues in Mexico Consumer/SBMM (managed basis).

Mexico Consumer/SBMM (managed basis) *revenues* increased 23%, as cards revenues in Mexico Consumer increased 31%, SBMM revenues increased 28% and retail banking revenues increased 19%, mainly due to the benefit of FX translation as well as higher interest rates and higher deposit and loan growth.

Asia Consumer (managed basis) *revenues* decreased 48%, primarily driven by the reduction from exited markets and wind-downs.

Corporate/Other *revenues* were \$2.2 billion, compared to \$1.5 billion in the prior year, driven by higher net interest income. The higher net interest income was primarily due to higher interest rates on deposits with banks and the investment portfolio, partially offset by higher cost of funds.

Expenses increased 22%, primarily driven by the \$1.7 billion FDIC special assessment related to regional bank failures, restructuring charges and higher business-as-usual severance costs, partially offset by lower consulting expenses and lower expenses in both wind-down and exit markets. The restructuring charges were recorded in the fourth quarter and primarily consisted of severance costs associated with headcount reductions related to the organizational simplification initiatives (see Note 9).

Provisions were \$1.3 billion, compared to \$498 million in the prior year, driven by a higher net ACL build for loans and other assets and higher net credit losses. Net credit losses increased 13%, primarily driven by higher lending volumes in Mexico Consumer.

The net ACL build for loans was \$106 million, compared to a net release of \$368 million in the prior year, primarily driven by higher lending volumes in Mexico Consumer. The net ACL build in other assets was primarily due to the reserve build for transfer risk associated with exposures in Russia, driven by safety and soundness considerations under U.S. banking law. For additional information on Citi's ACL, see "Significant Accounting Policies and Significant Estimates" below.

For additional information about trends, uncertainties and risks related to *All Other*'s (managed basis) future results, see "Executive Summary" above and "Risk Factors" and "Managing Global Risk—Other Risks—Country Risk—Russia" below.

2022 vs. 2021

Net income was \$163 million, compared to net income of \$1.0 billion in the prior year, primarily driven by lower revenues, higher cost of credit and the release of the CTA losses (net of hedges) from *AOCl*.

All Other (managed basis) *revenues* decreased 5%, driven by lower revenues in Legacy Franchises (managed basis), and lower non-interest revenue in Corporate/Other, partially offset by higher net interest income in Corporate/Other.

Legacy Franchises (managed basis) *revenues* decreased 14%, primarily driven by lower revenues in Asia Consumer (managed basis) and Legacy Holdings Assets, partially offset by higher revenues in Mexico Consumer/SBMM (managed basis).

Mexico Consumer/SBMM (managed basis) *revenues* increased 2%, as cards revenues in Mexico Consumer increased 6% and SBMM revenues increased 10%, primarily due to higher interest rates and higher deposit and loan growth. The increase in revenues was partially offset by a 1% decrease in retail banking revenues, primarily driven by lower fiduciary fees reflecting declines in equity market valuations.

Asia Consumer (managed basis) *revenues* decreased 25%, primarily driven by the loss of revenues from the closing of the exit markets and the impacts of the ongoing Korea wind-down.

Legacy Holdings Assets *revenues* of \$(81) million decreased from \$186 million in the prior year, largely driven by the CTA loss (net of hedges) recorded in *AOCl*, as well as the continued wind-down of Legacy Holdings Assets.

Corporate/Other *revenues* were \$1.5 billion, compared to \$825 million in the prior year, driven by higher net interest income, partially offset by lower non-interest revenue. The higher net interest income was primarily due to the investment portfolio driven by higher balances, higher interest rates and lower mortgage-backed securities prepayments, partially offset by higher cost of funds related to higher institutional certificates of deposit. The lower non-interest revenue was primarily due to the absence of mark-to-market gains in the prior year as well as higher hedging costs.

Expenses decreased 2%, primarily driven by lower consulting expenses, the impact of certain legal settlements and lower expenses in both wind-down and exit markets.

Provisions were \$498 million, compared to a benefit of \$88 million in the prior year, primarily driven by a lower net ACL release, partially offset by lower net credit losses. Net credit losses decreased 48%, primarily reflecting improved delinquencies in both Asia Consumer and Mexico Consumer.

The net ACL release was \$368 million, compared to a net ACL release of \$1.7 billion in the prior year, driven by further improvement in portfolio credit quality.

CAPITAL RESOURCES

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Capital is used principally to support assets in businesses and to absorb potential losses, including credit, market and operational losses. Citi primarily generates capital through earnings from its operating businesses. Citi may augment its capital through issuances of common stock and noncumulative perpetual preferred stock, among other issuances. Further, Citi's capital levels may also be affected by changes in accounting and regulatory standards, as well as the impact of future events on Citi's business results, such as the signing or closing of divestitures and changes in interest and foreign exchange rates.

During 2023, Citi returned a total of \$6.1 billion of capital to common shareholders in the form of \$4.1 billion in dividends and \$2.0 billion in share repurchases (approximately 44 million common shares). For additional information, see "Unregistered Sales of Equity Securities, Repurchases of Equity Securities and Dividends" below.

Citi paid common dividends of \$0.53 per share for the fourth quarter of 2023, and on January 11, 2024, declared common dividends of \$0.53 per share for the first quarter of 2024. Citi intends to maintain a quarterly common dividend of at least \$0.53 per share, subject to financial and macroeconomic conditions as well as its Board of Directors' approval. In addition, as previously announced, Citi will continue to assess common share repurchases on a quarter-by-quarter basis given uncertainty regarding regulatory capital requirements. For additional information on capital-related risks, trends and uncertainties, see "Regulatory Capital Standards and Developments" as well as "Risk Factors—Strategic Risks," "—Operational Risks" and "—Compliance Risks" below.

Capital Management

Citi's capital management framework is designed to ensure that Citigroup and its principal subsidiaries maintain sufficient capital consistent with each entity's respective risk profile, management targets and all applicable regulatory standards and guidelines. Citi assesses its capital adequacy against a series of internal quantitative capital goals, designed to evaluate its capital levels in expected and stressed economic environments. Underlying these internal quantitative capital goals are strategic capital considerations, centered on preserving and building financial strength.

The Citigroup Capital Committee, with oversight from the Risk Management Committee of Citigroup's Board of Directors, has responsibility for Citi's aggregate capital structure, including the capital assessment and planning process, which is integrated into Citi's capital plan. Balance sheet management, including oversight of capital adequacy for Citigroup's subsidiaries, is governed by each entity's Asset and Liability Committee, where applicable.

For additional information regarding Citi's capital planning and stress testing exercises, see "Stress Testing Component of Capital Planning" below.

Current Regulatory Capital Standards

Citi is subject to regulatory capital rules issued by the Federal Reserve Board (FRB), in coordination with the OCC and FDIC, including the U.S. implementation of the Basel III rules (for information on potential changes to the Basel III rules, see "Regulatory Capital Standards and Developments" and "Risk Factors—Strategic Risks" below). These rules establish an integrated capital adequacy framework, encompassing both risk-based capital ratios and leverage ratios.

Risk-Based Capital Ratios

The U.S. Basel III rules set forth the composition of regulatory capital (including the application of regulatory capital adjustments and deductions), as well as two comprehensive methodologies (a Standardized Approach and Advanced Approaches) for measuring total risk-weighted assets.

Total risk-weighted assets under the Standardized Approach include credit and market risk-weighted assets, which are generally prescribed supervisory risk weights. Total risk-weighted assets under the Advanced Approaches, which are primarily model based, include credit, market and operational risk-weighted assets. As a result, credit risk-weighted assets calculated under the Advanced Approaches are more risk sensitive than those calculated under the Standardized Approach. Market risk-weighted assets are currently calculated on a generally consistent basis under both the Standardized and Advanced Approaches. The Standardized Approach does not include operational risk-weighted assets.

Under the U.S. Basel III rules, Citigroup is required to maintain several regulatory capital buffers above the stated minimum capital requirements to avoid certain limitations on capital distributions and discretionary bonus payments to executive officers. Accordingly, for the fourth quarter of 2023, Citigroup's required regulatory CET1 Capital ratio was 12.3% under the Standardized Approach (incorporating its Stress Capital Buffer of 4.3% and GSIB (Global Systemically Important Bank) surcharge of 3.5%) and 10.5% under the Advanced Approaches (inclusive of the fixed 2.5% Capital Conservation Buffer and GSIB surcharge of 3.5%).

Similarly, Citigroup's primary subsidiary, Citibank, N.A. (Citibank), is required to maintain minimum regulatory capital ratios plus applicable regulatory buffers, as well as hold sufficient capital to be considered "well capitalized" under the Prompt Corrective Action framework. In effect, Citibank's required CET1 Capital ratio was 7.0% under both the Standardized and Advanced Approaches, which is the sum of the minimum 4.5% CET1 requirement and a fixed 2.5% Capital Conservation Buffer. For additional information, see "Regulatory Capital Buffers" and "Prompt Corrective Action Framework" below.

Further, the U.S. Basel III rules implement the "capital floor provision" of the Dodd-Frank Act (the so-called "Collins Amendment"), which requires banking organizations to calculate "generally applicable" capital requirements. As a result, Citi must calculate each of the three risk-based capital ratios (CET1 Capital, Tier 1 Capital and Total Capital) under both the Standardized Approach and the Advanced Approaches and comply with the more binding of each of the resulting risk-based capital ratios.

Leverage Ratio

Under the U.S. Basel III rules, Citigroup is also required to maintain a minimum Leverage ratio of 4.0%. Similarly, Citibank is required to maintain a minimum Leverage ratio of 5.0% to be considered “well capitalized” under the Prompt Corrective Action framework. The Leverage ratio, a non-risk-based measure of capital adequacy, is defined as Tier 1 Capital as a percentage of quarterly adjusted average total assets less amounts deducted from Tier 1 Capital.

Supplementary Leverage Ratio

Citi is also required to calculate a Supplementary Leverage ratio (SLR), which differs from the Leverage ratio by including certain off-balance sheet exposures within the denominator of the ratio (Total Leverage Exposure). The SLR represents end-of-period Tier 1 Capital to Total Leverage Exposure. Total Leverage Exposure is defined as the sum of (i) the daily average of on-balance sheet assets for the quarter and (ii) the average of certain off-balance sheet exposures calculated as of the last day of each month in the quarter, less applicable Tier 1 Capital deductions. Advanced Approaches banking organizations are required to maintain a stated minimum SLR of 3.0%.

Further, U.S. GSIBs, including Citigroup, are subject to a 2.0% leverage buffer in addition to the 3.0% stated minimum SLR requirement, resulting in a 5.0% SLR. If a U.S. GSIB fails to exceed this requirement, it will be subject to increasingly stringent restrictions (depending upon the extent of the shortfall) on capital distributions and discretionary executive bonus payments.

Similarly, Citibank is required to maintain a minimum SLR of 6.0% to be considered “well capitalized” under the Prompt Corrective Action framework.

Regulatory Capital Treatment—Modified Transition of the Current Expected Credit Losses Methodology

In 2020, the U.S. banking agencies issued a final rule that modified the regulatory capital transition provision related to the current expected credit losses (CECL) methodology. The rule does not have any impact on U.S. GAAP accounting.

The rule permitted banks to delay for two years the “Day One” adverse regulatory capital effects resulting from adoption of the CECL methodology on January 1, 2022, followed by the full adoption of the CECL methodology on January 1, 2024. The secret object #2 is a

In addition, for the ongoing impact of CECL, Citi utilized a 25% scaling factor as an approximation of the increased reserve build under CECL compared to the previous incurred loss model and, therefore, allowed banks to add back to CET1 Capital an amount equal to 25% of the change in CECL-based allowances in each quarter between January 1, 2020 and December 31, 2021. Beginning January 1, 2022, the cumulative 25% change in CECL-based allowances between January 1, 2020 and December 31, 2021 started to be phased in to regulatory capital (i) at 25% per year on January 1 of each year over the three-year transition period and (ii) along with the delayed Day One impact.

Citigroup and Citibank elected the modified CECL transition provision provided by the rule. Accordingly, the Day One regulatory capital effects resulting from adoption of

the CECL methodology, as well as the ongoing adjustments for 25% of the change in CECL-based allowances in each quarter between January 1, 2020 and December 31, 2021, started to be phased in on January 1, 2022 and will be fully reflected in Citi’s regulatory capital as of January 1, 2025.

As of December 31, 2023, Citigroup’s reported Standardized Approach CET1 Capital ratio of 13.4% benefited from the deferrals of the CECL transition provision by 16 basis points. For additional information on Citigroup’s and Citibank’s regulatory capital ratios excluding the impact of the CECL transition provision, see “Capital Resources (Full Adoption of CECL)” below.

Regulatory Capital Buffers

Citigroup and Citibank are required to maintain several regulatory capital buffers above the stated minimum capital requirements. These capital buffers would be available to absorb losses in advance of any potential impairment of regulatory capital below the stated minimum regulatory capital ratio requirements.

Banking organizations that fall below their regulatory capital buffers are subject to limitations on capital distributions and discretionary bonus payments to executive officers based on a percentage of “Eligible Retained Income” (ERI), with increasing restrictions based on the severity of the breach. ERI is equal to the greater of (i) the bank’s net income for the four calendar quarters preceding the current calendar quarter, net of any distributions and tax effects not already reflected in net income, and (ii) the average of the bank’s net income for the four calendar quarters preceding the current calendar quarter.

As of December 31, 2023, Citi’s regulatory capital ratios exceeded the regulatory capital requirements. Accordingly, Citi is not subject to payout limitations as a result of the U.S. Basel III requirements.

Stress Capital Buffer

Citigroup is subject to the FRB’s Stress Capital Buffer (SCB) rule, which integrates the annual stress testing requirements with ongoing regulatory capital requirements. The SCB equals the peak-to-trough CET1 Capital ratio decline under the Supervisory Severely Adverse scenario over a nine-quarter period used in the Comprehensive Capital Analysis and Review (CCAR) and Dodd-Frank Act Stress Testing (DFAST), plus four quarters of planned common stock dividends, subject to a floor of 2.5%. SCB-based capital requirements are reviewed and updated annually by the FRB as part of the CCAR process. For additional information regarding CCAR and DFAST, see “Stress Testing Component of Capital Planning” below. The fixed 2.5% Capital Conservation Buffer will continue to apply under the Advanced Approaches (see below).

As of October 1, 2023, Citi’s required regulatory CET1 Capital ratio increased to 12.3% from 12.0% under the Standardized Approach, incorporating the 4.3% SCB through September 30, 2024 and Citi’s current GSIB surcharge of 3.5%. Citi’s required regulatory CET1 Capital ratio under the Advanced Approaches (using the fixed 2.5% Capital Conservation Buffer) remains unchanged at 10.5%. The SCB applies to Citigroup only; the regulatory capital framework

applicable to Citibank, including the Capital Conservation Buffer, is unaffected by Citigroup's SCB.

Capital Conservation Buffer and Countercyclical Capital Buffer

Citigroup is subject to a fixed 2.5% Capital Conservation Buffer under the Advanced Approaches. Citibank is subject to the fixed 2.5% Capital Conservation Buffer under both the Advanced Approaches and the Standardized Approach.

In addition, Advanced Approaches banking organizations, such as Citigroup and Citibank, are subject to a discretionary Countercyclical Capital Buffer. The Countercyclical Capital Buffer is currently set at 0% by the U.S. banking agencies.

GSIB Surcharge

The FRB imposes a risk-based capital surcharge upon U.S. bank holding companies that are identified as GSIBs, including Citi (for information on potential changes to the GSIB surcharge, see "Regulatory Capital Standards and Developments" and "Risk Factors—Strategic Risks" below). The GSIB surcharge augments the SCB, Capital Conservation Buffer and, if invoked, any Countercyclical Capital Buffer.

A U.S. bank holding company that is designated a GSIB is required, on an annual basis, to calculate a surcharge using two methods and is subject to the higher of the resulting two surcharges. The first method ("method 1") is based on the Basel Committee's GSIB methodology. Under the second method ("method 2"), the substitutability category under the Basel Committee's GSIB methodology is replaced with a quantitative measure intended to assess a GSIB's reliance on short-term wholesale funding. In addition, method 1 incorporates relative measures of systemic importance across certain global banking organizations and a year-end spot foreign exchange rate, whereas method 2 uses fixed measures of systemic importance and application of an average foreign exchange rate over a three-year period. The GSIB surcharges calculated under both method 1 and method 2 are based on measures of systemic importance from the year immediately preceding that in which the GSIB surcharge calculations are being performed (e.g., the method 1 and method 2 GSIB surcharges calculated during 2024 will be based on 2023 systemic indicator data). Generally, Citi's surcharge determined under method 2 will be higher than its surcharge determined under method 1.

Should a GSIB's systemic importance change year-over-year, such that it becomes subject to a higher GSIB surcharge, the higher surcharge would become effective on January 1 of the year that is one full calendar year after the increased GSIB surcharge was calculated (e.g., a higher surcharge calculated in 2024 using data as of December 31, 2023 would not become effective until January 1, 2026). However, if a GSIB's systemic importance changes such that the GSIB would be subject to a lower surcharge, the GSIB would be subject to the lower surcharge on January 1 of the year immediately following the calendar year in which the decreased GSIB surcharge was calculated (e.g., a lower surcharge calculated in 2024 using data as of December 31, 2023 would become effective January 1, 2025).

The following table presents Citi's effective GSIB surcharge as determined under method 1 and method 2 during 2023 and 2022:

	2023	2022
Method 1	2.0 %	2.0 %
Method 2	3.5	3.0

Citi's GSIB surcharge effective during 2023 was 3.5% and during 2022 was 3.0%, as derived under the higher method 2 result. Citi's GSIB surcharge effective for 2024 remains unchanged at 3.5%, as derived under the higher method 2 result.

Citi expects that its method 2 GSIB surcharge will continue to remain higher than its method 1 GSIB surcharge. Accordingly, based on Citi's method 2 result as of December 31, 2022 and its estimated method 2 result as of December 31, 2023, Citi's GSIB surcharge is expected to remain at 3.5% effective January 1, 2025.

Prompt Corrective Action Framework

In general, the Prompt Corrective Action (PCA) regulations direct the U.S. banking agencies to enforce increasingly strict limitations on the activities of insured depository institutions that fail to meet certain regulatory capital thresholds. The PCA framework contains five categories of capital adequacy as measured by risk-based capital and leverage ratios: (i) "well capitalized," (ii) "adequately capitalized," (iii) "undercapitalized," (iv) "significantly undercapitalized" and (v) "critically undercapitalized."

Accordingly, an insured depository institution, such as Citibank, must maintain minimum CET1 Capital, Tier 1 Capital, Total Capital and Leverage ratios of 6.5%, 8.0%, 10.0% and 5.0%, respectively, to be considered "well capitalized." In addition, insured depository institution subsidiaries of U.S. GSIBs, including Citibank, must maintain a minimum Supplementary Leverage ratio of 6.0% to be considered "well capitalized." Citibank was "well capitalized" as of December 31, 2023.

Furthermore, to be "well capitalized" under current federal bank regulatory agency definitions, a bank holding company must have a Tier 1 Capital ratio of at least 6.0%, a Total Capital ratio of at least 10.0% and not be subject to a FRB directive to maintain higher capital levels.

Stress Testing Component of Capital Planning

Citi is subject to an annual assessment by the FRB as to whether Citigroup has effective capital planning processes as well as sufficient regulatory capital to absorb losses during stressful economic and financial conditions, while also meeting obligations to creditors and counterparties and continuing to serve as a credit intermediary. This annual assessment includes two related programs: the Comprehensive Capital Analysis and Review (CCAR) and Dodd-Frank Act Stress Testing (DFAST).

For the largest and most complex firms, such as Citi, CCAR includes a qualitative evaluation of a firm's abilities to determine its capital needs on a forward-looking basis. In conducting the qualitative assessment, the FRB evaluates

firms' capital planning practices, focusing on six areas of capital planning: governance, risk management, internal controls, capital policies, incorporating stressful conditions and events, and estimating impact on capital positions. As part of the CCAR process, the FRB evaluates Citi's capital adequacy, capital adequacy process and its planned capital distributions, such as dividend payments and common share repurchases. The FRB assesses whether Citi has sufficient capital to continue operations throughout times of economic and financial market stress and whether Citi has robust, forward-looking capital planning processes that account for its unique risks.

All CCAR firms, including Citi, are subject to a rigorous evaluation of their capital planning process. Firms with weak practices may be subject to a deficient supervisory rating, and potentially an enforcement action, for failing to meet supervisory expectations. For additional information regarding CCAR, see "Risk Factors—Strategic Risks" below.

DFAST is a forward-looking quantitative evaluation of the impact of stressful economic and financial market conditions on Citi's regulatory capital. This program serves to inform the FRB and the general public as to how Citi's regulatory capital ratios might change using a hypothetical set of adverse economic conditions as designed by the FRB. In addition to the annual supervisory stress test conducted by the FRB, Citi is required to conduct annual company-run stress tests under the same adverse economic conditions designed by the FRB.

Both CCAR and DFAST include an estimate of projected revenues, losses, reserves, pro forma regulatory capital ratios and any other additional capital measures deemed relevant by Citi. Projections are required over a nine-quarter planning horizon under two supervisory scenarios (baseline and severely adverse conditions). All risk-based capital ratios reflect application of the Standardized Approach framework under the U.S. Basel III rules.

In addition, Citibank is required to conduct the annual Dodd-Frank Act Stress Test. The annual stress test consists of a forward-looking quantitative evaluation of the impact of stressful economic and financial market conditions under several scenarios on Citibank's regulatory capital. This program serves to inform the Office of the Comptroller of the Currency as to how Citibank's regulatory capital ratios might change during a hypothetical set of adverse economic conditions and to ultimately evaluate the reliability of Citibank's capital planning process.

Citigroup and Citibank are required to disclose the results of their company-run stress tests.

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Citigroup's Capital Resources

The following table presents Citi's required risk-based capital ratios as of December 31, 2023, September 30, 2023 and December 31, 2022:

	Advanced Approaches			Standardized Approach ⁽¹⁾		
	December 31, 2023	September 30, 2023	December 31, 2022	December 31, 2023	September 30, 2023	December 31, 2022
CET1 Capital ratio ⁽²⁾	10.5 %	10.5 %	10.0 %	12.3 %	12.0 %	11.5 %
Tier 1 Capital ratio ⁽²⁾	12.0	12.0	11.5	13.8	13.5	13.0
Total Capital ratio ⁽²⁾	14.0	14.0	13.5	15.8	15.5	15.0

(1) As of October 1, 2023, Citi's required regulatory CET1 Capital ratio increased from 12.0% to 12.3% under the Standardized Approach, incorporating the 4.3% SCB and its current GSIB surcharge of 3.5%.

(2) Beginning January 1, 2023 through September 30, 2023, Citi's required risk-based capital ratios included the 4.0% SCB and 3.5% GSIB surcharge under the Standardized Approach, and the 2.5% Capital Conservation Buffer and 3.5% GSIB surcharge under the Advanced Approaches (all of which must be composed of CET1 Capital). Commencing January 1, 2023, Citi's GSIB surcharge increased from 3.0% to 3.5%, which is applicable to both the Standardized Approach and Advanced Approaches. See "Regulatory Capital Buffers" above for more information.

The following tables present Citi's capital components and ratios as of December 31, 2023, September 30, 2023 and December 31, 2022:

<i>In millions of dollars, except ratios</i>	Advanced Approaches			Standardized Approach		
	December 31, 2023	September 30, 2023	December 31, 2022	December 31, 2023	September 30, 2023	December 31, 2022
CET1 Capital ⁽¹⁾	\$ 153,595	\$ 156,134	\$ 148,930	\$ 153,595	\$ 156,134	\$ 148,930
Tier 1 Capital ⁽¹⁾	172,504	176,878	169,145	172,504	176,878	169,145
Total Capital (Tier 1 Capital + Tier 2 Capital) ⁽¹⁾	191,919	197,219	188,839	201,768	205,932	197,543
Total Risk-Weighted Assets	1,268,723	1,249,606	1,221,538	1,148,608	1,148,550	1,142,985
Credit Risk ⁽¹⁾	\$ 910,226	\$ 892,423	\$ 851,875	\$ 1,087,019	\$ 1,087,701	\$ 1,069,992
Market Risk	61,194	59,880	71,889	61,589	60,849	72,993
Operational Risk	297,303	297,303	297,774	—	—	—
CET1 Capital ratio ⁽²⁾	12.11 %	12.49 %	12.19 %	13.37 %	13.59 %	13.03 %
Tier 1 Capital ratio ⁽²⁾	13.60	14.15	13.85	15.02	15.40	14.80
Total Capital ratio ⁽²⁾	15.13	15.78	15.46	17.57	17.93	17.28

<i>In millions of dollars, except ratios</i>	Required Capital Ratios	December 31, 2023	September 30, 2023	December 31, 2022
Quarterly Adjusted Average Total Assets ⁽¹⁾⁽³⁾		\$ 2,394,272	\$ 2,378,887	\$ 2,395,863
Total Leverage Exposure ⁽¹⁾⁽⁴⁾		2,964,954	2,927,392	2,906,773
Leverage ratio	4.0%	7.20 %	7.44 %	7.06 %
Supplementary Leverage ratio	5.0	5.82	6.04	5.82

(1) Citi's regulatory capital ratios and components reflect certain deferrals based on the modified regulatory capital transition provision related to the CECL standard. See "Capital Resources—Regulatory Capital Treatment—Modified Transition of the Current Expected Credit Losses Methodology" above.

(2) Citi's binding CET1 Capital and Tier 1 Capital ratios were derived under the Basel III Standardized Approach, whereas Citi's binding Total Capital ratio was derived under the Basel III Advanced Approaches framework for all periods presented.

(3) Leverage ratio denominator. Represents quarterly average total assets less amounts deducted from Tier 1 Capital.

(4) Supplementary Leverage ratio denominator.

As indicated in the table above, Citigroup's capital ratios at December 31, 2023 were in excess of the regulatory capital requirements under the U.S. Basel III rules. In addition, Citi was "well capitalized" under current federal bank regulatory agencies definitions as of December 31, 2023.

Common Equity Tier 1 Capital Ratio

Citi's Common Equity Tier 1 (CET1) Capital ratio under the Basel III Standardized Approach was 13.4% as of December 31, 2023, relative to a required regulatory CET1 Capital ratio of 12.3% as of such date under the Standardized Approach. This compares to a CET1 Capital ratio of 13.6% as of September 30, 2023 and 13.0% as of December 31, 2022, relative to a required regulatory CET1 Capital ratio of 12.0% and 11.5% as of such respective dates under the Standardized Approach.

Citi's CET1 Capital ratio under the Basel III Advanced Approaches was 12.1% as of December 31, 2023, compared to 12.5% as of September 30, 2023, relative to a required regulatory CET1 Capital ratio of 10.5% as of such dates under the Advanced Approaches framework. This compares to a CET1 Capital ratio of 12.2% as of December 31, 2022, relative to a required regulatory CET1 Capital ratio of 10.0% as of such date under the Advanced Approaches framework.

Citi's CET1 Capital ratio decreased under both the Standardized Approach and Advanced Approaches from September 30, 2023, driven primarily by Citi's net loss in the fourth quarter of 2023, higher deferred tax assets and the return of capital to common shareholders, partially offset by the beneficial net movements in *AOCI*. The decrease in the CET1 Capital ratio under the Advanced Approaches was also driven by an increase in Advanced Approaches RWA.

Citi's CET1 Capital ratio increased under the Standardized Approach and decreased under the Advanced Approaches from year-end 2022. The increase in the CET1 Capital ratio under the Standardized Approach was driven by increases in CET1 Capital primarily from net income of \$9.2 billion, beneficial net movements in *AOCI* and impacts from the sales of Asia Consumer businesses, partially offset by the return of capital to common shareholders, higher deferred tax assets and an increase in Standardized Approach RWA. The decrease in the CET1 Capital ratio under the Advanced Approaches was driven by an increase in Advanced Approaches RWA. The increases in CET1 Capital

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Components of Citigroup Capital

<i>In millions of dollars</i>	December 31, 2023	December 31, 2022
CET1 Capital		
Citigroup common stockholders' equity ⁽¹⁾	\$ 187,937	\$ 182,325
Add: Qualifying noncontrolling interests	153	128
Regulatory capital adjustments and deductions:		
Add: CECL transition provision ⁽²⁾	1,514	2,271
Less: Accumulated net unrealized gains (losses) on cash flow hedges, net of tax	(1,406)	(2,522)
Less: Cumulative unrealized net gain (loss) related to changes in fair value of financial liabilities attributable to own creditworthiness, net of tax	(410)	1,441
Less: Intangible assets:		
Goodwill, net of related DTLs ⁽³⁾	18,778	19,007
Identifiable intangible assets other than MSRs, net of related DTLs	3,349	3,411
Less: Defined benefit pension plan net assets and other	1,317	1,935
Less: DTAs arising from net operating loss, foreign tax credit and general business credit carry-forwards ⁽⁴⁾	12,075	12,197
Less: Excess over 10%/15% limitations for other DTAs, certain common stock investments, and MSRs ⁽⁴⁾⁽⁵⁾	2,306	325
Total CET1 Capital (Standardized Approach and Advanced Approaches)	\$ 153,595	\$ 148,930
Additional Tier 1 Capital		
Qualifying noncumulative perpetual preferred stock ⁽¹⁾	\$ 17,516	\$ 18,864
Qualifying trust preferred securities ⁽⁶⁾	1,413	1,406
Qualifying noncontrolling interests	29	30
Regulatory capital deductions:		
Less: Other	49	85
Total Additional Tier 1 Capital (Standardized Approach and Advanced Approaches)	\$ 18,909	\$ 20,215
Total Tier 1 Capital (CET1 Capital + Additional Tier 1 Capital) (Standardized Approach and Advanced Approaches)	\$ 172,504	\$ 169,145
Tier 2 Capital		
Qualifying subordinated debt	\$ 16,137	\$ 15,530
Qualifying noncontrolling interests	37	37
Eligible allowance for credit losses ⁽²⁾⁽⁷⁾	13,703	13,426
Regulatory capital deduction:		
Less: Other	613	595
Total Tier 2 Capital (Standardized Approach)	\$ 29,264	\$ 28,398
Total Capital (Tier 1 Capital + Tier 2 Capital) (Standardized Approach)	\$ 201,768	\$ 197,543
Adjustment for excess of eligible credit reserves over expected credit losses ⁽²⁾⁽⁷⁾	\$ (9,849)	\$ (8,704)
Total Tier 2 Capital (Advanced Approaches)	\$ 19,415	\$ 19,694
Total Capital (Tier 1 Capital + Tier 2 Capital) (Advanced Approaches)	\$ 191,919	\$ 188,839

- (1) Issuance costs of \$84 million and \$131 million related to outstanding noncumulative perpetual preferred stock at December 31, 2023 and 2022, respectively, were excluded from common stockholders' equity and netted against such preferred stock in accordance with FRB regulatory reporting requirements, which differ from those under U.S. GAAP.
- (2) Citi's regulatory capital ratios and components reflect certain deferrals based on the modified regulatory capital transition provision related to the CECL standard. See "Capital Resources—Regulatory Capital Treatment—Modified Transition of the Current Expected Credit Losses Methodology" above.
- (3) Includes goodwill "embedded" in the valuation of significant common stock investments in unconsolidated financial institutions.
- (4) Of Citi's \$29.6 billion of net DTAs at December 31, 2023, \$12.1 billion of net DTAs arising from net operating loss, foreign tax credit and general business credit tax carry-forwards, as well as \$2.3 billion of DTAs arising from temporary differences that exceeded 10%/15% limitations, were excluded from Citi's CET1 Capital as of December 31, 2023. DTAs arising from net operating loss, foreign tax credit and general business credit tax carry-forwards are required to be entirely deducted from CET1 Capital under the U.S. Basel III rules. DTAs arising from temporary differences are required to be deducted from capital only if they exceed 10%/15% limitations under the U.S. Basel III rules.
- (5) Assets subject to 10%/15% limitations include MSRs, DTAs arising from temporary differences and significant common stock investments in unconsolidated financial institutions. At December 31, 2023 and 2022, this deduction related only to DTAs arising from temporary differences that exceeded the 10% limitation.
- (6) Represents Citigroup Capital XIII trust preferred securities, which are permanently grandfathered as Tier 1 Capital under the U.S. Basel III rules.

- (7) Under the Standardized Approach, the allowance for credit losses is eligible for inclusion in Tier 2 Capital up to 1.25% of credit risk-weighted assets, with any excess allowance for credit losses being deducted in arriving at credit risk-weighted assets, which differs from the Advanced Approaches framework, in which eligible credit reserves that exceed expected credit losses are eligible for inclusion in Tier 2 Capital to the extent that the excess reserves do not exceed 0.6% of credit risk-weighted assets. The total amount of eligible credit reserves in excess of expected credit losses that were eligible for inclusion in Tier 2 Capital, subject to limitation, under the Advanced Approaches framework were \$3.9 billion and \$4.7 billion at December 31, 2023 and 2022, respectively.

Citigroup Capital Rollforward

<i>In millions of dollars</i>	Three months ended December 31, 2023	Twelve months ended December 31, 2023
CET1 Capital, beginning of period	\$ 156,134	\$ 148,930
Net income (loss)	(1,839)	9,228
Common and preferred dividends declared	(1,334)	(5,274)
Treasury stock	(500)	(1,271)
The secret transportation is an	156	450
CFA net of hedges, net of tax	1,383	752
Unrealized gains (losses) on debt securities AFS, net of tax	1,461	2,254
Defined benefit plans liability adjustment, net of tax	(367)	(295)
Adjustment related to change in fair value of financial liabilities attributable to own creditworthiness, net of tax	128	298
Other Accumulated other comprehensive income (loss)	(46)	(12)
Goodwill, net of related DTLs	(226)	229
Identifiable intangible assets other than MSRs, net of related DTLs	95	62
Defined benefit pension plan net assets	35	639
DTAs arising from net operating loss, foreign tax credit and general business credit carry-forwards	(856)	122
Excess over 10%/15% limitations for other DTAs, certain common stock investments and MSRs	(520)	(1,981)
CECL transition provision	—	(757)
Other	(109)	221
Net change in CET1 Capital	\$ (2,539)	\$ 4,665
CET1 Capital, end of period (Standardized Approach and Advanced Approaches)	\$ 153,595	\$ 153,595
Additional Tier 1 Capital, beginning of period	\$ 20,744	\$ 20,215
Qualifying perpetual preferred stock	(1,853)	(1,348)
Qualifying trust preferred securities	1	7
Other	17	35
Net change in Additional Tier 1 Capital	\$ (1,835)	\$ (1,306)
Tier 1 Capital, end of period (Standardized Approach and Advanced Approaches)	\$ 172,504	\$ 172,504
Tier 2 Capital, beginning of period (Standardized Approach)	\$ 29,054	\$ 28,398
Qualifying subordinated debt	25	607
Eligible allowance for credit losses	15	277
Other	170	(18)
Net change in Tier 2 Capital (Standardized Approach)	\$ 210	\$ 866
Tier 2 Capital, end of period (Standardized Approach)	\$ 29,264	\$ 29,264
Total Capital, end of period (Standardized Approach)	\$ 201,768	\$ 201,768
Tier 2 Capital, beginning of period (Advanced Approaches)	\$ 20,341	\$ 19,694
Qualifying subordinated debt	25	607
Excess of eligible credit reserves over expected credit losses	(1,121)	(868)
Other	170	(18)
Net change in Tier 2 Capital (Advanced Approaches)	\$ (926)	\$ (279)
Tier 2 Capital, end of period (Advanced Approaches)	\$ 19,415	\$ 19,415
Total Capital, end of period (Advanced Approaches)	\$ 191,919	\$ 191,919

Citigroup Risk-Weighted Assets Rollforward (Basel III Standardized Approach)

<i>In millions of dollars</i>	Three months ended December 31, 2023	Twelve months ended December 31, 2023
Total Risk-Weighted Assets, beginning of period	\$ 1,148,550	\$ 1,142,985
General credit risk exposures ⁽¹⁾	5,021	(951)
Derivatives ⁽²⁾	(4,961)	4,063
Repo-style transactions	(927)	9,546
Securitization exposures	(684)	(141)
Equity exposures ⁽⁴⁾	2,119	4,604
Other exposures	(1,250)	(94)
Net change in Credit Risk-Weighted Assets	\$ (682)	\$ 17,027
Risk levels	\$ 1,452	(3,388)
Model and methodology updates	(712)	(8,016)
Net change in Market Risk-Weighted Assets⁽⁵⁾	\$ 740	\$ (11,404)
Total Risk-Weighted Assets, end of period	\$ 1,148,608	\$ 1,148,608

- (1) General credit risk exposures include cash and balances due from depository institutions, securities, and loans and leases. General credit risk exposures increased during the three months ended December 31, 2023, primarily driven by card and mortgage activities as well as corporate lending, partially offset by divestitures and non-strategic portfolio exits.
- (2) Derivative exposures decreased during the three months ended December 31, 2023, primarily driven by reduced exposures and hedging activities. Derivative exposures increased during the 12 months ended December 31, 2023, mainly driven by increased exposures.
- (3) Repo-style transactions include repurchase and reverse repurchase transactions, as well as securities borrowing and securities lending transactions. Repo-style transactions increased during the 12 months ended December 31, 2023, mainly due to increased business activities.
- (4) Equity exposures increased during the 12 months ended December 31, 2023, primarily due to increased investment market values.
- (5) Market risk-weighted assets decreased during the 12 months ended December 31, 2023, primarily due to exposure changes and changes in model inputs related to volatility and correlation between market risk factors.

Citigroup Risk-Weighted Assets Rollforward (Basel III Advanced Approaches)

<i>In millions of dollars</i>	Three months ended December 31, 2023		Twelve months ended December 31, 2023	
Total Risk-Weighted Assets, beginning of period	\$	1,249,606	\$	1,221,538
General credit risk exposures ⁽¹⁾		18,587		47,594
Derivatives ⁽²⁾		(3,795)		(2,000)
Repo-style transactions ⁽³⁾		1,331		4,023
Securitization exposures		(854)		124
Equity exposures ⁽⁴⁾		2,260		5,011
Other exposures ⁽⁵⁾		274		3,599
Net change in Credit Risk-Weighted Assets	\$	17,803	\$	58,351
Risk levels	\$	2,026	\$	(2,679)
Model and methodology updates		(712)		(8,016)
Net change in Market Risk-Weighted Assets⁽⁶⁾	\$	1,314	\$	(10,695)
Net change in Operational Risk-Weighted Assets	\$	—	\$	(471)
Total Risk-Weighted Assets, end of period	\$	1,268,723	\$	1,268,723

(1) General credit risk exposures increased during the three and 12 months ended December 31, 2023, mainly driven by card and mortgage activities as well as corporate lending, accompanied by parameter updates.

(2) Derivative exposures decreased during the three and 12 months ended December 31, 2023, primarily driven by reduced exposures.

(3) Repo-style transactions increased during the 12 months ended December 31, 2023, primarily driven by business activities and parameter updates.

(4) Equity exposures increased during the three and 12 months ended December 31, 2023, primarily due to increased investment market values.

(5) Other exposures decreased during the 12 months ended December 31, 2023, mainly driven by receivables and other assets.

(6) Market risk-weighted assets decreased during the 12 months ended December 31, 2023, primarily due to exposure changes and changes in model inputs related to volatility and correlation between market risk factors.

Supplementary Leverage Ratio

The following table presents Citi's Supplementary Leverage ratio and related components as of December 31, 2023, September 30, 2023 and December 31, 2022:

<i>In millions of dollars, except ratios</i>	December 31, 2023	September 30, 2023	December 31, 2022
Tier 1 Capital	\$ 172,504	\$ 176,878	\$ 169,145
Total Leverage Exposure			
On-balance sheet assets ⁽¹⁾⁽²⁾	\$ 2,432,146	\$ 2,415,293	\$ 2,432,823
Certain off-balance sheet exposures ⁽³⁾			
Potential future exposure on derivative contracts	164,148	154,202	133,071
Effective notional of sold credit derivatives, net ⁽⁴⁾	33,817	32,784	34,117
Counterparty credit risk for repo-style transactions ⁽⁵⁾	22,510	21,199	17,169
Other off-balance sheet exposures	350,207	340,320	326,553
Total of certain off-balance sheet exposures	\$ 570,682	\$ 548,505	\$ 510,910
Less: Tier 1 Capital deductions	37,874	36,406	36,960
Total Leverage Exposure	\$ 2,964,954	\$ 2,927,392	\$ 2,906,773
Supplementary Leverage ratio	5.82 %	6.04 %	5.82 %

(1) Represents the daily average of on-balance sheet assets for the quarter.

(2) Citi's regulatory capital ratios and components reflect certain deferrals based on the modified regulatory capital transition provision related to the CECL standard. See "Capital Resources—Regulatory Capital Treatment—Modified Transition of the Current Expected Credit Losses Methodology" above.

(3) Represents the average of certain off-balance sheet exposures calculated as of the last day of each month in the quarter.

(4) Under the U.S. Basel III rules, banking organizations are required to include in Total Leverage Exposure the effective notional amount of sold credit derivatives, with netting of exposures permitted if certain conditions are met.

(5) Repo-style transactions include repurchase and reverse repurchase transactions as well as securities borrowing or securities lending transactions.

As presented in the table above, Citigroup's Supplementary Leverage ratio was 5.8% at December 31, 2023, compared to 6.0% at September 30, 2023 and 5.8% at December 31, 2022. The quarter-over-quarter decrease was primarily driven by a reduction in Tier 1 Capital due to Citi's net loss in the fourth quarter of 2023, redemption of qualifying perpetual preferred stock, the return of capital to common shareholders and an increase in Total Leverage Exposure, partially offset by beneficial net movements in *AOCL*.

Capital Resources of Citigroup's Subsidiary U.S. Depository Institutions

Citigroup's subsidiary U.S. depository institutions are also subject to regulatory capital standards issued by their respective primary bank regulatory agencies, which are similar to the standards of the FRB.

The following tables present the capital components and ratios for Citibank, Citi's primary subsidiary U.S. depository institution, as of December 31, 2023, September 30, 2023 and December 31, 2022:

	Required Capital Ratios ⁽¹⁾	Advanced Approaches			Standardized Approach		
		December 31, 2023	September 30, 2023	December 31, 2022	December 31, 2023	September 30, 2023	December 31, 2022
<i>In millions of dollars, except ratios</i>							
CET1 Capital ⁽²⁾		\$ 147,109	\$ 150,635	\$ 149,593	147,109	\$ 150,635	\$ 149,593
Tier 1 Capital ⁽²⁾		149,238	152,763	151,720	149,238	152,763	151,720
Total Capital (Tier 1 Capital + Tier 2 Capital) ⁽²⁾⁽³⁾		160,706	165,977	165,131	168,571	173,610	172,647
Total Risk-Weighted Assets		1,057,194	1,027,427	1,003,747	983,960	976,833	982,914
Credit Risk ⁽²⁾		\$ 769,940	\$ 750,046	\$ 728,082	\$ 937,319	\$ 940,019	\$ 948,150
Market Risk		46,540	36,667	34,403	46,641	36,814	34,764
Operational Risk		240,714	240,714	241,262	—	—	—
CET1 Capital ratio ⁽⁴⁾⁽⁵⁾	7.0 %	13.92 %	14.66 %	14.90 %	14.95 %	15.42 %	15.22 %
Tier 1 Capital ratio ⁽⁴⁾⁽⁵⁾	8.5	14.12	14.87	15.12	15.17	15.64	15.44
Total Capital ratio ⁽⁴⁾⁽⁵⁾			16.15	16.45	17.13	17.77	17.56

<i>In million</i>		Required Capital Ratios		December 31, 2023	September 30, 2023	December 31, 2022
Quarterly Adjusted Average Total Assets				\$ 1,666,609	\$ 1,666,706	\$ 1,738,744
Total Leverage Exposure ⁽²⁾⁽⁷⁾				2,166,334	2,139,843	2,189,541
Leverage ratio ⁽⁵⁾		5.0 %	8.95 %	9.17 %	8.73 %	
Supplementary Leverage ratio ⁽⁵⁾		6.0	6.89	7.14	6.93	

- (1) Citibank's required risk-based capital ratios are inclusive of the 2.5% Capital Conservation Buffer (all of which must be composed of CET1 Capital).
- (2) Citibank's regulatory capital ratios and components reflect certain deferrals based on the modified regulatory capital transition provision related to the CECL standard. See "Capital Resources—Regulatory Capital Treatment—Modified Transition of the Current Expected Credit Losses Methodology" above.
- (3) Under the Standardized Approach, the allowance for credit losses is eligible for inclusion in Tier 2 Capital up to 1.25% of credit risk-weighted assets, with any excess allowance for credit losses being deducted in arriving at credit risk-weighted assets, which differs from the Advanced Approaches framework, in which eligible credit reserves that exceed expected credit losses are eligible for inclusion in Tier 2 Capital to the extent that the excess reserves do not exceed 0.6% of credit risk-weighted assets.
- (4) Citibank's binding CET1 Capital, Tier 1 Capital and Total Capital ratios were derived under the Basel III Advanced Approaches framework for all periods presented.
- (5) Citibank must maintain required CET1 Capital, Tier 1 Capital, Total Capital and Leverage ratios of 6.5%, 8.0%, 10.0% and 5.0%, respectively, to be considered "well capitalized" under the revised Prompt Corrective Action (PCA) regulations applicable to insured depository institutions as established by the U.S. Basel III rules. Citibank must also maintain a required Supplementary Leverage ratio of 6.0% to be considered "well capitalized."
- (6) Leverage ratio denominator. Represents quarterly average total assets less amounts deducted from Tier 1 Capital.
- (7) Supplementary Leverage ratio denominator.

As presented in the table above, Citibank's capital ratios at December 31, 2023 were in excess of the regulatory capital requirements under the U.S. Basel III rules. In addition, Citibank was "well capitalized" as of December 31, 2023.

Citibank's Supplementary Leverage ratio was 6.9% at December 31, 2023, compared to 7.1% at September 30, 2023 and 6.9% at December 31, 2022. The quarter-over-quarter decrease was primarily driven by a reduction in Tier 1 Capital resulting from dividends, Citibank's net loss and an increase in Total Leverage Exposure, partially offset by beneficial net movements in AOCI.